



INVESTING IN A 21ST CENTURY CITY



2013 ANNUAL REPORT

Saskatoon, Saskatchewan, Canada - Year Ended December 31, 2013

OUR VISION

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.

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

OUR MISSION

Our Corporation, 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 CORPORATE 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

Our leadership commitments are another critical ingredient for the City of Saskatoon 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

STRONG MANAGEMENT AND FISCAL RESPONSIBILITY

EFFECTIVE COMMUNICATION, OPENNESS AND ACCOUNTABILITY

INNOVATION AND CREATIVITY

INVESTING IN A 21ST CENTURY CITY

City Council approved the City of Saskatoon's Strategic Plan 2013 - 2023 on August 14, 2013. The new plan positions Saskatoon as a *21st Century City*, and will guide the City to take its place among the most progressive and innovative cities in Canada.

The Strategic Plan sets out seven Strategic Goals that will guide City Council's decision-making and administrative policy-making over the next ten years:

CONTINUOUS IMPROVEMENT

ASSET AND FINANCIAL SUSTAINABILITY

QUALITY OF LIFE

ENVIRONMENTAL LEADERSHIP

SUSTAINABLE GROWTH

MOVING AROUND

ECONOMIC DIVERSITY AND PROSPERITY

Each Strategic Goal has 10-Year Strategies and 4-Year Priorities; these represent the “how-to” component of operationalizing the vision. Implementation strategies have been developed through the annual Corporate Business Plan and Budget process. The City continues to monitor performance as we bring Saskatoon's collective community vision to life. Our 2013 Annual Report - *Investing in a 21st Century City*, aligns with the goals set forth in the Strategic Plan 2013 - 2023.

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City of Saskatoon 2013 Annual Report
 Year Ended December 31, 2013
 Saskatoon, Saskatchewan, Canada

Prepared and Produced by the City of Saskatoon
 Finance Branch and Communications Branch

Financial Statements Presented to City Council on June 23, 2014
 Annual Report Presented to City Council on August 21, 2014

LETTER OF TRANSMITTAL



June 23, 2014

His Worship the Mayor
and Members of City Council

I am pleased to submit the City of Saskatoon's Annual Financial Report for the year ended December 31, 2013. The Annual Financial Report is submitted pursuant to Section 155 of *The Cities Act*. The financial report includes consolidated financial statements for the City of Saskatoon reporting entity as required by the Public Sector Accounting Standards Board (PSAB).

The purpose of this report is to provide financial, statistical, and other information about the City of Saskatoon and related entities to allow readers to gain an understanding of the City and the resources available to the City.

The Annual Financial Report consists of the following sections:

- › The introduction familiarizes readers with the political and organizational structure of the City, reviews the City's accomplishments over the past year, and describes the nature and scope of the services provided by the City.
- › A Financial Discussion and Analysis section, and the Consolidated Financial Statements.
- › The Financial Statement Discussion and the Statistical Section provides additional explanation and trend analysis to provide a broader understanding of the financial statements.

The preparation and presentation of the financial statements and related information contained in this report is the responsibility of the City of Saskatoon's management. The statements have been prepared on a basis consistent with the recommendations of PSAB. Included in the consolidated financial statements are those entities that are accountable to, and owned or controlled by, the City of Saskatoon. These entities include: the Saskatoon Public Library, Saskatoon Police Service, Saskatchewan Place Inc. (operating as Credit Union Centre), Saskatoon Centennial Auditorium (operating as TCU Place), and the Mendel Art Gallery.

City Council appointed the accounting firm of Deloitte LLP to perform an independent audit of the City's 2013 financial statements, and its report is included herein. The accuracy and reliability of the financial information is ensured by the City's system of internal controls. The Audit Committee reviews the external auditor's plan, and ensures corrective action is taken for weaknesses identified in the City's internal control system. An internal audit function through the services of Garman, Weimer & Associates Ltd. also report to the Audit Committee, ensuring internal controls and procedures are in place and adhered to through a series of internal audits and reviews.

As noted, the consolidated financial statements include information on the City's financial position and operating results, along with those of several related entities. The City's operations are typically segmented (General Operating, General Capital, Utility Operating, and Capital) for budgeting and reporting purposes. For the purpose of the consolidated financial statements, the financial position, and results of all the segments are brought together.

The financial statements included herein reveal that the City ended the year with an operational deficit of \$3,442,000 (see Schedule 6 within the Consolidated Financial Statements on page 94).

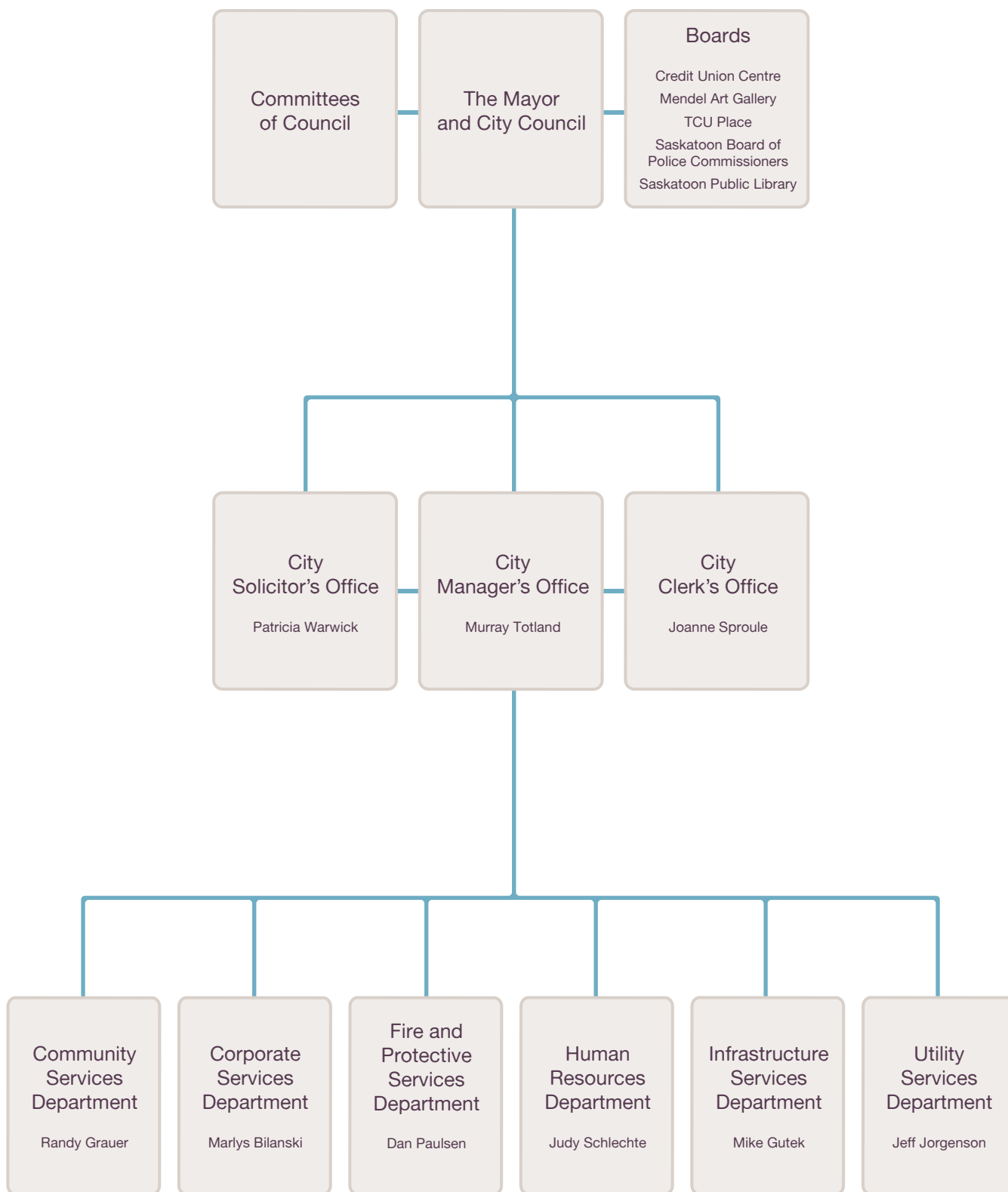
The City's 2013 capital program included planned expenditures of \$425,819,000. These expenditures were financed from reserves, development levies, contributions from developers, Federal and Provincial grants, gas tax revenues from the Federal Government, and borrowing.

The City continues to receive positive reviews from Standard and Poor's (S&P) which reconfirmed the City's AAA credit rating.

Respectfully submitted,

Marlys Bilanski, CMA, FCMA
General Manager, Corporate Services

CITY OF SASKATOON ORGANIZATIONAL CHART 2013



MESSAGE FROM THE MAYOR



Mayor Donald Atchison

Our success as a city is measured by how we treat each citizen. I want Saskatoon to be a world class city with the largest and strongest middle class. I want a city that is culturally diverse and welcoming to people from all over the world. I want a city and a region that hums with economic activity and creates thousands of new jobs. Simply put, I want Saskatoon to be the best. I believe we are on the right track.

We continue to see signs of unprecedented economic strength. In 2013 our GDP grew by an amazing 6.7%. We saw job growth of 8.2% and unemployment of 4.2%. These numbers are real and so is the economic impact. Our population neared the 250,000 mark.

Saskatoon's success is dependent on the region's success. We launched Our Plan For Growth (P4G) with our partners the Rural Municipality of Corman Park, Martensville, Warman and Osler. We are well on our way to a significant agreement that will clearly define the role each partner will play in our future success well into this century. It is that certainty that will guide families, business and industry.

We are defining our future within our boundaries as well. The initiative is called *Growing Forward! Shaping Saskatoon*. It is examining ways to encourage sustainable growth and provide more attractive transportation options. In addition, there is a dynamic new approach to development downtown with our *City Centre Plan*. As well, *North Downtown Master Plan* is reimagining the old city yards. Today it is a brownfield of the past. It will be brought to life with an eco-friendly and energetic plan for shops, businesses and housing for thousands of people. In the years ahead, you will see a Saskatoon that provides opportunities to live, work and play in the city centre.

Our nationally recognized Attainable Housing Program is being extended for ten more years. We will partner with the Province, the private sector, community groups and faith based organizations to provide 5,000 more attainable housing units over the next decade.

We are grateful for the partnerships we have forged with the Provincial Government and the Federal Government and look forward to creating more opportunities for success in Saskatoon.

Within the administration there is a culture of continuous improvement. Departments are looking for cost efficiencies and smarter ways to do business. Our focus is on improving customer service all the while being good stewards of precious tax dollars. The City continues to be recognized for fiscal prudence receiving another AAA credit rating from Standard & Poor's.

British Prime Minister Winston Churchill once said, "A pessimist sees the difficulty in every opportunity. An optimist sees the opportunity in every difficulty." I see a city filled with opportunities to succeed. I see a great city for the quarter of a million people who call Saskatoon home today and the tens of thousands who will, in the years ahead, find their place in this *21st Century City*.

Donald J. Atchison, Mayor

The City of Saskatoon is governed by an act of legislation of the Province of Saskatchewan known as *The Cities Act*. The Mayor is the Chief Executive Officer of the City.

Administrative powers and duties have been delegated to the City Manager who is appointed by City Council. The Council consists of the Mayor and ten Councillors, elected for a period of four years. Each Councillor represents a specific ward or area of the city.



Mayor Donald Atchison



Councillor Darren Hill
Ward 1



Councillor Pat Lorje
Ward 2



Councillor Ann Iwanchuk
Ward 3



Councillor Troy Davies
Ward 4



Councillor Randy Donauer
Ward 5



Councillor Charlie Clark
Ward 6



Councillor Mairin Loewen
Ward 7



Councillor Eric Olauson
Ward 8



Councillor Tiffany Paulsen
Ward 9



Councillor Zach Jefferies
Ward 10

MESSAGE FROM THE CITY MANAGER



Murray Totland
City Manager

On behalf of the Administration, I am pleased to present the City of Saskatoon's 2013 Annual Report - *Investing in a 21st Century City*. This Annual Report will provide citizens with information on the City's performance and the many successes achieved last year, and includes a detailed Financial Discussion and Analysis along with the 2013 Consolidated Financial Statements.

Saskatoon continued to experience rapid growth on all fronts in 2013. Our population was 248,700 at year end, and the unemployment rate decreased from 5.5% to 4.2%. RBC's annual Canadian City Trends poll ranked Saskatoon second of all major Canadian cities in job growth - and first in adult population growth.

Saskatoon's actual GDP growth expanded by 6.7% and remained one of the strongest in Canada, up from 4.1% in 2012. Per capita income growth grew by 3.4% over the previous year, and we had record employment growth, with approximately 12,000 new jobs added.

With a thriving business sector, building permits totalled 5,020 and valued at almost \$1.2 billion. When it came to nurturing business, Saskatoon continued as one of the best. According to the Canadian Federation of Independent Business, Saskatoon had one of the most business friendly climates in Canada, second behind Greater Calgary for the second straight year. The City also successfully launched online business license applications in 2013.

We continue to be well positioned financially as a city, and our Standard & Poor's AAA credit rating remained intact. Saskatoon's trajectory of positive growth and continued economic development was and continues to be exciting, but not without challenges.

While this new stage of growth for the City and our keen focus on continuous improvement throughout the corporation resulted in extensive improvements to capital infrastructure to meet growing citizen expectations, the detailed financial statements included herein reveal that the City ended 2013 with an operational deficit. A number of factors contributed to this deficit; however, the majority was the result of record snow fall and the associated expenditures in the Snow and Ice Management program.

To *Invest in a 21st Century City*, the 2013 Budget provided the highest land development investment ever - over \$171 million of capital funding - which was used to build and install services, arterial road construction, and park development within new neighbourhoods. The Budget also introduced a road levy equivalent to a one per cent increase to the mill rate, which was dedicated to extensive road maintenance and preservation.

We invested in infrastructure that provides sustainable long-term benefits to citizens, making it easier to move around the city. We expanded and improved our water reservoirs to enhance our ability to treat water, helping service the City's booming north industrial and northeast sectors. The new Circle Drive South Bridge opened, and the functional plan for the North Commuter Parkway was completed. Saskatoon Transit began implementing new technology to improve current service and prepare for a future Bus Rapid Transit System.

With existing and extensive new neighbourhood growth plans prepared, the City Centre Plan was approved by City Council, and public consultations commenced on the North Downtown Area Master Plan, focusing on our future sustainable growth while providing the best possible living and working environments for our citizens and business owners. The 2013-2022 Housing Business Plan was approved, with City Council providing \$1.4 million towards affordable housing units in 2014.

The Civic Square East building was acquired to accommodate civic staff currently working in external locations, and work on the long-term accommodation plan continues. A Continuous Improvement Strategy was developed to streamline and standardize processes within the corporation, ultimately reducing our costs and waste. We were pleased to again be named one of *Saskatchewan's Top Employers* and one of *Canada's Best Diversity Employers* in 2013; a new Workforce Strategy that included hiring a diverse workforce was also completed.

MESSAGE FROM THE CITY MANAGER

We continued to investigate alternative revenue sources to help alleviate pressure on the Property Tax Levy, such as applying for and gaining approval for P3 funding for a multi-use site at the new Civic Operations Centre, including a new snow storage facility.

The City's new growth plan, *Growing Forward! Shaping Saskatoon* will examine ways to encourage sustainable growth and provide more attractive transportation options as Saskatoon grows to half a million people. A number of studies commenced to inform citizens on topics like rapid transit, and neighbourhood design including infill development.

We remained committed to the environment. Energy monitoring equipment, solar panels, and combined heat and power technology were installed in civic facilities that use the most energy. Our new \$15 million Landfill Gas Collection System will soon be reducing greenhouse gas emissions, equivalent to removing 9,000 vehicles from our roads, and generating about \$1.3 million from the sale of the electricity to SaskPower. The city-wide residential recycling program was launched and currently serves 66,000 households in 66 neighbourhoods.

We continued to invest in sport, recreation and culture activities that enhance accessibility and provide enjoyment for our citizens. Construction on the new Rемаi Modern Art Gallery of Saskatchewan began and more off leash dog and recreation areas were created.

Finally, we committed to the creation of a more citizen friendly website, and a new mass notification system to help communicate important messages to residents during emergency situations and major service interruptions.

This is a brief overview of our many accomplishments this past year, the details of which you will find in this report. The efforts of everyone involved in *Investing in Our 21st Century City* to meet the challenges of rapid growth and the expectations of Saskatoon citizens make me proud, and I am honoured to serve as your City Manager.



Murray Totland , P.Eng., MBA, City Manager

HOW DO OTHERS SEE THE CITY?

“For the third year in a row, Saskatoon has recorded the strongest growth of any census metropolitan area in 2013, according to Statistics Canada.”

- The Canadian Press

Saskatoon is Saskatchewan's largest city. With a growing population and a thriving business sector, Saskatoon has positioned itself as an attractive and vibrant city that is a key driver of the Saskatchewan economy. Saskatoon's diverse economy, low unemployment, healthy real estate market, and rising incomes, all indicate that Saskatoon will continue to grow and prosper becoming an even more attractive and competitive city.

Saskatoon was chosen as One of the 10 Best Midsized Canadian Cities in Which to Live, by Money Sense Magazine in 2013.

Financially Sound AAA/Stable Credit Rating

In 2013, the City received another AAA/Stable credit rating from Standard & Poor's (S & P), the international bond-rating agency. The City has earned the AAA/Stable rating - S&P's highest rating - every year for more than a decade.

“Saskatoon's economic fundamentals are very strong, in our view. We think Saskatoon is managing its growth well, and we expect this to continue.”

- Standard & Poor's, 2013

Saskatoon Records Strongest CMA Growth... Canada's Fastest Growing City

According to a February 2013 Statistics Canada report, the Saskatoon Census Metropolitan Area (CMA) recorded the strongest growth of any CMA in the country for the third year in a row; the population of Saskatoon's CMA (which includes cities and towns such as Martensville, Warman, and Delisle) was 292,597 as of July 1, 2013.

Based on Statistics Canada Annual population estimates, the City of Saskatoon has been growing at an average annual rate of 3.1% for the period 2009-2013 and 3.8% for 2011-2013. Maintaining a 3% growth rate will mean that Saskatoon's population would grow to approximately 279,000 by 2017.

“... for an ever expanding city, Saskatoon's robust planning for the challenge of growth requires forward thinking, ingenuity and innovation; Saskatoon is prepared.”

- SREDA, *Business in Focus*, August 2013

Since 2006, the city has grown by 38,000 new residents - averaging 6000 new residents per year. In 2013 alone, 8,588 new residents made Saskatoon their home.

Canada's Fastest Growing Economy

The Conference Board of Canada's Metropolitan Outlook - Spring 2014 reported that in 2013, Saskatoon showed the strongest GDP growth among all major cities in Canada at 6.7%, the fastest since 2008. At the end of 2013, Saskatoon's GDP value was \$16.8million - this represented approximately 29% of Saskatchewan's total GDP. In 2013, a one percentage point increase in GDP added approximately \$157million in value to the Saskatoon economy. The Conference Board of Canada predicts Saskatoon's GDP growth for Saskatoon will cool and moderate to between 2% - 3% for the next 5 years.

“Vibrant job markets in Saskatoon and Regina are attracting newcomers from all over Canada and abroad, boosting population growth and spurring demand for housing.”

- Mario Lefebvre, Centre for Municipal Studies,
Conference Board of Canada

Saskatoon the Second Most Entrepreneurial City in Canada

The 2013 *Communities in Boom* report from the Canadian Federation of Independent Business (CFIB) named Saskatoon the second most entrepreneurial city in Canada, just a point behind Greater Calgary.

In 2013, a total of 1,317 business licenses were issued, a 3% increase over 2012; 451 were commercial, and 866 for home based businesses. The total number of licensed businesses within Saskatoon in 2013 was 10,253.

“Growing communities raise property values, utilize infrastructure more effectively and provide residents with a greater range of economic and social opportunities.”

- Ted Mallett, CFIB Vice-President & Chief Economist

A NUMBER OF FIRSTS FOR THE CITY IN 2013

“People from across the province, Canada and the world are drawn to our city for its quality of life, limitless opportunities and highly-skilled and educated workforce.”

- Strategic Plan 2013-2023: (Strategic Goal: Economic Diversity and Prosperity)

Saskatoon Boasts Record Employment Growth

In 2013, Saskatoon had record employment growth adding approximately 12,000 new jobs. This job growth expanded Saskatoon's labour force in 2013 to approximately 169,000 people.

One of Saskatchewan's Top Employers

The City of Saskatoon was named one of *Saskatchewan's Top Employers* in the regional segment of the 2013 *Canada's Top 100 Employers* competition. The City earned high marks for its employee benefits, work/life balance and employee development/training opportunities.

One of Canada's Best Diversity Employers

The City of Saskatoon was also named one of *Canada's Best Diversity Employers* in 2013, this recognition for the second year in a row. In addition to being recognized for exceptional workplace diversity and inclusiveness programs, the City was singled out for its community partnerships and recruitment initiatives.

“This is a testament to our inclusive practices that our employees champion and portray every day.”

- Mubarka Butt, *Employment and Total Compensation Branch Manager, City of Saskatoon*

A Number of Firsts for the City in 2013!

Report a Pothole Online Reporting Launched

The massive snowfall of 2012-2013 resulted in the City's Spring Pothole Blitz using 90 dump trucks of asphalt mix to fill more than 150,000 potholes and 27 larger areas of clustered potholes making it easier and safer to move around Saskatoon. The City also launched the *Report a Pothole* online form where City website users can report a pothole concern.

Service Alerts

The City's Communications Branch launched a new online tool called *Service Alerts* in 2013 as another way to communicate unplanned service interruptions to citizens. Interruptions to City

services such as power outages, leisure facility closures, traffic detours, and residential street sweeping schedules can be found online quickly and easily. Service Alerts are automatically posted to the City's website, Facebook and Twitter, or citizens can sign up to be notified through RSS Feeds.

First Fall Street Sweep in Over 20 Years

November snowfall brought an early end to the City's first fall street sweeping program in over 20 years. The program targeted neighbourhoods with a higher risk of drainage issues in the spring due to heavy leaf debris. While not every scheduled neighbourhood was swept, the program successfully swept up more than 600,000 kg of leaves and debris. The City was also able to pilot test new “No Parking” signs, a new Street Sweeping Hotline, and enhanced communication tools, which will be implemented for other repair and maintenance programs.

New Online Business License System

The City of Saskatoon Business License Program launched *Business License Online*, a new tool to provide a convenient way for business operators to apply for or renew their Business License. It is safe, easy to use, and accepts payments from major credit cards. New business license applications and renewals may continue to be submitted by mail or in person.

New Interactive Map Shows Scheduled Paving

An new interactive map (iMap) was implemented in 2013 showing each recorded utility cut (where underground utility work occurred) that requires permanent patch paving. The iMap identifies the address and date of excavation and also indicates the scheduled date for patch-paving over an on-going four week period.

Back Lane Maintenance Program Launched

Every spring, Public Works staff evaluate over 400 km of gravel back lanes to determine whether grading, restoration or reconstruction work is necessary. The Back Lane Maintenance Program now includes a new online iMap function that lets residents see which back lanes are scheduled for work and when.

HOW DO CITIZENS SEE THE CITY?

“Saskatoon cherishes and builds upon what it values most: its people and their strong sense of community.”

City of Saskatoon Strategic Plan 2013-2023

A Great Big Thank-You to Dedicated City Staff

“Tonight’s fireworks were a perfect example of city pride! Your hard working people from the City’s management team have worked extremely hard to put together the events around the city for tonight and into the weekend and I want you to know that it is deeply appreciated. What you may or may not know is that it is this dedication that makes people like my husband and I so happy and proud to be here. We feel increasingly tied to Saskatoon and would rather be here than anywhere else in Canada. This is the biggest little city in Canada! Thank you one and all!”

- Sharon and Tom M, Recently relocated to Saskatoon from Ireland

Appreciation for Water Treatment Staff

“Your recent (Star Phoenix) article about the upgrade to the city’s water intake should remind us of the excellent work of the City of Saskatoon folk at the 11th Street plant. They provide us with high-quality water every time we turn on the tap. ... As a retired University of Saskatchewan professor, I do many field measurements of water quality and use house tap water as the ‘check’ of my instruments. If there is any doubt, I phone the 11th Street lab and they tell me what they are putting in the lines at that time. Yes, they actually answer the phone, and they always have the answer. We should all appreciate their good work.”

- Les H., Former U of S Professor

Applause for the 2013 Fall Street Sweeping Pilot Program

I believe that the fall street sweeping program has run very well and applaud the city staff for making this work. The sandwich board signs seemed to have kept cars off work areas and the process has been quick.

There will be many benefits from this program including neighbourhood aesthetics, improved street drainage, safety (navigating curbs for seniors), and the absence of rotting detritus next spring.

- Gord A., City Resident

Transit Drivers a Real Credit to the City

“All the drivers were very helpful and friendly. They would go out of their way to make sure I made my connections. It was really a pleasure to get on a bus and be greeted by a driver ... I found, as a visitor to Saskatoon, the transit drivers I encountered are a real credit to the city, and really helped to make my stay in the city a very pleasant one.”

- Out of Town Visitor commenting on Saskatoon Transit

City Resident on Saskatoon Light & Power

“I had the real pleasure of watching the [Saskatoon Light & Power] crews that replaced the damaged power pole on our street, Wednesday, July 17th. It was a big job. They knew what they were doing and worked hard and efficiently all morning and into early afternoon. I had ‘rock star’ seating on my porch. They appeared to have good leadership and morale and some of their comments and discussions had me laughing out loud.”

- Letter received at the City

Raves about Wildwood Golf Course

“I’ve never seen the BIG TRACK look this good. Best fairways I’ve played this year.”

- Kim Coates, Home-Grown Sons of Anarchy Star

Resident Pleased with City Assessor’s Office Helpful Information

“We have contacted the [City] Assessor’s Office on four occasions with respect to our [property assessment] appeal and each time our questions have been answered promptly and fully. Furthermore, during our exploration of the Assessor’s website we discovered the Property Assessment Online Tool, which has provided us with sufficient information to quantify the relative importance of variables such as condo size, floor level and orientation ... Whether our appeal is successful or not, thanks to the persons who answered our calls and the Online Tool, we have a good idea of how the units in [our building] are modeled for purposes of assessment.”

- David M., City Resident

2013 Civic Services Survey

SAYS...

88% Rate Quality of Life Good

According to the 2013 Civic Services Survey, 88% of Saskatoon citizens are satisfied with the quality of life in Saskatoon, rating it good or very good.

78% Give Civic Services a Thumbs Up

The Civic Services Survey shows that 78% of Saskatoon citizens are satisfied with the overall level of services provided by the City.

68% Say They Get Good Value for Property Taxes

More than two thirds (68%) of citizens believe they receive good or very good value in civic services for the property tax they pay.

Civic Services Deemed Most Important to Residents

Respondents rated the quality of the drinking water, fire protection services, maintenance of major roadways and freeways in the city, police services, and the repair of water main breaks as being most important.

Opportunities Citizens Identified for Improvement

Areas where satisfaction falls short of importance include maintenance of major roadways, traffic management, and neighbourhood street maintenance.

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About the author

An aerial photograph of the Saskatoon River, showing the Victoria Bridge with its multiple arches spanning the water. The city skyline is visible in the background, and lush green trees line the riverbanks.

INTRODUCTION TO BUSINESS LINES REPORTING

The City of Saskatoon implemented major changes to its planning and budgeting process in 2011 that established a new business plan, and integrated the City's operating and capital budgets. In part, this was done for the following reasons:

- › The City of Saskatoon believes that the resources allocated to the various programs, services, and projects should be tied to clear and achievable plans.
- › Because the City of Saskatoon's capital investments have a direct impact on the day-to-day operations, the City believes that by integrating the operating and capital budgets, it enables more effective management of the City's financial resources.
- › By combining the operating and capital budgets, the full costs of funding the City's business lines are more clearly understood.

The City's approach to business planning and budgeting is intended to:

- › Improve transparency and decision-making by providing City Council and citizens with more information about where City funds are used, linking service costs to service levels and outcomes, and better connecting long-term goals to short-term spending decisions.
- › Increase the City's accountability in delivering services to citizens effectively and efficiently, while maintaining its focus on a sustainable future.
- › Help the City transform its organization by providing for more regular, ongoing, and thorough examination of City services to ensure that services are relevant to citizens' needs and priorities.

Corporate Governance and Finance

Provides administrative, human resources, information technology, and finance supports for all other business lines.

Taxation

The property levy is the amount required from property taxes to balance the operating budget. This levy includes growth in the assessment roll over the previous year plus the requirements to fund the current year's budget. Supplementary taxes are levied on properties that were changed in the current taxation year and not a part of the original levy.

Corporate Asset Management

Provides building operation and maintenance services for the City's buildings and structures, and manages its fleet of vehicles and equipment.

Police

The Saskatoon Police Service works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Police Service, in partnership with City Council and the community, continue enforcement with proactive prevention, education, and early intervention strategies.

Fire and Protective Services

Provides fire prevention, public fire and life safety education, emergency response, and the direction and coordination of the City's emergency planning and preparedness.

Utilities

Provides cost-effective and high-quality electricity (Saskatoon Light & Power), quality drinking water, treatment of wastewater, and storm water management (Water & Sewer).

Recreation and Culture

Provides opportunities for citizens to participate in, and enjoy, the benefits of sport, recreation, culture, and park activities.

Community Support

Provides supports and community investments to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighbourhood-based associations and organizations.

Environmental Health

Preserves and protects the long-term health of our urban environment.

Transportation

Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.

Urban Planning and Development

A proactive approach to community planning that accommodates growth and change while balancing long-term economic, environmental, and social needs, and achieving the desired quality of life expressed by our citizens.

Land Development

Operates on a level playing field with the private sector, and ensures adequate levels of serviced inventory for both residential and industrial land are maintained to meet demand.



CORPORATE GOVERNANCE AND FINANCE

Provides administrative, human resources, information technology, and finance supports for all other business lines.

The Corporate Governance and Finance business line provides essential administrative, human resources, information technology, and finance supports for all other business lines. The expertise provided by City staff in these key areas helps to ensure the smooth, seamless provision and delivery of services to residents, businesses, organizations, and stakeholders.

There is a wide range of employee and organizational services including: workplace safety, health and wellness, employee benefits, recruitment, corporate accounting, and information technology.

2013 At A Glance

- › There are 11 elected officials consisting of one Mayor and 10 Ward Councillors.
- › There are 12 unions and associations within the City's organizational structure.
- › Total 2013 budgeted revenues corporately of \$386.0 million.
- › The 2013 assessed value of all property in Saskatoon is \$38.1 billion (taxable \$30.8 billion).
- › There are 18 Joint Occupational Health and Safety Committees representing employees from every department in the City's organizational structure.
- › There are 3,217 full-time equivalent (FTE) positions being budgeted for 2014. Currently there are 3,966 permanent employees (including full-time, part-time, and job share employees).

Major Projects and Initiatives 2013**Improving Customer Service**

- › A Customer Service Delivery Coordinator was hired to facilitate a consistent, corporate-wide approach to customer service. This includes training and development of a customer service framework. Technologies are being investigated to support tracking of citizen inquiries and requests, and to ensure residents have convenient access to digital information.

Improving Efficiency, Reducing Costs, Reducing Waste

- › A Continuous Improvement Strategy was developed and is designed to streamline and standardize processes, with the ultimate goal of reducing costs and waste, while improving efficiency. Continuous Improvement initiatives will be built into the business plans for each division and department in 2014.

Electronic Agenda and Meeting Management and Video Streaming System

- › The Request for Proposals was finalized for the Electronics Agenda and Meeting Management Solution, including Video Streaming and Corporate File Sharing Components, with an anticipated release date in early 2014.

Local Firm Chosen for Website Redesign

- › Development of a more customer/citizen friendly website is underway. A Project Steering Committee consisting of Civic staff and community representatives was established and a Request for Proposals was finalized. City Council approved the selection of an award-winning local digital media firm, zu, as lead consultant.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2013

Aligning the Corporate Business Plan and Budget to the Strategic Plan

- › Business Lines were aligned with the Strategic Goals and a process was designed to assist supervisors and managers in preparing their Business Plan and Budget. Facilitated discussions with staff helped to highlight how their work supports the Vision, Strategic Goals, and Priorities set by City Council.

Workforce Strategy

- › A Workforce Strategy was completed with implementation plans underway for succession planning, as well as recruitment and retention, and hiring a diverse workforce.

Disability Assistance Program Update

- › The Disability Assistance Program (DAP) manual was reviewed and updated. Ongoing training and coaching for managers and supervisors includes information on the Attendance Support Process, the Health Management System and the duty to accommodate.



TAXATION

The property levy is the amount required from property taxes to balance the operating budget. This levy includes growth in the assessment roll over the previous year plus the requirements to fund the current year's budget. Supplementary taxes are levied on properties that were changed in the current taxation year and not a part of the original levy.

Grants-in-Lieu of taxation are received from Federal and Provincial governments for properties they own but are exempt from taxation. In most part, 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, storm water, and Transit. Civic utilities are treated like utility corporations that would pay taxes for using property, both above and below the surface, to conduct its business.

Included in the levy are amounts related to recently annexed properties. The annexation cost is amortized over the agreed upon number of years used to calculate the annexation provision to the RM of Corman Park, and is expensed as Tax Loss Compensation.

BUSINESS LINES

2013 At A Glance

Confirmed Assessment Roll for 2013:

Total Assessment for Saskatoon	\$ 38,122,543,700
Total Number of Properties.	84,592
Total Number of Taxable Residential Condos.	17,558
Total Number of Taxable Residential (less than 4 units).	60,221

Taxable Assessment:

Total Taxable Assessment	\$ 30,448,361,645
Taxable Portion.	\$ 23,311,061,870 - 76.6% of total
Exempt Portion.	\$ 7,137,229,775 - 23.4% of total

Major Projects and Initiatives 2013

Exploring Alternative Revenue Sources

- › The City continues to investigate alternative revenue sources to help alleviate pressure on the Property Tax Levy. The provincial revenue sharing formula, federal gas tax revenues, and the extended Building Canada Fund all assist with operating and capital funding.



CORPORATE ASSET MANAGEMENT

Provides building operation and maintenance services for the City's buildings and structures, and manages its fleet of vehicles and equipment.

The Corporate Asset Management business line provides building operations and maintenance services for the corporation's buildings and structures such as leisure facilities, fire halls, transit buildings, civic office buildings, and other facilities belonging to Boards. The City employs a comprehensive maintenance strategy to ensure the long-term preservation of its facilities infrastructure. The strategy is a combination of a sound preventive maintenance philosophy, a progressive, planned, and orderly-developed approach to maintenance, and prudent financial management practices.

The Vehicle and Equipment Services program provides equipment management services for the corporation's vehicles and equipment fleet, including purchasing, leasing, rentals, maintenance, repair, and training.

2013 At A Glance

- › Number of employees: 212.05 full-time equivalents (FTE).
- › Building value: \$1.15 billion; Contents value: \$247.2 million.
- › Total building areas: 3.87 million square feet.
- › Total number of play structures maintained: 128.
- › Total number of parks: 232.
- › Total number of paddling pools: 32; spray pools: 16.
- › Approximately 8,000 assets maintained via the Comprehensive Maintenance Program.

BUSINESS LINES

- › There are 1,200 vehicles and equipment in the City's fleet.
- › Total fleet book value: \$80.0 million.
- › Total diesel and gasoline pumped each year: 3.6 million litres.
- › Total number of radios on the system: 1,403.
- › Total value of radio system infrastructure: \$5.3 million.
- › Total value of radios: \$9.5 million.

Major Projects and Initiatives 2013

Bus Barns Moving to Civic Operations Centre

- › Private Public Partnership (P3) funding was approved to relocate the bus barns to a multi-use site at the new Civic Operations Centre. The project is moving into the request for proposals stage. The new Transit facility will be constructed in 2015/2016.

Permanent Snow Storage Facility at Civic Operations Centre

- › P3 funding was approved for a multi-use site at the new Civic Operations Centre. This site includes a Snow Storage Facility. The project is moving into the Request for Proposals stage. The search continues for suitable land in the South East quadrant.

Cost-Effective Approach to Fleet Replacement

- › The City continues to utilize two specific alternate vehicle replacement mechanisms; a lease to purchase and the purchasing of "newly used" equipment to replace its aging fleet of vehicles and equipment.

Civic Accommodation in City Hall

- › The Civic Square East building was acquired in 2013 and will be used to accommodate civic staff relocated from external locations when leases expire in 2014. Work on the long-term accommodation plan will continue through 2014.



Police

The Saskatoon Police Service works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Police Service, in partnership with City Council and the community, continue enforcement with proactive prevention, education, and early intervention strategies.

Nine out of ten residents believe Saskatoon provides a good quality of life. 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 Public Safety business line.

The Saskatoon Police Service (SPS) completed a core service review and decided upon its core responsibilities: Emergency Response, Quality Investigations, Traffic, and Community Involvement. The redeployment in 2007 has positioned the SPS in a very operational stance, with almost all sworn members directly dealing with the public.

The SPS works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Police Service, in partnership with City Council and the community, combine enforcement with proactive prevention, education, and early intervention strategies.

BUSINESS LINES

2013 At A Glance

- › SPS has 435.5 police officers, 58.5 special constables, and 131.61 civilians, for a total of 625.61 staff members.
- › There were over 270,000 calls to the communication centre, and cars were dispatched to 72,996 calls for service.
- › Arrests processed through the detention area: 11,627.
- › Traffic offence tickets issued: 36,461.

Major Projects and Initiatives 2013

New Headquarters for Saskatoon Police Service

- › Construction of the new Police Headquarters is almost complete. 25th Street has now been opened and Ontario Avenue has been paved for access to the North side of the building and parkade. Occupancy is expected mid-2014.

Upgraded Radio System

- › An upgraded trunked radio system for the entire corporation is nearly finished and housed in the new Police Headquarters. The system is P25 compliant and will assist police, fire and all city departments that have a radio system well into the future.

Enhanced Web-based Reporting

- › Capacity and access has been enhanced for web-based reporting. Additional crime categories and information have been added. The new categories have expanded the ability to take more reports over the website, thus reducing our dispatch call load.

Continued . . .

Major Projects and Initiatives 2013**Cultural Diversity Action Plan**

- › A video aimed at attracting First Nations and Metis candidates to become police officers and/or civilian employees is in the final stage. The video will be used by the Aboriginal Recruiter and School Resource Officers at various events to demonstrate a welcoming environment and career opportunities at the Saskatoon Police Service.

Traffic Safety

- › Education and enforcement have played an integral role with reducing traffic collisions in Saskatoon. Specific education within the schools and enhanced enforcement regarding distracted driving, pedestrian safety, bike safety, and extra attention to “high collision” intersections has netted a decrease in the collision rate from 3,392 per 100,000 population to 3,127 per 100,000 population.



FIRE AND PROTECTIVE SERVICES

Provides fire prevention, public fire and life safety education, emergency response, and the direction and coordination of the City's emergency planning and preparedness.

Saskatoon Fire & Protective Services (SFPS) provides Fire Prevention, Public Fire and Life Safety Education, Emergency Response (Fire, Rescue, Emergency Medical Services, Hazardous Materials), and provides the direction and coordination of the City's emergency planning, preparedness, business continuity, and recovery (Emergency Measures Organization- EMO) requirements. SFPS, in partnership with City Council and the community, combines enforcement with proactive prevention, education, and early intervention strategies.

2013 At A Glance

- › SFPS has 334 full-time employees; 9 Fire Stations; 1 Dispatch Centre; Fire Prevention, Community Relations, Maintenance/Mechanical, Staff Development, Emergency Measures (EMO) and Administration Divisions.
- › As of December 31, 2013, the Fire Prevention and Investigation Division and Fire crews conducted 2,251 fire inspections and 19,259 property maintenance inspections.
- › The Saskatchewan Rental Housing Supplement Program was introduced in 2005, with a potential to conduct up to 1,040 inspections per annum of single-family rental properties to assist clients of Social Services. In order to qualify for an additional rental income supplement, these properties must be inspected to ensure they meet minimum fire and life safety standards. As of December 31, 2013, this program, in partnership with the Province, has resulted in an additional 6,616 inspections that would not normally have been carried out prior to the inception of the program.
 - » SFPS provides contract services to the Rural Municipalities/Towns of Corman Park, Vanscoy, Delisle, Dundurn, Blucher, Whitecap Dakota and English River First Nations.
 - » The Department responds to approximately 2,000 needle concerns a year resulting in an average of 10,000 needles retrieved annually. (In 2013 - 1,252 calls, 5,202 needles.)

- » SFPS provides a major support function in the City's Emergency Medical Services system through a long standing, formal Tiered Response Agreement with the Saskatoon Health Region. The agreement formalizes the relationship for emergency medical and rescue responses between SFPS and the Saskatoon Health Region.

Major Projects and Initiatives 2013

Bring Your Kids to Work Program

- › This ongoing program continues to be very successful. Saskatoon Fire & Protective Services (SFPS) worked with Saskatoon school boards to develop a process to engage students who would not normally have the chance to participate. Four students were hosted by the department in November of 2013.

Fire Inspection Module

- › The Emergency Management and Fire Safety Office continued to work closely with the Provincial Government on technical infrastructure, including the development of a Fire Inspection module and preliminary discussions about Training and Asset Management modules.

Fire Ground Survival Training Program.

- › SFPS began implementing the new Fire Ground Survival Training program for operational staff. The classroom portion was completed by year's end; practical sessions will continue through 2014.

Emergency Mass Neighbourhood Evacuation Program

- › In response to the NFPA 1600 Audit, City Council approved the purchase of an Everbridge emergency mass notification system. The system will be used before, during, and after unusual emergency incidents or disasters, and will be implemented through a public education campaign and corporate partnership program.

Upgrade of Self Contained Breathing Apparatus (SCBA)

- › SCBA demos and testing were conducted by manufacturers showing conformance to the new National Fire Protection Association (NFPA) standards for 2013. Delays with the adoption of the new NFPA 2013 standard for SCBA will delay purchase until mid-2014.



UTILITIES

Provide cost-effective and high-quality electricity, quality drinking water, treatment of wastewater and storm water management.

Electricity, quality drinking water, treatment of wastewater, and storm water management are basic amenities provided through the Utilities business line. Utilities is not only responsible for keeping the lights on, taps flowing, and toilets flushing, it is also responsible for the long-term, sustainable management of Saskatoon's water and energy resources.

Saskatoon Light & Power (SL&P) provides safe, reliable, and cost-effective electricity to customers. The Water Treatment Plant and water distribution system deliver treated water to households, businesses, institutions, and users outside the City limits on a cost-recovery basis. The Wastewater Treatment Plant treats wastewater that is delivered to the Plant by an extensive network of pump stations and underground pipes, and returns high-quality water back to the South Saskatchewan River. The storm water management system is a separate network designed to drain storm water away from streets and buildings.

Fees generated by services within the Utilities business line are an important source of revenue for the City. In 2013, SL&P generated a return on investment of approximately \$23.8 million. This amount was available to the City in order to help offset property taxes and fund various municipal projects.

2013 At A Glance

- › Saskatoon Light & Power's distribution network includes 1,213 km of overhead lines and 537 km of underground power cables.
- › The Water Treatment Plant treats approximately 43.3 million cubic metres of water per year.
- › The Wastewater Treatment Plant treats approximately 33 million cubic metres of wastewater per year.
- › The storm water management system includes 680 km of storm sewers, 12 wet ponds, 8 dry ponds, 3 natural ponds, and 2 constructed wetlands.

Major Projects and Initiatives 2013**Energy Recovery/Co-Generation Project**

- › A study of the electrical system at the Wastewater Treatment Plant commenced. This is one of the first steps in a multi-faceted project to recover energy from methane gas produced in the digestion process at the Plant. This recovered energy will provide process heat as well as a significant portion of the Plant's electrical requirements.

Flood Control with “Superpipes”

- › A flood control strategy is using “superpipes” to collect and store storm water underground to reducing flooding in residential homes and basements. Superpipes were completed in Westview and Sutherland in 2012. Time and budget constraints led to re-tendering the Brevoort Park and Lakeview superpipes in late 2013, with construction in 2014.

Power Generation Initiatives Nearing Completion

- › Infrastructure for the gas collection system at the Saskatoon Landfill was completed in the fall. The system has the potential to reduce greenhouse gas emissions by over 90,000 tonnes per year and provide electricity for up to 2,600 homes. Completion of the power generation facility is scheduled for 2014.
- › Saskatoon Light & Power continued its partnership with SaskEnergy on the Turboexpander Power Generation Facility at SaskEnergy's Natural Gas Regulating Station, west of the Saskatoon Landfill. This facility will produce electricity for up to 600 homes with zero emissions by recovering pressure energy and heat energy.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2013

Reservoir Expansions Meet Needs of Growing City

- › Work on the Avenue H reservoir expansion project picked up speed in 2013. Expanding the storage capacity for treated water (reservoir), adding an ultraviolet (UV) disinfection system, and installing a new high lift pump station will optimize operation of the Water Treatment Plant. The new UV system will also enhance the City's ability to treat water, provide an additional barrier to the multi-barrier treatment process, and meet evolving regulations.
- › Expansion of the 42nd Street reservoir also continued through 2013. The additional reservoir capacity and new pumping facility will help service the City's booming North Industrial and North East sectors, while also delaying the need for construction of a North East sector reservoir.

Wastewater Operations/Maintenance Facility Gets Upgrade

- › An upgrade to the Wastewater Treatment Operations/Maintenance facility was initiated, with interior building renovations and construction of a new addition.



RECREATION AND CULTURE

Provides opportunities for citizens to participate in and enjoy the benefits of sport, recreation, culture, and park activities.

The Recreation and Culture business line provides a wealth of opportunities for citizens to participate in and enjoy the benefits of sport, recreation, culture, and park activities. Such activities are a core element of Saskatoon's quality of life, and an essential part of individual and community health.

One of the City's overarching goals is to encourage as many citizens as possible to take advantage of the recreation and culture activities available. In order to do this, the Recreation and Culture business line operates a number of facilities, provides direct services and programs, and provides support to community-based organizations involved in delivering programs and services. Saskatoon's parks and open spaces provide space for citizens to play sports, walk or bike along pathways, swim in the paddling pools, and play in the playgrounds.

2013 At A Glance

- › City-operated sport, culture, and recreation facilities attract approximately 1.5 million visits per year.
- › The business line delivers paid admission programs and services, including swimming, skating, fitness, recreation, golfing, the zoo and horticulture displays.
- › During 2013 at leisure facilities there were 14,350 registered program hours, 15,500 people registered in swimming lessons, 122,700 rounds of golf were played, 68,100 hours available for drop-in programs, and 35,200 hours rented to community organizations.
- › The business line supports community associations in providing 11,000 hours of year-round low cost or no cost neighbourhood-based sport, culture, and recreation programs to 12,000 registrants.
- › Approximately 5,200 acres of park/open spaces and 145 km of park pathways are maintained.

- › There are outdoor sportsfields for activities such as softball, baseball, soccer, slo-pitch, lacrosse, football, speed skating, rugby, and field hockey.
- › The neighborhood summer playground program included the operation of 30 paddling pools, 14 spray pads, 11 youth centres, 2 travelling program vans, and 2 mobile skateboard animators with visitation reaching 117,000.
- › Provides venues for major sport, culture, and entertainment events, including Mendel Art Gallery, River Landing, Credit Union Centre, and TCU Place.
- › Supporting 16 major culture organizations which attract approximately 612,000 annual visits.
- › Has \$2.0 million in inventory of public art owned and maintained by the City.
- › Commissioned a \$180.0 public art installation for the Moose Jaw Trail.
- › Supports various community-based boards and agencies which in turn provide programs and services in visual art, performing art, and cultural heritage, including the Marr Residence and Albert Community Centre.
- › On average 1,200 trees are planted annually in reforestation projects and new park development.
- › River Landing area is 14.8 hectares, with almost 300,000 annual users of the riverfront trail. 90% of the public infrastructure is complete and it is the location of many special events and major festivals including WinterShines, the PotashCorp Fireworks Festival, and River Lights.

Major Projects and Initiatives 2013

A Policy for Commemorations and Monuments

- › The new Commemorations and Monuments Policy provides an equitable process for decisions on commemorations on public property. One of its first applications is the War of 1812 Monument, a collaboration between the City and the Whitecap Dakota First Nation.

Continued . . .

Major Projects and Initiatives 2013

Generating Revenue for Improvements to City Golf Courses

- › In addition to negotiating new contracts with golf pros at Holiday Park and Wildwood Golf Courses, the City took over cart rentals at Holiday Park and is exploring doing the same at the Wildwood Golf Course. Additional revenues will be generated from driving range operations at Holiday Park. These revenue sources are expected to generate approximately \$315,000 in 2014 to support golf course operations and capital improvements.

More Off-Leash Dog/Recreation Areas

- › City Council approved a two-year trial for a new Off-Leash Recreation Area (OLRA) in Caswell Hill next to Mayfair Pool. Development of the Hyde Park OLRA in Rosewood continued, while fencing was completed for the South West OLRA. Leisure Services also completed a comprehensive report for the RM of Corman Park regarding an OLRA in Chief Whitecap Park.

New Point of Sale (POS) System Improves Customer Service

- › A POS system was implemented at indoor leisure centres and outdoor pools to improve customer service.

Rimai Modern Art Gallery of Saskatchewan

- › The construction tender was awarded in the spring, and the official Sod Turning Ceremony took place on June 7, 2013. Construction of the building's foundation was well underway by year's end.

River Landing Phase 2 Nearing Completion

- › Construction on the few remaining elements of River Landing Phase 2, including the accessible walkway from the Spadina Crescent roundabout to the riverfront, was nearing completion before the early snow. Work will be completed in 2014.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2013

Updating the Summer Playground Program

- › Policies and safety measures were updated for the Summer Playground Program, which includes free activities at 45 summer playgrounds (31 with paddling pools). The updated policies and safety measures ensure the program continues to meet the needs of both staff and youngsters as Saskatoon grows in size and diversity.

Kinsmen Park Area Redevelopment

- › Design and development is complete; however, construction was delayed as a result of the need to retender the project. The contract is expected to be awarded in 2014 and construction will be scheduled to start in the spring of 2014.

Leisure Centre Rentals

- › Rental capacity reports were reviewed to identify low usage times and spaces. A strategy is being developed to increase activity space rental through additional program or external rental opportunities. Approval and implementation of the strategy is scheduled to occur in 2014.



COMMUNITY SUPPORT

Provides support and community investments to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighbourhood-based associations and organizations.

Saskatoon consistently ranks among the top cities in North America for quality of life. The City of Saskatoon defines quality of life as the sense of well-being achieved when people are physically and emotionally healthy, economically secure, safe, have adequate shelter, a sense of belonging, and share cultural and social connections.

Achieving quality of life for the residents of Saskatoon requires the combined commitment of individuals, families, community organizations, service providers, and City of Saskatoon staff. The Community Support business line provides both human and financial supports for community groups, as well as a broad range of City-led initiatives. These initiatives are aimed at building capacity in sport, recreation, culture, heritage, and social organizations, and enhancing neighbourhood-based associations. The Community Support business line also provides subsidized or no cost programs where cost is a barrier for families and individuals.

Community support often takes the form of investments in community-based organizations. This approach ensures a balance between municipal leadership, and community involvement in the development and revitalization of facilities, programs and services, and the protection of Saskatoon's heritage buildings and structures. Partnerships and community collaboration continue to be key to the success of this service delivery approach.

BUSINESS LINES

2013 At A Glance

- › Provided supports and community investments to approximately 65 social agencies; 50 sports organizations; 49 community outdoor rinks; 46 community associations; 16 arts, culture, and heritage organizations; and 13 community gardens.
- › Provided \$5.3 million in community support grants.
- › Community Support grants leverage both human and financial resources in the community-based organizations in excess of \$48.0 million in self-generated revenue; \$600.0 in grants to the City; approximately 600,000 visits to cultural facilities; approximately 110,000 Community Association volunteer hours; 60,000 sport, culture and recreation program hours, and 161,300 program participants.
- › Supports the stewardship of the natural and heritage resources along the river edges through our connection and supports to MVA, \$689.5.
- › Supports expanding our economy through tourism by providing grants to Saskatoon Tourism, \$432.8.
- › Supports economic development to ensure Saskatoon is a place to live, work, invest, and prosper through our supports to SREDA, \$594.6.
- › Coordinates programs designed to enhance the engagement of Aboriginal people, address racism and discrimination, and enhance racial harmony.
- › Facilitates Community Engagement process.
- › Maintains Woodlawn Cemetery and Nutana Pioneer Cemetery.
- › Subsidizes 175 spay or neuter surgeries a year.
- › Subsidizes 93,300 Leisure Access visits to leisure facilities a year.

Major Projects and Initiatives 2013**Collaborating on an Age-Friendly City**

- › As part of its seniors' policy framework and action plan, the City collaborated with the Saskatoon Council on Aging on the *Age-Friendly Saskatoon Initiative*. In 2013, Phase 2 of the initiative gathered input from community forums, completed community asset mapping, identified gaps, and formulated recommendations for dealing with an aging population. Results are presented in *Age-Friendly Saskatoon Initiative: Recommendations*, available on the City's website (under "R" for Reports to Council).

GPS Mapping System Expanded to Memorials

- › The City implemented a GPS mapping system to track the locations of memorial trees, plaques, and columbariums. The system also links grave locations to the GPS mapping system, providing easier access to more than a century of memorial sites.

Focus on Immigration and Race Relations

- › An assessment of City-led and community-led immigration initiatives was completed and made available on the City's website (*Capacity for Newcomer Settlement and Integration in Saskatoon: Taking Stock for Taking Action* is available on the City's website under "I" for Immigration). The report provides an overview of Saskatoon's organizational capacity to meet the needs of newcomers and identifies potential initiatives to increase that capacity.
- › The City's Cultural Diversity and Race Relations office continued to support the Youth Action Network in its efforts to build positive race relations among young adults. The office also partnered with the Core Neighbourhood Youth Co-op to promote youth engagement, hosted three anti-racism education sessions for community groups, and developed an anti-racism toolkit for school teachers.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2013

Making Saskatoon More Accessible

- › The City launched a collaborative, long-range, ongoing effort to address the accessibility of civic facilities, programs, services, and infrastructure. Work included installation of audible pedestrian signals and curb ramps, design of a webpage for accessibility initiatives, and updates to the Accessibility Design Standards document.

Supporting a Vibrant Cultural Sector

- › A review of the Culture Grant program was completed as part of developing a long-term strategy for supporting the cultural sector in Saskatoon. The review identified best practices, outlined recommended changes, and included stakeholder feedback on the Public Art program.

Urban Aboriginal Leadership Program

- › In partnership with the United Way, Saskatoon Health Region, and University of Saskatchewan, the City completed an environmental scan of community-focused leadership programs and an inventory of leadership development opportunities in the city. Civic staff will now meet with community organizations to identify and address any gaps, with emphasis on under-represented populations.
- › The City partnered with the Saskatoon Tribal Council, Gabriel Dumont Institute, University of Saskatchewan, and PotashCorp to expand the Atoske Aboriginal Leadership Program to include an alumni component and add a second post-secondary camp during the February school break. The February camp was funded by the federal Cultural Connection to Aboriginal Youth program.



ENVIRONMENTAL HEALTH

Preserves and protects the long-term health of our urban environment.

A healthy environment is essential to a healthy population, now and in the future. The City of Saskatoon demonstrates environmental leadership through a variety of programs, services, and activities under the Environmental Health business line. These initiatives enable the City to effectively preserve and protect the long-term health of our environment. Air, water, and land protection is the focus of the services provided under this business line.

The City of Saskatoon is guided by plans such as the Energy and Greenhouse Gas Management Plan, the Saskatoon Waste and Recycling Plan, and the South Saskatchewan River Source Water Protection Plan. Through plans such as these, and through compliance with health and environmental regulations, the environmental impact of our activities is reduced for the benefit of citizens today and tomorrow. Examples include: collection and management of solid waste; environmental programs and projects related to energy efficiency; waste reduction and recycling; stewardship of hazardous waste; responsible management or remediation of contaminated City-owned sites; water quality assurance; and environmental policy development.

The management of Saskatoon's urban forest, which has more than 97,000 trees, and the control of invasive insect and plant species that have a negative impact on parks and naturalized areas, are also critical elements of this business line. In addition, the Environmental Health business line supports public health by reducing the population of mosquitoes that carry West Nile virus.

The City of Saskatoon is a leader in environmental stewardship. The Environmental Services Branch supports and facilitates the implementation of environmentally friendly and sustainable practices for improved environmental performance both by the corporation and the community at large.

BUSINESS LINES

2013 At A Glance

- › Parks Branch maintains over 105,000 trees on boulevards and in parks.
- › Landfill receives approximately 130,000 tonnes of garbage annually; 45% is residential garbage.
- › Compost depots receive approximately 20,000 tonnes of leaves, grass, and branches annually.
- › Approximately 9,000 tonnes of recyclable materials are collected curbside and another 3,000 tonnes of paper and cardboard are collected from existing recycling depots.
- › Pest Management monitors and treats 950 km² of land in and around Saskatoon for mosquito larvae, monitors approximately 33,000 American Elm for Dutch Elm disease, manages nuisance wildlife, and administers the provincial *Noxious Weeds Act* through Inspection Services.

Major Projects and Initiatives 2013

Air Quality Monitoring

- › The City is participating in the new West Yellowhead Air Management Zone (WYAMZ), which is responsible for the reduction of air pollution to meet new federal regulations. The WYAMZ has set up continuous air quality monitoring in Saskatoon and North Battleford and will be installing an additional four monitoring stations between Saskatoon and the Alberta border. Results to be posted at www.wyamz.ca.

Continued . . .

Major Projects and Initiatives 2013**Exploring Energy Alternatives**

- › The City continues to replace conventional energy sources with clean energy technologies at its facilities. Work progressed on the Automated Irrigation Management System (AIMS) and solar panels were installed in parks. The City is also reviewing opportunities to install solar panels or use waste heat at civic facilities.
- › Monitoring equipment is being installed in the 17 civic facilities that were identified as using the most energy. Operators have been trained on how to use the information to save energy. Recommendations on potential energy savings and sustainability initiatives have also been developed for Credit Union Centre. The equipment is expected to identify changes that will generate approximately \$750,000 in annual savings.
- › A prefeasibility report on district heating opportunities was completed. It shows that a low emissions neighbourhood incorporating district heat and power would be economically feasible in Saskatoon's North Downtown. A feasibility study and concept design is underway.

Extending the Life of the Landfill

- › The Landfill Optimization master plan was approved in 2011, and continues to be implemented. Filling in the newly developed lined waste cell has begun. A new tracked loader has improved waste placement to ensure the life of the landfill is maximized.

Innovation in Residential and Corporate Recycling

- › The city-wide residential recycling program was launched in 2013. The blue cart program serves 66,000 households in 66 neighbourhoods.
- › A comprehensive recycling program is being implemented for all civic operations. Recycling services through Cosmopolitan Industries have been expanded, and Environmental & Corporate Initiatives continues to explore options for other recyclables.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2013

Leading in Watershed Protection

- › The City continues to participate in the South Saskatchewan River Watershed Stewards as a leader in watershed protection and improvement. Reviewing the future demands on the river to ensure water security for Saskatoon into the future. The first phase of a water quality study has been completed, and meetings with the University of Saskatchewan on a water allocation strategy were held. The City is also helping organize the 2014 provincial Watershed Protection Conference.

Proactive Pest Protection in the Urban Forest

- › An emergency response plan for current threats to Saskatoon's urban forest is complete, and work is underway on a plan to deal with potential threats, such as Dutch elm disease and emerald ash borer. A plan for the West Nile Virus is complete; it is reviewed every year as new solutions to the virus and mosquito control become available.

Running an Energy Efficient Fleet

- › As part of ongoing efforts to optimize the energy efficiency of civic vehicles and equipment, the City increased its use of biofuel in garbage trucks and continues to explore the use of compressed natural gas fuel. Route optimization for garbage trucks is also being finalized.

Clean Energy Project

- › Construction on the landfill gas collection project was completed; the system has been commissioned and is now fully operational. Construction on the power generation facility is nearing completion and is expected to be operational in 2014.

Continued . . .

Major Projects and Initiatives 2013**Soil Protection and Remediation Policies and Procedures**

- › A strategy for the efficient and cost-effective handling of environmentally-impacted soils is being developed. Safe work procedures for known sites have been developed and training for staff and contractors is now a regular part of construction and maintenance routines. This project is expected to be finalized in 2014.



TRANSPORTATION

Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.

Saskatoon is growing in geographic size as well as population. As the city grows, the challenges involved in safely and efficiently moving people, services, and goods around it become increasingly complex. The Transportation business line brings together a wide range of City services and programs, each of which plays an important role in meeting the transportation needs of the city.

Transportation involves planning, design, building, maintenance, operation, and regulation of the City's expanding transportation systems. This includes facilities for all modes of travel - pedestrian, bicycle, vehicle, and public transit. Saskatoon Transit provides fixed-route service on designated bus routes, as well as service for people with mobility issues. Discounted passes are offered to citizens with low income to assist with their transportation needs.

Transportation also involves traffic signal operation, parking control and enforcement, street lighting, seasonal lighting, sidewalk and back lane maintenance, sound attenuation, street sweeping, and snow and ice management. In addition, it provides services for maintenance and rehabilitation (preservation) of all roadway assets including roads, bridges and overpasses, sidewalks, back lanes, and pathways.

Finally, Transportation is about planning for the future. With some projections calling for Saskatoon's population to surpass the 500,000 mark by mid-century, a main focus of the Transportation business line is to explore innovative ways to efficiently move people, services, and goods, while minimizing environmental impact and promoting sustainability.

2013 At A Glance

- › Bridges and structures:
 - » 5 river crossings
 - » 47 interchanges and overpasses
 - » 21 pedestrian overpasses and tunnels
- › 3,782 lane km of paved roadways; 200 lane km of gravel roadways; 1,476 km of sidewalks; 456 km of back lanes.
- › Public transit fleet is comprised of 50 conventional, 91 low-floor, 9 articulating, 8 low-floor diesel/electric hybrid, 6 mid-sized low-floor and 26 Access Transit buses, for a total of 190 buses (156 buses have bicycle racks).
- › Transit operates 365 days a year, and has a passenger load of approximately 12.7 million rides per year (formula based), or 9.5 million rides per year (electronic measurement).
- › 20 bus routes operate on 276 km of streets.
- › Total number of parking meters: 2,400.
- › Total number of traffic signals: 257.
- › Total number of traffic count stations: 570.
- › Total annual vehicle kilometres travelled in Saskatoon: 1.5 billion.
- › Number of work requests issued from Public Works Dispatch:
 - » Water and Sewer - 9,918
 - » Roadways - 8,113
 - » Support Services - 747
- › Proportion of workers in Saskatoon commuting to work by car, truck or van, by public transit, on foot, or by bicycle, census metropolitan areas are provided by Statistics Canada, National Household Survey, 2011:
 - » Walking: 5.1%
 - » Cycling: 2.0%
 - » Public Transit: 4.4%
 - » Car, Truck or Van (Driver and Passenger): 86.5%

- › Total number of street lights: 28,422.
- › Total number of Christmas decorations on street lights: 387.

Major Projects and Initiatives 2013

New Transit Studies, Bus Technology Target Improved Rider Experience

- › Saskatoon Transit began implementing new technology on buses and route “right-sizing” to improve current service and prepare for a future Bus Rapid Transit System.

Establishing Service Levels for Key Civic Infrastructure

- › Service levels have been established for the repair and maintenance of roads, streets, lanes, sidewalks, and bridges. Target funding levels need to be met in order to realize each of the adopted service levels.

Expanding Saskatoon’s Cycling Infrastructure

- › Funding has been secured to move forward with a five-year capital plan to expand Saskatoon’s cycling infrastructure, including pathways, bike lanes, and sharrows. The active transportation plan will be developed in 2014.

Growing Forward! Shaping Saskatoon

- › A number of studies that began in 2013 will feed into the City’s new *Growing Forward! Shaping Saskatoon* initiative, which is examining ways to encourage sustainable growth and provide more attractive transportation options as Saskatoon grows to half a million people. These included a Household Travel Study, Rapid Transit Study, Core Bridge Study, Pedestrian Master Plan, New Neighbourhood Design Review, Nodes and Corridors Study, and Neighbourhood Level Infill Development Strategy.

Continued . . .

Major Projects and Initiatives 2013**Future Employment Areas**

- › Employment projections to a population of half a million, and projected locations of employment areas are being developed; they are aligned with Urban Systems' work on *Growing Forward! Shaping Saskatoon*.

North Commuter Bridge

- › The functional plan and preliminary geotechnical and environmental review studies have all been completed. Plans will proceed once funding has been secured.

Opening of Circle Drive South Project

- › More than 6,000 people turned out for the Bridge Parade on July 31, 2013, to celebrate the official opening of the new Circle Drive South Project.

Yellowhead Gateway

- › The Ministry of Highways & Infrastructure completed a perimeter highway validation study. Recommendations are expected in early 2014.



URBAN PLANNING AND DEVELOPMENT

A proactive approach to community planning that accommodates growth and change while balancing long-term economic, environmental and social needs, and achieving the desired quality of life expressed by our citizens.

- › The primary goal of the Urban Planning and Development business line is to build an increasingly sustainable community over time with an enhanced quality of life, which is consistent with the vision and core strategies of the City's Strategic Plan. This is accomplished through the provision of several interrelated services:
- › Planning for the future growth of the city with long-range land use and infrastructure plans that are efficient and sustainable.
- › Planning new development areas to ensure there are appropriate amounts of land for areas to work, live, and shop, and that these lands are situated in a compatible way with good access to transportation and community facilities, and a variety of housing options and price ranges.
- › Encouraging economic development by supporting the Saskatoon Regional Economic Development Authority; assisting the start-up of new businesses; and providing advice and timely reviews for new development applications.
- › Renewing and sustaining existing areas of the city through local area plans, neighbourhood rejuvenation projects, incentives for supportive and affordable housing, and appropriate licensing and civic bylaw enforcement.
- › Providing quality public spaces throughout the city through streetscape master plans and urban design projects in key areas such as the downtown and business improvement districts.
- › Providing timely reviews of building permit applications to ensure the health and safety of owners and occupants.

- › Continually monitoring the quality of life in our community, with our partners at the University of Saskatchewan and the Saskatoon Health Region, to facilitate ongoing evaluation of our Strategic Plan performance.
- › Collaborating with our regional partners to build an economically and environmentally sustainable region.

In recent years, it has become increasingly apparent that the sustainability of our community, from an economic, environmental, social, and cultural perspective, will require new approaches to the way we plan and build our city. This is especially true in our current high-growth environment. Therefore, while we will always pay attention to our citizens' current needs in all our service line activities, we will also look to the future in everything we do to ensure Saskatoon remains economically viable and environmentally, socially, and financially sustainable over the long term.

2013 At A Glance

- › The total of licensed businesses in Saskatoon at the end of 2013, was 10,253 - an increase from approximately 7,500 in 2006. In 2013, the City issued 1,317 new business licenses; 451 commercial and 866 home-based.
- › Over 300 property-use complaints are received each year, along with approximately 50 applications to legalize existing basement suites.
- › Over \$15.0 million in funding towards Attainable Housing initiatives which produced over 3,000 new units since 2008.
- › A total of 5,020 building permits were approved in 2013 - which is only slightly down from the record of 5,196 set in 2012.
- › There are eleven neighborhoods with approved Local Area Plans (LAP), with one LAP nearing completion, one underway and two more coming in the near future.
- › Beginning in 1990 with 21st Street, the Urban Design Program has designed and implemented over 60 blocks of designed streetscapes, creating vibrant, award winning spaces for people and businesses. 20th Street West and Central Avenue are the most recent Urban Design projects.
- › Over \$1.0 million in funding has been approved for various projects under the Vacant Lot and Adaptive Reuse Incentive Program, which supports and encourages infill development on chronically vacant sites and the adaptive reuse of vacant buildings within Saskatoon's established neighborhoods.
- › In 2013, over 200 significant development applications were received of all types, with over 20 requiring public consultation meetings.
- › A major regional planning initiative is now underway with regional partners to develop a new Saskatoon Region Growth and Development Plan.

BUSINESS LINES

Major Projects and Initiatives 2013

Affordable Housing Plan Approved

- › The 2013 - 2022 Housing Business Plan approved by City Council provides \$1.4 million in funding for 2014, which equates to 465 units. It also includes \$300,000 for the Land Cost Differential Incentive to encourage de-concentration of affordable rental units.

Business Licenses Go Online

- › The City successfully launched the website application for online business applications in 2013. Implementation of online renewals will be fully functional in 2014.

Enhance Relationships with First Nations

- › The City met with First Nations to gather input for a Duty to Consult Policy, which is currently being developed. Meetings were also held with five First Nations with Reserves or Treaty Land Entitlement Lands in the Saskatoon region. A number of First Nations participated in the Saskatoon Regional Growth Summit in November to ensure First Nations' interests are addressed in *Growing Forward! Shaping Saskatoon*.

Seeking Public Input on North Downtown

- › Public consultations commenced on the North Downtown Area Master Plan, for the creation of a comprehensive plan for City-owned land left vacant by the relocation of City Yards and the extension of 25th Street to Idylwyld Drive. The project proposes a land-use mix that would allow the neighbourhood to house approximately 5,000 people, as well as offices and retail. The project will move through the approvals process in 2014; implementation is long-term.

Continued . . .

Major Projects and Initiatives 2013**New Plans Guide Growth**

- › The City announced a proposal for a Regional Growth Plan aimed at coordinating development plans among the City's regional partners. As part of its leadership role, the City attended the Saskatoon Regional Growth Summit and met regularly with the Saskatoon North Partnership for Growth, which includes Warman, Martensville, Osler, RM of Corman Park, and the Saskatoon Regional Economic Development Authority.
- › In partnership with the RM of Corman Park, final drafts of North West and South West concept plans were submitted for review.
- › The University Heights Sector Plan was amended to accommodate a new North River Crossing and updated guidelines for the North East Swale.
- › The Holmwood Neighbourhood Concept Plan was prepared, with public consultations set to begin in 2014. Public consultations gathered input for the final stages of concept plan development for the new neighbourhoods of Elk Point in Blairmore, and Aspen Ridge in University Heights.
- › The City Centre Plan was approved by City Council, with implementation set to begin in 2014.

Streetscape Projects Continue to Transform City

- › Information boards showing Phase 2 of the Central Avenue Streetscape Project were on display in City Hall late in the year. Meanwhile, construction of the final section of 25th Street to Idylwyld Drive was completed, and the official street opening was held on December 10, 2013.

New Policy Maintains Wetlands in New Neighbourhoods

- › The City adopted a new Wetlands Policy that integrates ecologically significant wetlands in new growth areas. Maintaining wetlands also helps manage storm water and prevent flooding.



LAND DEVELOPMENT

Operates on a level playing field with the private sector, and ensures adequate levels of serviced inventory for both residential and industrial land are maintained to meet demand.

Saskatoon has witnessed considerable economic growth in recent years - growth that would have been constrained if sufficient land had not been available for development. The Land Development business line plays an integral role in the city's growing economy. It responds to the needs of a variety of customers in the housing, commercial, institutional, and industrial sectors. It 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. The Land Bank Program, which was established in 1954, operates on a level playing field with the private sector. Its primary focus is to ensure adequate levels of serviced residential, institutional, and industrial land are available at competitive market value to meet demand. The Land Bank Program is operated on a for-profit basis, with surplus funds allocated for reinvestment in the community.

This business line operates a real estate portfolio to address short and long-term land and facility needs.

The Land Development Capital Program also includes the construction of major arterial roadways, major trunk sewers, primary water mains, 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.

2013 At A Glance

- › Since 2007, City Council has committed over \$66.6 million from the City's Neighborhood Land Development Fund towards a variety of projects, including the Pleasant Hill Neighborhood Revitalization, Mayfair Pool reconstruction, affordable housing incentives, local area road upgrades, operating budget contributions, and designated future land purchases.
- › This was a record year for land sales, totaling \$166,269,387. Sale highlights include 789 single-family lot sales, 31.96 acres of institutional/multi-family sales, 86.57 acres of industrial sales/leases, and 1.48 acres of commercial land.

Major Projects and Initiatives 2013

New Lots Meet Growing Demand

- › **Aspen Ridge:** Initial servicing of lots started in 2013 with topsoil stripping and grading. A Neighbourhood Concept Plan is in development, and Phase 1 and 2 of the lots designs are complete.
- › **Evergreen:** 113 lots were sold in the June lot draw; and 287 lots were sold in the November lot draw.
- › **Hampton Industrial Area:** Dundee Developments is leading development of a Concept Plan, and discussions between land owners regarding the draft plan are ongoing.
- › **Marquis Industrial Area:** Phase 6 public tender is completed, with all 26 parcels (47 acres) sold, leased or optioned. Remaining Phase 6 lands, adjacent to 71st Street, were offered by public tender in September of 2013. Servicing of Phase 7 and 8b lands continued.
- › **Parkridge:** Initial servicing of lots started with topsoil stripping and grading. City Council approved the Neighbourhood Concept Plan amendment and zoning changes.
- › **Stonebridge:** Dundee Developments completed servicing of approximately 335 single-family units, 54 attached units, and 4.8 acres of multi-family land. All single-family lots have been allocated to builders.
- › **Kensington:** 103 lots were sold in the Phase 1 lot draw; 180 lots were serviced for the Phase 2 lot draw.

Continued . . .

BUSINESS LINES

Major Projects and Initiatives 2013

New Road Construction

- › **33rd Street Extension to Dalmeny Road:** Phase 1 from Hughes Drive to Kensington Road was completed.
- › **Fedoruk Drive & Central Avenue:** Phase 1 from Zary Road to Konihowski Road was completed.
- › **Marquis Drive:** Connection from Millar Avenue to Idylwyld Drive opened to traffic in November.
- › **McOrmond Drive:** The arterial functional plan, north of Evergreen, has been completed.

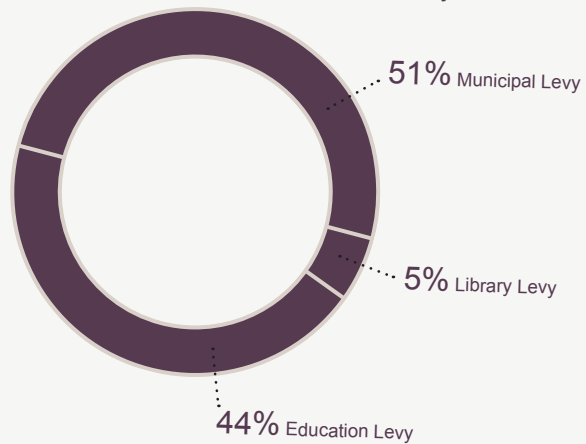
New Park Development

- › **Dundonald:** Construction started on Phase 1 upgrades to the Dundonald Neighbourhood Park.
- › **Evergreen:** Construction on Cannam, Klombies, and Funk Linear parks completed. Parks Branch officially accepted Foster/Roulliard/Varley parks, John Brockelbank, George Dyck, and Jill Postlethwaite parks.
- › **Rosewood:** Construction on Hyde, Adams, and Bitz parks completed.
- › **Stonebridge:** Construction on Zakreski Park completed; construction on Cameron and Nelson Parks started. Parks Branch accepted Mark Thompson and Patricia Roe parks.

New Water and Sewer Infrastructure

- › **Aspen Ridge:** Detailed design for extension of the primary water main in the McOrmond Drive right-of-way from Fedoruk Drive into the Aspen Ridge neighbourhood is in progress. Construction will commence in 2014.
- › **Evergreen:** Fedoruk primary water main (Zary Road to McOrmond Drive) completed, Evergreen Fill Main (Forestry Farm to McOrmond Drive) completed.
- › **Holmwood:** Detailed design for extension of the primary water main in the McOrmond Drive right-of-way from Highway 5 into the first phases of Holmwood neighbourhood completed, with construction scheduled for 2014. Detailed designs of trunk sewers to service the new Holmwood neighbourhood were completed, with construction scheduled for spring 2014.
- › **Kensington:** Design and construction of storm and sanitary trunk sewers to service the north half of the Kensington neighbourhood were 90% finished by year's end, with completion expected in 2014.
- › **Marquis Industrial:** Detailed design was nearly complete on the Marquis Industrial Phase 2 storm pond as well as extension of the storm and sanitary sewer trunks north of 71st Street. Construction is scheduled to start in 2014.

2013 Distribution of Property Taxes



Where the Money to Run the City Comes From

(Based on Revenues in Schedule 6, page 94)



Where Your Municipal Tax Dollars are Spent

(Based on Revenues in Schedule 6, page 94)



FINANCIAL MANAGEMENT AND CONTROL

FINANCIAL MANAGEMENT AND CONTROL

Corporate Planning Process

City Council's current Strategic Plan sets out a vision for the community, a mission statement, and a set of corporate values and strategies.

The Capital Budget process decides based on City Council's priorities, which projects will precede over which timeframe. Long-term capital planning (through the five-year plan) and reserve policies attempt to match required funds to required projects.

The Operating Budget allocates resources under the principle of continuing to deliver existing services and service levels.

In addition, it recommends service level changes for specific programs based on a number of factors (usage, demand, ability to pay, growth, legislative change, business case, etc.). Choices are put before City Council on issues that have been raised by City Council, raised by the public, and/or identified by the Administration.

Annual Financial Reports

A number of annual financial reports are submitted to City Council for its information and review, including the financial reports, capital project status reports, benchmarking and performance measurement reports, and the public accounts.

The annual Financial Report includes the consolidated financial statements prepared in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. These statements are audited by the City's appointed external auditor.

Financial Policies

The City of Saskatoon operates under a number of financial policies, some of which have received formal approval by City Council; others are based on fiscal responsibility.

Property Tax Policies

In 2001, City Council resolved that commercial property be taxed at 1.75 times the residential rate (shifted over a ten-year period) and that the effective tax rate between residential, condominium, and multi-family residential classes be equalized.

Investment Policy

City Council has approved a policy on portfolio management, which ensures that City portfolios are invested to primarily achieve the preservation of capital, the maintenance of liquidity sufficient to meet on-going financial requirements, and to maximize return on investment. Specific guidelines are outlined regarding the type of securities approved for purchase, investment limitations, and term structure.

Reserve Policies

City Council has established reserves through bylaws to fund capital projects, and through policy to provide a source of funds to stabilize specific user pay programs and/or general revenue variances.

The majority of capital work undertaken by the City is funded through dedicated reserves. The purpose, funding source, and withdrawal criteria are specifically outlined within bylaws. City Council approval is required for all withdrawals. The remaining reserves are specifically outlined in policy; a majority of these are used to stabilize specific programs either funded through user fees (golf courses), are dependent upon weather (snow and ice management), or are used to fund overall operations against revenue variances (interest earnings).

Debt Management Policies

The City of Saskatoon has operated primarily under a "pay-as-you-go" philosophy whereby its facilities and infrastructure are built based on current and projected reserve balances. The City Council approved policy on borrowing for capital projects specifically outlines borrowing only if sufficient funds are not otherwise available in existing reserves or through external sources, if funds will be recovered from future operating revenues or operating savings, and/or it would be equitable to extend the capital financing through borrowing for major capital initiatives to future users.

SERVICES PROVIDED BY CITY DEPARTMENTS

SERVICES PROVIDED BY CITY DEPARTMENTS

Office of the City Manager

The City Manager is the Chief Administrative Officer of the City of Saskatoon. The position is responsible for planning, directing, supervising, coordinating, and controlling all municipal operations as approved by City Council.

The City Manager's responsibilities include providing assistance and advice on various aspects of municipal operations, investigating and reporting on all matters referred by City Council and its committees, and submitting the capital and operating budgets to City Council for review.

The City Manager chairs the Management Committee (comprised of all General Managers, the City Solicitor, the City Clerk, and the Chief of Police as a liaison) which is responsible for coordination of all City-wide management and operational matters.

The City Manager is the direct supervisor of all General Managers and through them, all Branch Managers and civic employees (except for those boards which are responsible to City Council). This includes the appointment, promotion, demotion, and suspension of employees of the City, except those employees appointed directly by City Council.

The City Manager's Office also conducts or directs special projects and intergovernmental affairs.

Strategic and Business Planning

The Strategic and Business Planning division of the City Manager's Office is responsible for aligning the community's vision for Saskatoon with the City of Saskatoon's Strategic Plan. The Strategic Plan was completed in 2011 and reflects the community's values and what is important to the citizens of Saskatoon. The Strategic Plan identifies strategic goals, indicators of success, performance targets, and initiatives that City Council has identified as the priorities for the next four years. The Strategic Plan will provide the direction for the respective departments and operational units within the City to develop its business plans in order to achieve the strategic goals and the performance targets that have been set.

This division also leads the initiatives that support the corporation to become more adaptive and responsive to the changing needs of our community. The City of Saskatoon is exploring and implementing new ways of improving service, increasing savings, and growing the city in a sustainable way. One of the key deliverables from these initiatives is to create a culture of innovation and creativity within the corporation. This is an environment where staff is well prepared, and willing to take on

new challenges with new approaches, and new strategies with enthusiastic energy and drive. In essence, the City of Saskatoon is preparing as an organization, to act faster and become a world class innovator.

Government and Aboriginal Relations

The Government and Aboriginal Relations division of the City Manager's Office is primarily responsible for building and maintaining relationships with other municipalities, municipal associations, federal and provincial orders of government, and Aboriginal governments. In performing this key function, the division analyzes key policy decisions, issues, and trends emerging from other orders of government, including Aboriginal governments, public policy institutes, and the media as related to the policies and operations of the City of Saskatoon. This includes reviewing and analyzing legislative changes; reviewing and analyzing federal and provincial budgets; reviewing and analyzing changes to government policies and programs with respect to the potential impact on the City; engaging key government officials on behalf of the corporation; interacting with municipal associations on behalf of the corporation; interacting with the local Aboriginal community, Aboriginal government and federal and provincial departments responsible for Aboriginal affairs; and supporting various advocacy efforts aimed at governments and other key stakeholders on issues related to the corporation.

Communications

The Communications Branch plans and directs all corporate communication activities for the civic administration including the development and implementation of public, employee and media relation strategies. The Branch operates in a consultative capacity to Senior Management on communication issues, community engagement, and acts as an internal consultant for departments that do not have resources dedicated to marketing and communications.

Office of the City Clerk

The primary responsibility of the City Clerk's Office is to administer the City's legislative processes. Responsibilities include: preparing and distributing agendas, minutes, and decisions of City Council and its committees; ensuring that the business of City Council and its committees is conducted in accordance with *The Cities Act* and other relevant legislation; maintaining corporate records and City Archives; conducting municipal elections, administering the provisions of *The Local Authority Freedom of Information and Protection of Privacy Act*, and providing administrative support services to City Councillors.

SERVICES PROVIDED BY CITY DEPARTMENTS

Office of the City Solicitor

The Office of the City Solicitor provides general and specialized legal services for the corporation. While it reports directly to City Council, the Office also provides legal services to all civic departments and boards. The major areas of responsibility include giving legal advice to City Council, the City Manager, and other civic departments; representing the City at all levels of court; doing all the legislative drafting and all bylaw enforcements for the City; and providing a wide variety of legal work such as land transactions, contracts, and risk management.

Community Services Department

The Community Services Department provides programs, services, and resources to create a community in which people of all ages and cultural backgrounds want to live, work, play, and visit. Through community consultation and the dedication of City employees, the City continues to strive for excellence.

Building Standards Branch

The Building Standards Branch issues building and plumbing permits, and administers inspection programs related to regulations contained in the Building Bylaw, the Swimming Pool Bylaw, The Uniform Building and Accessibility Standards Act, the National Building Code, and the Plumbing and Drainage Regulations.

Business Administration Branch

The Business Administration Branch provides coordinated support for the following functions: financial accountability; implementation and maintenance of business and information management systems; marketing strategies and communication programs; human resource management; and clerical services.

Planning and Development Branch

The Planning and Development Branch is responsible for overall land use planning and development activity in the City of Saskatoon. The primary goal of the Branch is to build an increasingly sustainable community over time, with an enhanced quality of life, consistent with the vision and core strategies of the City's Strategic Plan. The mandate of the Branch includes primary responsibilities for district planning, future growth, land use and zoning policy, development review, planning for new neighbourhoods, revitalizing existing communities, affordable housing, community safety, community and demographic research, heritage management, business licensing, and bylaw enforcement.

Community Development Branch

The underlying objective behind the Community Development Branch activities is to provide the supportive environment and capacity that empowers members of the community. The Branch is also responsible for the Cultural Diversity and Race Relations Policy.

Land Branch

The Land Branch plans, services, and sells residential, commercial, and industrial lots owned by the City of Saskatoon. The Branch is also responsible for urban design which provides design services for streetscape projects and programs primarily in Saskatoon Business Improvement Districts.

Leisure Services Branch

The Leisure Services Branch ensures that a broad range of sport, culture, parks, and recreation opportunities are available and affordable to residents and visitors. Programming is offered through leisure centres, rinks, a zoo, golf courses, a campground, a speed skating oval, and various park locations.

Corporate Services Department

The Corporate Services Department's role is to help the institution work effectively and efficiently. The Department is responsible for the finance function, information technology and services, purchasing and inventory, and administrative support services within the corporation. These responsibilities are delivered through four branches.

Assessment Branch

This Branch is responsible for establishing and providing the assessment of all real property located in the City of Saskatoon in compliance with provincial legislation, producing the assessment roll, and defending such assessments before the Board of Revision and the Saskatchewan Municipal Board.

Finance Branch

This Branch is responsible for providing corporate financial recording, reporting, and control; supplier payments; administration of the City's Operating and Capital Budget process; employee payroll and benefits; and payments to superannuates. In addition, general financial management services are provided to all departments and boards.

SERVICES PROVIDED BY CITY DEPARTMENTS

Corporate Information Services Branch

The mandate of the CIS Branch is to ensure the effective management of the City's information assets and supporting technologies. The Branch's mission is "to assist and enable civic departments to meet their goals and objectives through leadership in technology services and solutions". CIS also provides supply management, printing, and mail services to the corporation.

Revenue Branch

This Branch is responsible for the collection, control, and disbursement of all corporate funds, including the investment function. This includes responsibility for the billing and collection of property taxes, electrical, water and sewer utility services, and matters related to municipal licensing. Other responsibilities include the regulating of the General Licensing Bylaw.

Fire and Protective Services Department

Saskatoon Fire and Protective Services (SFPS) provides 24 hour emergency response service in conjunction with the Saskatoon Emergency 9-1-1 Telephone System. This gives residents of Saskatoon an emergency protective services delivery system consisting of a wide range of components for the sole purpose of preventing emergencies and reducing the loss of life and property. SFPS responds to, and mitigates, emergencies involving the rescue of persons, incidents of fire, unplanned releases of dangerous goods, and pre-hospital emergency medical incidents. SFPS provides community-based, customer focused service to create a safe and comfortable environment for the residents of Saskatoon.

SFPS protects the City's tax base and supports economic development through extensive inspection, prevention, and enforcement programs carried out by the Fire Prevention and Investigation Division.

The Department's Community Relations Division works within the community promoting fire safety and injury prevention. Presentations are offered to students, community groups, parenting resource programs, seniors, and employee groups. The Division, through Program Firestop, also provides education to parents and children, and referral for juveniles suspected of setting fires.

SFPS manages the Emergency Measures Organization, which undertakes to ensure a coordinated and timely response in the event of extraordinary emergencies that overwhelm existing resources.

Human Resources Department

The Human Resources Department consists of three branches: Employment and Total Compensation, Labour Relations, and Occupational Health and Safety.

Employment and Total Compensation Branch

This Branch acts as a central resource for the following areas: recruitment; diversity; classification, job evaluation, and pay research; pension and benefits administration; organization and employee development.

Labour Relations Branch

The Labour Relations Branch is responsible for collective bargaining with all unions and associations representing civic employees; implementation, administration, and interpretation of collective agreements, grievance decisions, and arbitration awards; and timely and accurate advice and counsel to City Council and management regarding labour relations issues.

Occupational Health and Safety Branch

The Occupational Health and Safety branch provides resources in health and safety to all of the departments as well as the boards within the corporate structure. The City has Health and Safety Management System which focuses on leadership, hazard recognition and control, incident prevention as well as health and safety related training. Additionally, the Branch promotes healthy workplace and wellness initiatives and offers programming to support work/life balance. The Disability Assistance Program assists with injury/illness management and is support for employees suffering from occupational or non occupational injury/illness greater than 10 days.

Infrastructure Services Department

The Infrastructure Services Department is responsible for the planning, operation, and maintenance of many of the City's assets including those involved with water distribution, sanitary sewage collection, storm water collection, roadways, bridges, parks and open spaces, public cemeteries, vehicle and equipment fleet, and City-owned buildings and structures. The Department is organized into seven branches.

Administration Branch

The Administration Branch is responsible for providing support services to the department in the areas of financial, system support, clerical, administrative, and human resource services.

SERVICES PROVIDED BY CITY DEPARTMENTS

Construction and Design Branch

The Construction and Design Branch acts as an “in-house” civil engineering service, providing functional and detailed design, construction, and regulatory services to the Infrastructure Services Department, and other departments as required. Major activities include land development management, servicing agreements, subdivision and discretionary use applications, construction project management for new roadways, interchanges, and water and sewer systems.

Facilities Branch

The Facilities Branch is responsible for the City’s buildings and structures, the City-owned vehicle and equipment fleet, and the City’s radio communications system. As such, the Branch provides for building operation and maintenance of civic facilities such as leisure facilities, fire halls, transit buildings, City office buildings, and contracted services for the Boards. Project management services for any capital or maintenance projects are provided, including design, contract tendering and award, and construction management. Energy management, space management, and accommodation planning are also provided for user departments.

Parks Branch

The Parks Branch is responsible for the maintenance and preservation of more than 1,600 hectares of the City of Saskatoon’s parks and civic open spaces. This is accomplished by utilizing horticultural maintenance standards, maintenance contracts, and policy development. The responsibility of the Branch extends to maintenance of civic green space, parks, and boulevards, as well as maintenance and operation of the Woodlawn and Nutana Pioneer Cemeteries, the Greenhouse/Conservatory Program, the Pest Management Program, and the Urban Forestry Program.

Public Works Branch

The Public Works Branch is responsible for the operation, maintenance, and preservation of roads, lanes, sidewalks, water mains, sanitary sewer mains, and storm sewer mains.

Strategic Services Branch

The Strategic Services Branch serves to separate the time consuming long-term strategic functions from the day-to-day operations. The Department relies on the Branch to lead engineering policy and procedure development, to coordinate initiatives as required, and to develop and manage long-term strategies for the preservation of the City’s key infrastructure assets.

Transportation Branch

The Transportation Branch provides planning, design, regulation, and operation of the City’s transportation network. Major activities include planning for the transportation network, traffic management and operations, parking control and enforcement, and regulatory control of the right-of-way through bylaw enforcement. The goal of the Transportation Branch is to provide for the safe and efficient movement of people, goods, and services within and through Saskatoon in a cost-effective manner.

Utility Services Department

A “utility” is simply a service provided to the public for a fee, such as electricity, water, or transportation. This Department brings together the majority of utilities that generate revenue from fees charged directly to the user. Utility Services is divided into six branches.

Business Administration Branch

The Business Administration Branch provides financial leadership to all branches of the Utility Services Department. This includes providing advice or direction for budget submissions, managing the revenue processing, financial reporting, managing the accounting process for the Department’s assets, financial audits in coordination with the auditor, and managing the Department’s payroll and accounts payable function.

Utility Rates and Performance Branch

The Utility Rates and Performance Branch provide rate design and analysis, revenue budget preparation, and performance measurement and reporting for the Department. The Branch is responsible for bulk power and natural gas purchases, and assists with diesel and gasoline purchase strategies.

Environmental Services Branch

The Environmental Services Branch administers programs and capital work relating to the reduction of corporate and community greenhouse gases through the Partners for Climate Protection Program; development, implementation, and maintenance of the corporate Environmental Management System; promotion of environmental and sustainability initiatives; brownfield remediation and environmental site assessments coordination; solid waste collection, disposal, and reduction; landfill operations; waste minimization programming; and laboratory services to support all necessary operational needs and projects of the Water and Wastewater Treatment Plants.

SERVICES PROVIDED BY CITY DEPARTMENTS

Saskatoon Light & Power

The City of Saskatoon operates an electric utility providing electrical service to the area of Saskatoon that lies generally within the 1958 city boundary. Bulk electrical power is purchased from the provincial crown utility, SaskPower, and through a system of transmission lines, substations, and distribution lines with associated distribution hardware, this utility distributes electricity to customers on demand at locations and at voltages appropriate to their needs. The utility is also responsible for the street lighting system.

Saskatoon Transit

Saskatoon Transit operates and maintains Saskatoon's public transit system. The Branch also provides Access Transit for individuals who are unable to use the regular transit system with safety and dignity. Saskatoon Transit operates six terminals spread throughout the city. Saskatoon Transit's service includes DART (Direct Access Rapid Transit) which serves all major quadrants of the city and can best be described as a light-rail system on wheels.

Water and Wastewater Treatment Branch

The Water and Wastewater Treatment Branch is responsible for the operation and maintenance of the City's water and wastewater treatment, the handling and disposal of solids resulting from the treatment processes, the remote water and wastewater pumping facilities, ongoing process optimization and environmental studies, long-term expansion planning, related construction project management and capital work, and the testing and maintenance of water meters.

Boards**Credit Union Centre (Legal name: Saskatchewan Place Association Inc.)**

Credit Union Centre, Western Canada's most versatile and exciting trade, sports, and entertainment centre, can accommodate over 14,500 patrons.

The building has been the site of world and Canadian sporting championships, major concerts, trade shows, and is the home of the Saskatoon Blades of the Western Hockey League. The hosting of these events brings over 700,000 patrons through Credit Union Centre on an annual basis.

Mendel Art Gallery and Civic Conservatory

The Mendel Art Gallery and Civic Conservatory was opened in 1964 and named to honour Frederick S. Mendel, industrialist and art connoisseur, who established his business and home in Saskatoon in 1940.

Selections from the Gallery's collection are exhibited regularly, along with regularly scheduled contemporary and historical exhibitions of local, national, and international origin. Each year, approximately 20 exhibitions are presented without charge for the benefit of Saskatonians and visitors to the city. The Mendel Art Gallery and Civic Conservatory is operated as a civic corporation under a board of appointed trustees.

Saskatoon Police Service

The operations of the Saskatoon Police Service (SPS) are established under the authority of *The Saskatchewan Police Act, Part III*, Section 25 and 26, and under the City of Saskatoon Bylaw 5728. The Saskatoon Board of Police Commissioners is appointed by City Council to oversee the police operations and consists of the Mayor, two City Council members, and two citizens-at-large.

The Board is subject to the legislative jurisdiction of City Council to the extent only that the amount expended for upkeep of the SPS must not exceed the amount fixed by the current estimates of City Council for that purpose.

The SPS is equipped and trained for the most current needs in the delivery of a police service in partnership with the community. They also offer emergency services, take complaints of crime, conduct follow-up investigations and preventative activities throughout the city on a 24-hour basis.

SERVICES PROVIDED BY CITY DEPARTMENTS

Saskatoon Public Library

The Saskatoon Public Library, which first opened for circulation in May 1913 in the basement of the Odd Fellow's Hall, is now a city-wide system consisting of the central library and seven branches. The Library is supported by municipal taxation and provincial government grants, but direct service to each Saskatoon resident is free of charge.

The Library is a community resource centre, offering books, DVDs, CDs, CD-ROMs, magazines, newspapers, maps, audio cassettes, public computers with internet service, telephone books, pamphlets, government documents, trade directories, indexes, and other materials and programs to meet public informational, educational, and recreational needs. City Council minutes, reports, studies, and other civic material are available and may be consulted in the Library.

An automated circulation system operates in the central library and branches. The host computer is housed in the Frances Morrison (central) Library. This facility makes the collection of the entire system more accessible to all users and allows the Library a much more accurate inventory of the location of materials at any given moment.

TCU Place (Legal name: Saskatoon Centennial Auditorium and Convention Centre Corporation)

TCU Place was a project to commemorate the centennial of the founding of the Dominion of Canada. It is an imposing and beautiful building in the heart of the city, adjacent to a major shopping complex, steps away from first-class hotels, restaurants, boutiques, and parking facilities for 2,000 vehicles. The facility is equipped with sophisticated aids for audio, visual, stage, or exhibit requirements; maintains an in-house catering/banquet service; and is part of a province-wide box office. TCU Place's 2,000 soft-seat concert theatre has brought heartwarming praise from numerous world class entertainers and artists, touring companies, ballet companies, and local and international performing art groups, and is home of the Saskatoon Symphony.

With 104,000 square feet of high-end convention space, TCU Place is poised for the large-sized national and international convention market, with first-class convention facilities and services.

In addition, the box office is part of the Ticketmaster ticket distribution system that sells tickets not only for TCU Place but also Credit Union Centre, and other venues across Canada. TCU Place is owned by the City of Saskatoon and is operated by the Saskatoon Centennial Auditorium and Convention Centre Corporation. The Corporation, as well as the Saskatoon Centennial Auditorium and Convention Centre Foundation, consists of a Board of Directors with representation from City Council and the general public.

FINANCIAL DISCUSSION AND ANALYSIS

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2013

FINANCIAL DISCUSSION AND ANALYSIS

Introduction

The City of Saskatoon's 2013 Annual Financial Report contains the audited Consolidated Financial Statements prepared in accordance with principles and standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Deloitte LLP has audited the financial statements and provided the accompanying Auditor's Report. The financial statements and auditor's report meet the legislative reporting requirements under *The Cities Act*.

The following financial statement discussion and analysis has been prepared by the City of Saskatoon Management. It should be read in conjunction with the audited Consolidated Financial Statements and schedules.

2013 Financial Highlights

Introduction

Population and economic growth in Saskatoon and region continued in 2013 and is reflected in both the capital plan and the on-going operational expenditures required to meet the growing needs of the community. Investments continued to be made in roadways, bridges and facilities such as the new Police Headquarters and Remai Art Gallery of Saskatchewan. Many of the capital expenditures are reflected in these statements through modest declines in cash balances and increased debt but within the managed funding plans and debt limits.

Demographic and Economic Information

	2009	2010	2011	2012	2013
Population (Saskatoon CMA)	218,900	224,300	234,200	239,000	248,700
Building Permits #	3,325	4,100	4,651	5,196	5,020
Building Permits Value \$ millions	\$ 537.9	\$ 666.1	\$ 936.9	\$ 1,082.1	\$ 1,088.5
Housing Starts Saskatoon CMA	1,428	2,381	2,994	3,753	3,412
Inflation rate % (CPI) Saskatoon	0.9%	1.2%	2.5%	1.5%	2.1%
GDP % Growth for Saskatoon	-1.6%	6.0%	6.1%	4.1%	6.7%
Unemployment Rate for Saskatoon	4.6%	5.4%	5.7%	5.6%	4.1%
Disposable Income Growth % per capita	2.2%	6.2%	10.7%	4.2%	7.6%

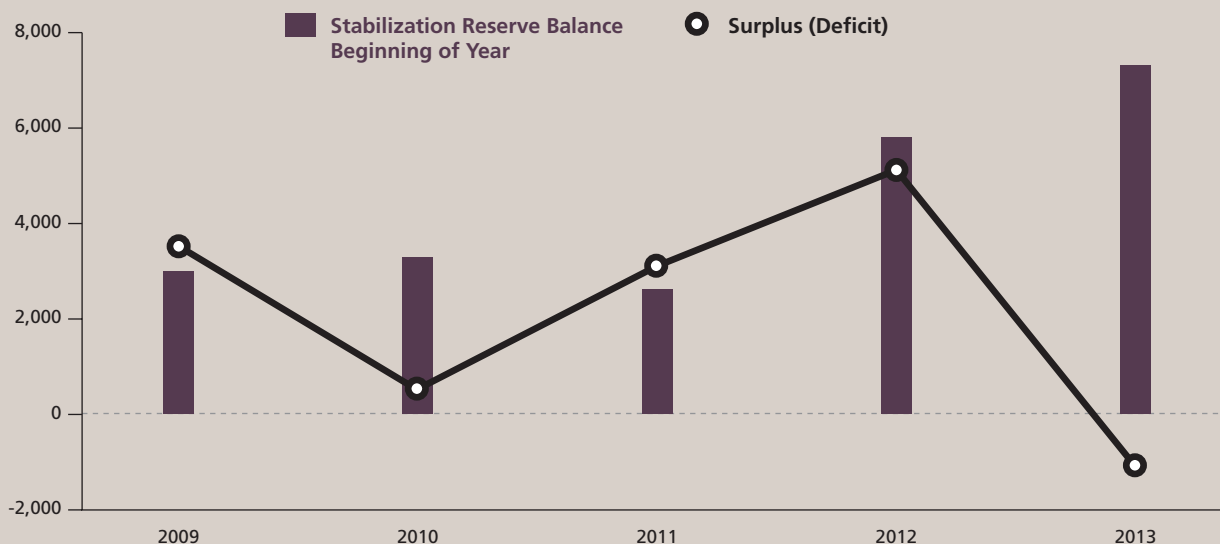
Tax-Supported Operating Results

The City ended the year 2013 with a net \$1.167 million deficit for its tax supported operations relative to the operating budget approved on a modified cash basis. As reported in Schedule 6 of the financial statements, the operating deficit was \$3.442 million prior to applying the Snow and Ice Management program stabilization reserve balance of \$2.025 million and \$0.25 million from the Weather Reserve.

A number of factors contributed to this deficit; however, the majority was the result of record snow fall and the associated expenditures in the Snow and Ice Management program. The net deficit will be funded through a transfer from the City's Fiscal Stabilization Reserve which will have a balance of \$6.1 million after this transfer for future needs if required. Based on policy, the reserve has a targeted minimum balance equal to 5% of the current year's tax-supported expenditures. The reserve was at its minimum balance at the start of the 2013 fiscal year. For 2014 the reserve should be at \$8.7 million, however after funding the 2013 deficit, the reserve will be \$2.6 million short of its minimum balance. It is intended that, over time future surpluses and one-time revenues will bring the reserve back to its targeted level.

FINANCIAL DISCUSSION AND ANALYSIS

(in 000's)	2009	2010	2011	2012	2013
Surplus (Deficit)	3,663.8	420.3	3,073.0	5,075.0	(1,167.0)
Stabilization Reserve Balance	3,000.0	3,281.0	2,701.0	5,831.0	7,268.0



Financial Position

The Statement of Financial Position reports on the City's assets, liabilities and accumulated surplus and provides information on the long-term view of the financial health of the City. Net financial position indicates financial resources on hand to finance future operations. The City's assets need to be sufficient to provide future services and future revenues must be sufficient to cover existing liabilities.

The 2013 Consolidated Financial Statements report net financial assets of \$52.8 million compared to \$115.1 million in 2012, a decrease of \$62.3 million. This is attributable to an increase in Term Debt of \$37.4 million and an increase of \$23.9 million in accounts payable and accrued liability related to ongoing capital projects.

Cash and Cash Equivalents

There was a shift from Cash and Cash Equivalents in 2013 to short-term bonds for the purpose of enhancing portfolio yields. In 2013, Cash and Cash Equivalents decreased to \$37.1 million from \$71.9 million in 2012. However, Investments increased by \$39.9 million from \$299.4 million in 2012 to \$339.3 million in 2013. These Financial Assets are items that will eventually be turned into cash.

Accounts Receivable and User Charges

Total Accounts Receivable and User Charges are \$155.3 million which is an increase of nearly \$10 million over 2012. This includes an increase in land and utility receivables.

Debt

The City of Saskatoon took on more debt in 2013 mostly as part of the funding of the new Police Headquarters. The outstanding debt at the end of 2013 was \$234.5 million compared to \$197.1 million in the prior year. \$60 million in new debt was issued to the City of Saskatoon in 2013 - \$45 million was for the new Police Headquarters project with the repayment funded through the mill rate. This debt was for a thirty year term at an interest rate of 4.6%. \$15 million in debt was issued for water and wastewater projects. This debt was issued as a serial debenture for a 10 year term at an interest rate of 3.13% with the repayment funded through utility rates.

FINANCIAL DISCUSSION AND ANALYSIS

The outstanding debt of \$234.5 million is well within the City's debt limit of \$414 million as authorized by the Municipal Board of the Government of Saskatchewan.

Liquidity

The ratio of current assets to current liabilities is an indicator of the City's ability to meet its current obligations. Standard and Poor's has indicated in its 2012 review of the City's liquidity that "Saskatoon benefits from very positive liquidity which bolsters its financial risk profile and remains a key credit strength".

In 2013, the liquidity ratio (current assets divided by current liabilities) is 2.0 which would be seen as very positive. A ratio of 1 would mean that the organization would have enough cash to pay its current liabilities.

Consolidated Statement Of Operations

The Consolidated Statement of Operations reports on the revenues and expenditures for the fiscal year on a consolidated basis, including all the City's utilities, Boards and Police Commission as well as the Saskatoon Public Library. This statement provides the changes that have impacted the accumulated surplus from the beginning to the end of the year and includes non-cash items such as amortization expense from the City's tangible capital assets.

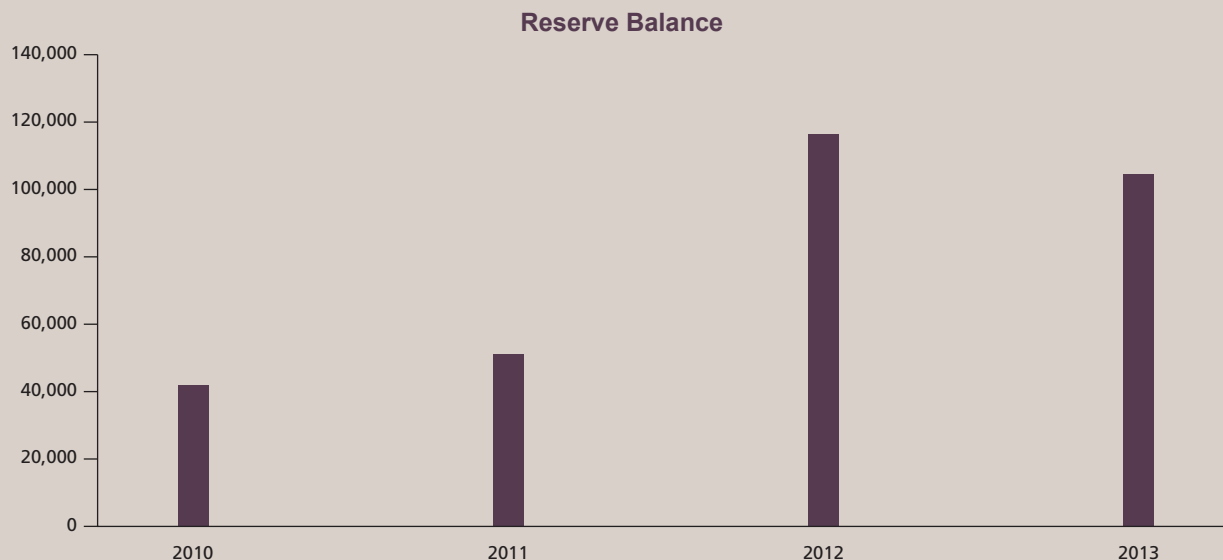
The 2013 Consolidated Financial Statements report an excess of revenues over expenditures of \$117.9 million compared to \$180.6 million in 2012. While revenues were up by \$5.3 million, expenditures were higher by \$68 million. The most significant expenditure increase was in the Transportation category with an increase of \$19.7 million due to the emphasis on the improvement to the condition of the City's roads.

The City's accumulated surplus increased by \$219.7 million to \$3.25 billion. Accumulated surplus is the primary indicator of the financial resources the City has available to provide future services and consists of both cash and non-cash components. The majority of the accumulated surplus is invested in the City's Tangible Capital Assets (TCA). Non-financial assets, which are comprised primarily of TCA, were \$3.2 billion at December 31, 2013 while Financial Assets were \$52.8 million.

The tax-supported operating results are included within these consolidated figures.

Reserves

The City's reserve balances were down by \$9.8 million in 2013 to \$105.9 million. As increased capital spending took place in 2013 this reduced the reserve balance, however, the reserves overall remain healthy.



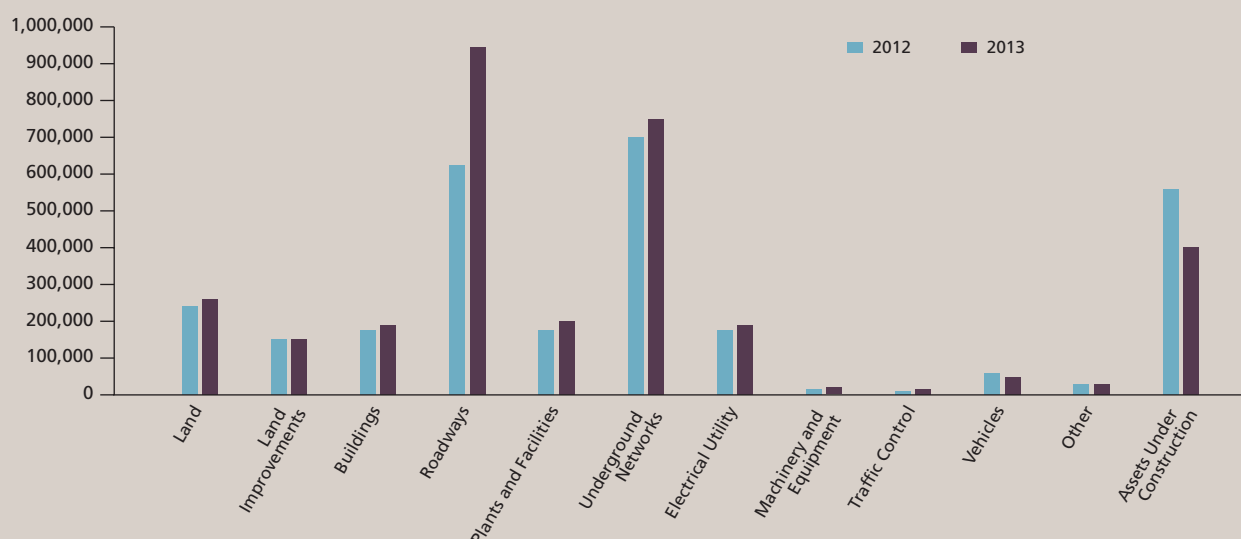
FINANCIAL DISCUSSION AND ANALYSIS

The reserve balance has rebounded from the 2010 levels which were decreased due to the advancement of capital programs to match the Federal and Provincial programs that required municipal matching dollars. This advancement of funds allowed the City of Saskatoon to participate in these programs taking advantage of available funds from senior levels of government to build the necessary infrastructure. The plan to repay the reserves with the future year operating budget allocations was achieved in 2012 when the reserve balance was \$115.7 million up from the four-year low of \$43.3 million in 2010.

Tangible Capital Assets

The City's total net book value of Tangible Capital Assets (TCA) rose by \$283.2 million in 2013. On an overall basis the increase in TCA relates to the new Circle Drive South roadway and bridge as well as work in progress on many projects including the new Police Headquarters, the Rемаi Art Gallery of Saskatchewan and land development assets.

As seen in the following graph, the completion and capitalization of the Circle Drive South project increased the roadways category by transferring the asset amount from the Assets Under Construction category as the roadway came into service in 2013.



Roadways is the highest category of assets at a net book value of \$939.7 million followed by the Underground Network, such as water, sewer and storm sewer mains, at \$757.9 million. Assets under Construction are just over \$399 million and include the Police Headquarters and Rемаi Art Gallery of Saskatchewan.

Financial Control And Accountability

The City ensures strong financial management and accountability policies and practices are in place through a number of means. The Strategic Goal of Asset and Financial Sustainability is a key driver in this objective.

One of the City's Leadership Commitments that drives the organization throughout the daily activities and the manner in which it works towards the Strategic Goals is Strong Management and Fiscal Responsibility. This commitment along with the other Leadership Commitments enables the practice of strong financial controls and accountability that helps the City of Saskatoon maintain its AAA Credit Rating.

FINANCIAL DISCUSSION AND ANALYSIS

Conclusion

Saskatoon continues to enjoy a strong economy and steady growth. With it come the opportunities and challenges to build new and rehabilitate existing infrastructure that is needed as part of a growing community.

To address growth, *Growing Forward! Shaping Saskatoon* is a key initiative that will help guide investments to accommodate growth to half a million people. Saskatoon has a need for a new way of planning for the future to help navigate challenges associated with immense population growth. The resulting growth plan will ensure Saskatoon continues to be a great place to live by creating opportunities for wealth and prosperity, so everyone in our community benefits.

As part of the City's Strategic Goal on Asset and Financial Sustainability, the continued investment in the improvement to roads is one of the key strategies to address the condition of one of the largest components of the existing infrastructure. The result will be not only better road conditions, but an improved roadway network that will lead to more and better options for transportation that are practical for vehicles, buses, bikes, and pedestrians, and an optimal flow of people and goods around the city.

These are some of the key strategies and initiatives to move the City forward. Financial sustainability is one of the key goals in the Strategic plan that looks at funding these initiatives and at the same time preserves the City's strong credit rating.

In January 2014, the City once again had its AAA Stable credit rating affirmed by Standard and Poor's. The rating was based on the 2012 financial results that reflected high liquidity, low and managed debt levels as well as the current financial and economic outlooks.

The City continues to develop a long term financial plan to address these challenges that ensures financial sustainability as well as meeting the future needs of a growing city.

Marlys Bilanski, CMA, FCMA

General Manager, Corporate Services

June 23, 2014

CONSOLIDATED FINANCIAL STATEMENTS

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2013

MANAGEMENT REPORT



The accompanying Consolidated Financial Statements and all other information contained in this Annual Report are the responsibility of management. The Consolidated Financial Statements have been prepared by management in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). The preparation of the statements necessarily includes some amounts which are based on the best estimates and judgements of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are reliable for the presentation of financial statements.

The Audit Committee of the City of Saskatoon comprises five elected officials who are appointed annually. The Committee recommends the engagement of the Internal and External Auditors, approves the annual and long-term audit plans, and reviews the audit reports and the audited financial statements for presentation to City Council.

Deloitte LLP, Chartered Accountants, the City's appointed external auditors, have audited the Consolidated Financial Statements. Their report to the Mayor and City Council, stating the scope of their examination and opinion on the consolidated financial statements, follows.

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

Murray Totland, P. Eng., MBA
City Manager

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

Marlys Bilanski, CMA, FCMA
General Manager, Corporate Services

June 23, 2014

INDEPENDENT AUDITOR REPORT - DELOITTE LLP CHARTERED ACCOUNTANTS

To His Worship the Mayor and City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the City of Saskatoon (the "City"), which comprise the consolidated statement of financial position of the City as at December 31, 2013 and the consolidated statements of operations, cash flows and changes in net financial assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the City of Saskatoon as at December 31, 2013 and the results of its operations, cash flow, and changes in net financial assets for the year then ended in accordance with Canadian public sector accounting standards.

**Chartered Accountants**

Saskatoon, Saskatchewan

June 26, 2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2013 (in thousands of dollars)

	2013	2012
Financial Assets		
Cash and Cash Equivalents (Note 2)	\$ 37,147	\$ 71,913
Taxes Receivable (Note 3)	10,892	9,146
Accounts Receivable and User Charges (Note 3)	155,303	145,422
Loan Receivable (Note 4)	3,980	4,238
Land Inventory for Resale	5,920	4,672
Other Assets (Note 5)	7,363	5,576
Investments (Note 6)	339,318	299,358
Accrued Pension Asset (Note 8)	4,176	14,826
Total Financial Assets	564,099	555,151
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	144,059	120,119
Deferred Revenue (Note 10)	99,555	90,648
Term Debt (Note 11)	234,508	197,125
Employee Benefits Payable (Note 12)	33,162	32,198
Total Financial Liabilities	511,284	440,090
Total Net Financial Assets	52,815	115,061
Non-Financial Assets		
Prepaid Expenditures	2,859	2,516
Tangible Capital Assets (Note 18)	3,188,310	2,905,159
Inventory of Materials and Supplies	10,348	11,865
Total Non-Financial Assets	3,201,517	2,919,540
Accumulated Surplus (Note 19)	\$ 3,254,332	\$ 3,034,601

CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2013 (in thousands of dollars)

	2013 Budget	2013	2012
Revenues			
Taxation (Note 7)	\$ 176,929	\$ 178,380	\$ 166,000
Grants-in-Lieu of Taxes (Note 7)	4,663	4,429	4,043
User Charges	344,442	338,675	316,826
Government Transfers (Note 13)	64,302	64,883	58,578
Investment Income	9,825	12,173	11,305
Contribution from Developers and Others	-	126,275	167,564
Other	32,245	40,218	35,386
Total Revenue	632,406	765,033	759,702
Expenses			
General Government	32,770	30,557	25,177
Transportation	143,521	145,911	126,176
Protection of Persons and Property	137,632	135,822	125,748
Recreation and Culture	83,909	94,222	88,452
Social and Family Services	9,231	6,032	8,784
Planning and Development	35,204	39,946	27,976
Saskatoon Light & Power	96,272	96,376	89,733
Environmental Health	72,697	92,230	81,036
Debt Servicing Costs	10,873	6,043	5,999
Total Expenses	622,109	647,139	579,081
Surplus of Revenues over Expenses before Other Capital Contributions	10,297	117,894	180,621
Other Capital Contributions			
Government Transfers (Note 13)	-	35,031	77,220
Contribution from Developers and Others	-	66,715	58,282
Federation of Canadian Municipalities Green Fund Grant	-	91	(54)
Total Other Capital Contributions	-	101,837	135,448
Surplus of Revenues over Expenses	-	219,731	316,069
Accumulated Surplus, Beginning of Year (Note 19)	-	3,034,601	2,718,532
Accumulated Surplus, End of Year	\$ -	\$ 3,254,332	\$ 3,034,601

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2013 (in thousands of dollars)

	2013	2012
Cash Flows from (used in) Operating Activities:		
Surplus of Revenues over Expenses	\$ 219,731	\$ 316,069
Changes in Non-Cash Items		
Taxes Receivable	(1,746)	(1,005)
Accounts Receivable and User Charges	(9,881)	(21,554)
Loan Receivable	258	440
Land Inventory for Resale	(1,248)	(1,033)
Other Assets	(1,787)	(369)
Accrued Pension Asset	10,650	12,510
Prepaid Expenditures	(343)	432
Inventory of Materials and Supplies	1,518	(992)
Accounts Payable and Accrued Liabilities	23,940	7,550
Deferred Revenue	8,907	(40,961)
Employee Benefits Payable	964	1,341
Amortization	101,845	83,642
Total Cash Flows from Operating Activities	352,808	356,070
Cash Flows used in Investing Activities:		
Increase in Investments	(39,960)	(47,608)
Total Cash Flows used in Investing Activities	(39,960)	(47,608)
Cash Flows (used in) from Financing Activities:		
Proceeds from Term Debt	60,000	90,000
Term Debt Repaid	(22,617)	(20,243)
Total Cash Flows from Financing Activities	37,383	69,757
Cash Flows used for Capital:		
Acquisition of Tangible Capital Assets	(384,997)	(382,940)
Net Cash Flows used in Capital Activities	(384,997)	(382,940)
Net Decrease in Cash and Cash Equivalents	(34,766)	(4,721)
Cash and Cash Equivalents at Beginning of Period	71,913	76,634
Cash and Cash Equivalents at End of Period	\$ 37,147	\$ 71,913

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2013 (in thousands of dollars)

	2013	2012
Surplus of Revenues over Expenses	\$ 219,731	\$ 316,069
Net Acquisition of Tangible Capital Assets	(384,997)	(382,940)
Amortization of Tangible Capital Assets	101,845	83,642
Deficit from Capital Transactions	(283,152)	(299,298)
Net Change in Prepaid Expenses	(343)	432
Net Change in Inventory of Materials and Supplies	1,518	(992)
Surplus (Deficit) from other Non-financial Expenditures	1,175	(560)
(Decrease) Increase in Net Financial Assets	(62,246)	16,211
Net Financial Assets, Beginning of Year	115,061	98,850
Net Financial Assets, End of Year	\$ 52,815	\$ 115,061

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

1. Accounting Policies

The consolidated financial statements of the City of Saskatoon (the “City”) are prepared by management in accordance with Public Sector Accounting Standards (“PSAS”), as recommended by the Chartered Professional Accountants of Canada (“CPA Canada”). Significant aspects of the accounting policies adopted by the City are as follows:

a. Basis of Consolidation

i. Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenditures, and fund balances of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City, namely:

- > General Revenue and Capital Funds
- > Board of Police Commissioners
- > Wastewater Utility
- > Storm Water Management Utility
- > Water Utility
- > Saskatoon Light & Power
- > Mendel Art Gallery
- > Centennial Auditorium (Operating as TCU Place)
- > Saskatchewan Place (Operating as Credit Union Centre)
- > Saskatoon Public Library
- > Saskatchewan Information & Library Services Consortium Inc. (“SILS”)
- > Reserve Funds

All interfund amounts have been eliminated through the consolidation. Schedule 6, and supporting Appendices 1 to 7, include only those revenues and expenditures reflected in the City’s annual Operating Budget, which is prepared to identify the City’s property tax requirements. Excluded from this Schedule are the operations of the Mendel Art Gallery, TCU Place, Credit Union Centre, Saskatoon Public Library, and the Sinking Fund.

The Saskatoon Public Library has an interest in the Saskatchewan Information & Library Consortium Services Inc. (“SILS”), which has been proportionately consolidated.

ii. Trust and Pension Funds

Trust funds (see Note 16) and pension funds and their related operations administered by the City are not reflected in the consolidated financial statements.

iii. Accounting for School Board Transactions

The taxation, other revenues, expenditures, assets, and liabilities with respect to the operations of the school boards, are not reflected in the municipal fund balances of these financial statements. Amounts due to/from school boards are reported on the Consolidated Statement of Financial Position as accounts payable/accounts receivable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

1. Accounting Policies (continued)

b. Basis of Accounting**i. Revenues and Expenditures**

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from development charges for services that have not yet been provided at the time the charges are collected are accounted for as deferred revenue until used for the purposes specified. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due. Budget information is presented on a basis consistent with that used for actual results.

ii. Budget

The budget was approved by City Council on December 5, 2012. Any Council-approved changes made to capital budgets throughout the fiscal year have been included in the 2013 budgeted amounts.

iii. Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. A provision has been recorded in Accounts Payable and Accrued Liabilities for potential losses on assessment appeals outstanding as of December 31, 2013.

iv. Cash Equivalents

Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

v. Inventories of Materials and Supplies

Inventories of materials and supplies are valued at the lower of cost and net realizable value. Cost is determined using average costs.

vi. Land Inventory for Resale

The City is one of the primary property developers in the municipality. Land inventory for resale is recorded at the lower of adjusted cost and net realizable value. Adjusted cost includes amounts for land acquisition and improvements to prepare the land for sale. Land is available for resale when approved for sale by the Land Bank Committee and when all municipal services have been completed.

vii. Investments

All investments are recorded at amortized cost using the effective interest rate method. Premiums and discounts are amortized over the life of the investment. Investment transactions are accounted for at the settlement date. Investment income is recorded on the accrual basis. When there has been a loss in a value of an investment that is other than temporary decline, the investment is written down to recognize the loss and the loss is recognized in the consolidated statement of operations.

viii. Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates of the revenue amount can be made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

1. Accounting Policies (continued)

b. Basis of Accounting (continued)

ix. Pension Amounts

The City of Saskatoon makes contributions to the General Superannuation, Part-Time and Seasonal Employee Superannuation, Police Superannuation, and Fire and Protective Services Department Superannuation Plans on behalf of its staff. All plans are defined benefit plans with the exception of the Part-Time and Seasonal Employee Plan, which is a defined contribution plan. Pension expense for the defined benefit plans are based on actuarially determined amounts. Pension expense for the defined contribution plan is based on the City's contributions.

x. Use of Estimates

The preparation of consolidated financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods. Significant estimates include pension amounts, employee benefits payable, landfill liability, and the amortization of tangible capital assets.

xi. Segmented Reporting

Segmented information on the Consolidated Financial Activities is presented on Schedule 4. It is based on capital and operating services for both utilities and the general City programs, plus information on the Saskatoon Public Library, Mendel Art Gallery, TCU Place, and Credit Union Centre.

xii. Derivative Financial Instruments

The City has entered into two interest rate swap agreements with the Royal Bank of Canada in order to manage the interest rate exposure associated with its term debt loans. The agreements arrange for the exchanging of the floating interest rate cash flows from the underlying debt instruments with fixed interest rate cash flows based on a notional amount. Because the term swap agreement effectively and completely hedges the interest costs on the underlying debt obligations, the City is reflecting the obligation as term debt.

xiii. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. The cost less residual value of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

> Buildings	25 to 50 years
> Plants and Facilities	20 to 50 years
> Roadways	20 to 75 years
> Underground Networks	50 to 75 years
> Electrical Utility	10 to 45 years
> Vehicles	4 to 30 years
> Traffic Control	15 to 30 years
> Machinery and Equipment	5 to 25 years
> Land and Land Improvements	20 to indefinite years
> Other: - Furniture and Fixtures	10 to 20 years
- Information and Communication	10 to 15 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

1. Accounting Policies (continued)

b. Basis of Accounting (continued)

xiii. Tangible Capital Assets (continued)

A full year's amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for use. Interest costs for the construction and development of tangible capital assets are capitalized.

(a) Contribution of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

(b) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risk incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(c) Land Under Roads

Land under roads that is acquired other than by a purchase agreement is valued at a nominal cost.

(d) Cultural, Historical and Works of Art

The City manages and controls various works of art and non-operational historical and cultural assets including buildings, artifacts, paintings, and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are expensed.

2. Cash and Cash Equivalents

	Cost		Market	
	2013	2012	2013	2012
Cash and Cash Equivalents	\$ 37,147	\$ 71,913	\$ 37,147	\$ 71,913
Total	\$ 37,147	\$ 71,913	\$ 37,147	\$ 71,913

3. Receivables

It is the normal practice of the City to review its accounts receivable on a regular basis and write off any accounts which are considered to be uncollectable. A general allowance of \$1,161 (2012 - \$1,548) for uncollectable taxes is included in the balance of Taxes Receivable. The City also calculates an allowance for uncollectable accounts relating to Utility billings. For 2013 this amount is \$179 (2012 - \$149), and is included in accounts receivable and user charges.

4. Loan Receivable

City Bylaw No. 8418 was approved by City Council in 2005 to authorize a 15 year loan in the amount of \$10,550 from the City to Saskatoon Soccer Centre Inc. for the construction of the North East Soccer Park, in Forest Park, in Saskatoon. The total annual payment under the loan is shared by Saskatoon Soccer Centre Inc. and the City resulting in an amount receivable from the Saskatoon Soccer Centre Inc. of \$7,037 and a deferred grant of \$3,513 that is amortized over the life of the loan payments. Interest is recognized as earned at 2.80 percent to 4.60 percent over the life of the loan. Security on the loan is by way of an assignment lease against the Henk Ruys Soccer Centre and the North East Soccer Park. The amount receivable and deferred grant as at the end of December 31, 2013 are \$3,781 (2012 - \$4,238).

City Bylaw 9122 was approved by City Council in 2013 to authorize a 6 month loan in the amount of \$200 from the City to *The Friends of The Bowl Foundation Inc.* for a fundraising campaign in relation to the upgrade of the Gordon Howe Bowl. Payment of the loan is due in full on January 31, 2014. Interest is charged at the rate of 1.2 percent over the life of the loan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

5. Other Assets

	2013	2012
Deferred Charges	\$ 7,057	\$ 5,276
Other Inventory for Resale	306	300
	\$ 7,363	\$ 5,576

6. Investments

	Cost		Market	
	2013	2012	2013	2012
Federal, provincial, municipal, federal government agency and corporate bonds	\$ 339,318	\$ 299,358	\$ 347,565	\$ 305,630

Maturities are between 2014–2023 with effective interest rates of 1.0 percent to 5.45 percent.

7. Net Taxes Available For Municipal Purposes

	2013	2012
Gross Taxation Revenue Collected	\$ 323,663	\$ 306,237
Taxes Collected on Behalf of Others:		
Saskatoon School Division No. 13	(99,413)	(95,645)
St. Paul's Roman Catholic Separate School Division No. 20	(40,576)	(39,811)
Business Improvement Districts	(865)	(738)
Net Taxes Available for Municipal Purposes	\$ 182,809	\$ 170,043
Comprised of:		
Municipal	178,380	166,000
Grants-in-Lieu of Taxes	4,429	4,043
	\$ 182,809	\$ 170,043

The Education Act and *The Cities Act* set out the manner in which collection of taxes and trailer license fees are to be submitted to the School Boards and the Business Improvement Districts. As the City is acting as agent only for the collection of such taxes, these amounts are not reflected in the Schedule of Revenue and Expenditures, nor are the Assets, Liabilities, and Fund Balances of these Boards included in the consolidated financial statements.

8. Pension Plans

The City administers four employee pension plans - the General Superannuation Plan ("General Plan"), the Police Superannuation Plan ("Police Plan"), the Fire and Protective Services Department Superannuation Plan ("Fire Plan"), and the Part-Time and Seasonal Employee Superannuation Plan ("Seasonal Plan"). Combined, these plans provide pension benefits for all eligible staff of the City. General, Police, and Fire Plans are contributory defined benefit plans. The Seasonal Plan is a defined contribution plan. In all Plans, contributions are made by Plan members and the City as stipulated by pension agreements. The defined benefit plans provide for a benefit that is integrated with the Canada Pension Plan, and is based on years of contributory service times a percentage of average earnings as defined by each plan. The Part-Time and Seasonal Employee Superannuation Plan provides a benefit based on the annuity that can be purchased with the funds in an employee's account (i.e. a money purchase plan).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

8. Pension Plans (continued)

The accrued pension asset relates to the three main plans - the Retirement Plan for Employees of the City of Saskatoon Board of Police Commissioners, the Retirement Plan for Employees of the Fire and Protective Services Department of the City of Saskatoon, and the General Superannuation Plan for City of Saskatoon employees not covered by the Police and Fire and Protective Services Departments' Superannuation Plans. The General Plan provides for partial inflation protection on benefits accrued to December 31, 2000. Fire and Police plans have provided for partial ad hoc indexing from time to time in the past when deemed affordable through surpluses. The latest increase for eligible retired members of the Fire and General Plans were granted January 1, 2008 and January 1, 2011, respectively. The latest increase for retired members of the Police Plan was granted July 1, 2010. In accordance with the latest filed valuation report as at December 31, 2012, the average age of the 3,308 employees accruing service under the Plans is 43.27 years. There are five former employees who are entitled to deferred pension benefits. At present, the Plans provide benefits for 1,668 retirees and surviving spouses; benefit payments were \$50,176 in 2013.

Employees make contributions in accordance with the following: General Plan 7.9 percent of salary; Fire Plan 7.7 percent of salary; and Police Plan 9 percent of salary while the City contributes an equal amount. In 2013, employee contributions for current service were \$19,214 (2012 - \$17,500), and the City's contributions were \$18,361 (2012 - \$17,500). A separate pension fund is maintained for each Plan. Pension fund assets are invested entirely in marketable investments of organizations external to the City. The accrued benefit asset at December 31 includes the following components:

	2013	2012
Accrued Benefit Obligation	\$ (1,024,362)	\$ (976,441)
Pension Fund Assets		
Marketable Securities	989,185	907,785
	(35,177)	(68,656)
Unamortized Actuarial Losses	39,353	83,482
Accrued Benefit Asset	4,176	14,826
Net Carrying Value of Accrued Benefit Asset	\$ 4,176	\$ 14,826

Actuarial valuations for accounting purposes are performed at least triennially using the projected benefit method prorated on services. The most recent valuations were prepared by AON Consulting as at December 31, 2012. There is a net unamortized actuarial loss to be amortized on a straight-line basis over the expected average remaining service life of the related employee groups applicable to each of the Plans of 13.8 years on average.

The actuarial valuations were based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, and employee turnover and mortality. The assumptions used represent the City's best estimates. The expected inflation rate is 2.5 percent for the three Plans. The discount rate used to determine the accrued benefit obligation is 7.0 percent for the General Plan, 6.6 percent for the Police Plan and 6.65 percent for the Fire Plan. The earnings increase rate is 3.5 percent for all three Plans.

Pension fund assets are valued using a market-related value which amortizes realized and unrealized gains and losses over a five-year period. The expected rate of return on General Plan assets is 7.0, 6.6 percent for the Police Plan assets and 6.65 percent for the Fire Plan assets. The actual rate of return on Plan assets in 2013 was 10.5 percent. The market value of assets at December 31, 2013 was \$1,079,939 (2012 - \$926,470).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

8. Pension Plans (continued)

The total expenditures related to pensions in 2013 include the following components:

	2013	2012
Current period benefit cost	\$ 33,492	\$ 36,158
Less: Employee contributions	(19,214)	(17,806)
Amortization of actuarial loss	10,218	10,589
Pension expense excluding interest	24,496	28,941
Interest cost on the average accrued benefit obligation	66,179	63,596
Expected return on average pension plan assets	(61,664)	(62,515)
Pension interest expenditure	4,515	1,081
Total Pension Expense	\$ 29,011	\$ 30,022

9. Accounts Payable and Accrued Liability

Included in accrued liabilities is \$5,307 (2012 - \$6,884) for the estimated total landfill closure and post closure care expenditures. The estimated liability for these expenditures is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenditures recognized as at December 31, 2013, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post closure care activities discounted at the City's average long-term borrowing rate of 4.44 percent (2012 - 3.72 percent). The expense recorded with respect to landfill closure liability is recorded in the Consolidated Statement of Operations.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection, and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 35 year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 62 percent (2012 - 62 percent) of its total estimated capacity and its estimated remaining life is 45 years (2012 - 46 years). The period for post closure care is estimated to be 35 years (2012 - 35 years).

The expected lifespan for the Landfill has been conservatively estimated on the basis of waste diversion rates rising slowly. With the introduction of residential curbside recycling in 2013, the diversion rate is expected to rise from the current level of 23 percent to 40 percent or higher. The optimization strategy for the Landfill is also based on the existing facility footprint. Should additional lands be annexed into the Landfill footprint, the lifespan would also increase.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

10. Deferred Revenue

	2013	2012
Development Charges	\$ 73,475	\$ 53,449
Federal Government Transfers	14,095	12,296
Provincial Government Transfers	-	13,771
Ticket Sales and Other	11,985	11,132
	\$ 99,555	\$ 90,648

Government transfers include sources of funding from the federal and provincial governments that are required to be spent on approved eligible capital projects. These transfers are deferred until eligible expenditures are incurred.

11. Term Debt

a. Debt

Year Repayable	2013	2012
2013	\$ -	\$ 22,616
2014	21,405	20,037
2015	22,078	20,693
2016	20,304	18,899
2017	20,937	19,508
2018	21,602	20,142
2019	18,346	16,849
2020	14,890	13,352
2021	9,018	7,433
2022	9,309	7,671
2023	4,698	3,003
2024	3,097	3,097
2025	2,986	2,986
2026	3,078	3,078
2027	3,171	3,171
2028	3,267	3,267
2029	3,368	3,368
2030	3,469	3,469
2031	3,575	3,575
2032	910	911
2043	45,000	-
Total Debt	\$ 234,508	\$ 197,125

Interest rates range from 1.81 percent to 4.68 percent. All long-term debt instruments have been issued in Canadian Funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

11. Term Debt (continued)

b. Derivative Financial Instruments Associated with Debt:

	2013	2012
Royal Bank Banker's Acceptance Loan - offering rate plus spread of 0.20% revolves quarterly at progressively smaller amounts until October 2013.	-	\$ 3,202
Financial Instrument created by Interest rate swap agreement - 3.00% terminates October 2013 - the notional amount of this swap is equal to the loan noted above.	-	-
Royal Bank Bankers' Acceptance Loan - offering rate plus spread of 0.20%, revolves quarterly at progressively smaller amounts until October 2018 (offering rate at December 31, 2013 was 1.275%).	\$ 17,628	\$ 20,755
Financial instrument created by interest rate swap agreement - 3.58% terminates October 2018 - the notional amount of this swap is equal to the loan noted above.	-	-
Royal Bank Bankers' Acceptance Loan - offering rate plus spread of 0.30% revolves quarterly at progressively smaller amounts until February 9, 2032 (offering rate at December 31, 2013 was 1.27833%).	51,393	53,477
Financial instrument created by interest rate swap agreement - 2.78% terminates February 2032 - the notional amount of this swap is equal to the loan noted above.	-	-

c. Regulations

The regulations under *The Cities Act* require that individual debenture issue bylaws be submitted, reviewed, and approved by the Saskatchewan Municipal Board ("SMB") with the exception that an urban municipality with a population greater than 30,000 can apply to the SMB for a debt limit. The City's debt limit is \$414,000, as approved by the SMB. The total interest paid by the City for debt in 2013 was \$5,589.

12. Employee Benefits Payable

Vacation leave is credited to employees on a monthly basis based on contractual obligations. Such credits are accumulated from the period April 1 to March 31 and may not be taken in advance. Therefore, credits earned from April 1, 2013 to December 31, 2013 would normally be available to employees after April 1, 2014.

The City operates a number of Sick Leave Benefit Plans as stipulated within agreements with the various Unions and Associations of employees. These plans are based on the accumulation of sick leave credits to a specified maximum, or are guaranteed long-term disability plans. For those Unions with accumulated sick leave plans, the employee is entitled to a cash payment under specified circumstances, including retirements, based upon a formula stipulated in the union agreements.

Employee benefits payable are recorded as financial liabilities on the Consolidated Statement of Financial Position, offset by a reduction in fund balances. The total of these liabilities is as follows:

	2013	2012
Vacation leave accrual	\$ 18,504	\$ 18,252
Sick leave credits	14,658	13,946
	\$ 33,162	\$ 32,198

The City's liability for sick leave credits is an actuarially determined amount. Significant assumptions include: discount rate 3.00 percent; earnings increase rate 3.50 percent; and, inflation rate 3.50 percent.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

13. Government Transfers

Government transfer programs include operations funding received from Funding Agreements such as the Federal Gas Tax Revenue Transfer Program, the Urban Highway Connector Program, the Provincial Revenue Sharing Program, the Provincial and Federal Police funding programs as well as Transit and Library Funding Agreements. The use of these funds are restricted to eligible expenditures as identified in the funding agreement. Authorization and approval are required before the funds can be expended. The following transfers have been included in revenues:

	2013	2012
Operating Transfers		
Federal	\$ 8,565	\$ 8,110
Provincial	56,318	50,468
	64,883	58,578
Capital Transfers		
Federal	20,340	32,985
Provincial	14,691	44,235
	35,031	77,220
	\$ 99,914	\$ 135,798

14. Contingencies

a. Lawsuits

Various lawsuits and claims are pending by and against the City. Provisions have been made for any claims that are likely and the amount of the potential loss can be reasonably estimated. It is the opinion of management that final determination of any remaining claims will not materially affect the financial position of the City.

b. Contractual Obligations

The City has not entered into any long-term contractual obligations, the recognition of which would materially affect these financial statements.

15. Property Realized Reserve

The Property Realized Reserve, which is included on Schedule 3, is reported net of all withdrawals. This practice does not recognize the value of assets for property purchased but not yet sold, or repayable advances of funds. At December 31, 2013, the gross value of the Property Realized Reserve is estimated to be \$129,528 (2012 - \$118,066) itemized as follows:

	2013	2012
Gross Value of Reserve, December 31	\$ 129,527	\$ 118,066
Advances Repayable from Future Revenue Fund Provisions	(6,149)	(4,632)
Property Purchased from Reserve and not yet re-sold (at estimated cost)	(75,466)	(74,694)
Net Balance of Reserve, December 31	\$ 47,912	\$ 38,740

16. Trust Funds

The City administers two trust funds, the Cemetery Perpetual Care Fund and the Group Insurance Trust Fund. The reserve balances in these trusts are \$3,801 (2012 - \$3,563) and \$1,097 (2012 - \$1,023), respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

17. Expenditures By Object

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object of expenses:

	2013	2012
Wages and Benefits	\$ 280,437	\$ 249,565
Contracted and General Services	113,033	117,166
Heating, Lighting, Power, Water, and Telephone	91,426	84,830
Materials, Goods and Supplies	41,389	23,702
Finance Charges	7,103	7,794
Donations, Grants and Subsidies	11,905	12,381
Amortization	101,845	83,643
	\$ 647,138	\$ 579,081

18. Tangible Capital Assets

	Net Book Value	
	2013	2012
Land	\$ 262,921	\$ 239,248
Land Improvements	153,745	155,898
Buildings	185,770	176,190
Roadways	939,750	628,271
Plant and Facilities	199,462	168,052
Underground Networks	757,940	704,735
Electrical Utility	188,593	181,325
Machinery and Equipment	14,128	11,606
Traffic Control	9,191	7,850
Vehicles	55,630	56,738
Other	22,085	21,810
	2,789,215	2,351,723
Assets under Construction	399,095	553,436
	\$ 3,188,310	\$ 2,905,159

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 5). Interest capitalized was nil (2012 - \$190). Contributed assets totaled \$43,848 (2012 - \$33,127) and were capitalized at their fair value at the time of receipt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013 (in thousands of dollars)

19. Accumulated Surplus

	2013	2012
Fund Balances		
Funds to offset taxation or user charges in future years (Schedule 1)	\$ (30,019)	\$ (12,048)
Unexpended capital financing (Schedule 2)	114,753	146,315
Reserves (Schedule 3)	105,883	115,702
	190,617	249,969
Net Investment in Tangible Capital Assets		
Tangible Capital Assets (Schedule 5)	3,188,310	2,905,159
Capital outlay financed by term liabilities to be recovered in future years	(107,922)	(102,499)
Capital outlay financed by internal investments	(16,673)	(18,028)
	3,063,715	2,784,632
Total Accumulated Surplus	\$ 3,254,332	\$ 3,034,601

20. New Standards Not Yet Adopted

The following new standards and amendments to standards, effective for annual periods on or after April 1, 2012, have been analyzed in preparing these financial statements:

- > PS 3410, Government Transfers
- > PS 3510, Tax Revenue

The prospective adoption of these standards had no material impact on the financial statements. The Statement of Remeasurement Gains and Losses has been omitted as there were no relevant transactions to report.

A number of new standards and amendments which may impact the City are not yet effective for the year ended December 31, 2013, and have not been applied in preparing these consolidated financial statements. In particular, the following new standards and amendments to standards are effective for financial statements on or after April 1, 2016:

- > PS 1201, Financial Statement Presentation
- > PS 2601, Financial Currency Translation
- > PS 3041, Portfolio Investments
- > PS 3450, Financial Instruments

The extent of the impact on adoption of these standards is not known at this time.

SCHEDULE 1 - SCHEDULE OF FUNDS TO OFFSET TAXATION OR USER CHARGES IN FUTURE YEARS

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013	2012
Balance, Beginning of Year	\$ (12,048)	\$ (1,039)
Transfer to Revenue Stabilization Reserve	(5,075)	(3,073)
Increase in Employee Benefit Payables	(964)	(1,341)
Decrease in Accrued Pension Asset	(10,650)	(12,510)
Decrease in Landfill Closure/Post Closure Care Liability	1,577	915
Increase in Accrued Term Debt Principal	583	(75)
(Deficit)/Surplus for the Year (Schedule 6)	(3,442)	5,075
Balance, End of Year	\$ (30,019)	\$ (12,048)

SCHEDULE 2 - SCHEDULE OF CAPITAL OPERATIONS

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Source of funds			
Province of Saskatchewan	\$ -	\$ 9,509	\$ 36,075
Saskatchewan Water Corporation	-	-	3
Federal Gas Tax Program	12,500	-	4,189
Provincial Building Communities Program	-	279	54
Urban Highway Connector Program	167	45	4,958
Government of Canada	31,375	-	9
Federal Transit Funding Program	5,770	618	633
Federal Gateway and Border Crossings	197	8,224	18,238
Building Canada Fund (FED)	465	11,349	9,987
Federal Infrastructure Stimulus Fund	-	-	12
Building Canada Fund (PROV)	465	4,858	3,055
Federation of Canadian Municipalities	-	-	90
FCM Green Fund Grant	-	91	(54)
Taxation	2,004	4,211	3,454
Utility Contribution	1,309	8,189	8,098
Borrowing	19,287	-	-
Contributions from Developers Benefitting Property Owners and Other Users	18,934	14,502	22,452
External Alternate Funding	81,175	-	-
Appropriations			
Operating Surplus	-	-	-
Reserves	252,171	286,279	218,352
	425,819	348,154	329,605
Expenditures			
General Government	14,727	17,996	4,595
Protection of Persons and Property	4,340	43,743	57,761
Transportation	179,246	132,371	165,608
Environmental Health	107,381	88,640	93,572
Social and Family Services	335	(1,952)	187
Planning and Development	93,398	54,736	25,503
Recreation and Culture	9,844	24,890	12,029
Saskatoon Light & Power Expansion and Replacements	16,548	19,292	20,910
	425,819	379,716	380,165
Increase in Unexpended Capital Financing	-	(31,562)	(50,560)
Unexpended Capital Financing, Beginning of Year	-	146,315	196,875
Unexpended Capital Financing, End of Year	\$ -	\$ 114,753	\$ 146,315

SCHEDULE 3 - SCHEDULE OF RESERVES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013	2012
Replacement		
Albert Community Centre	\$ 6	\$ 4
Automated Garbage Containers	(461)	30
Access Transit	(161)	(52)
Boards:		
TCU Place	1,027	260
Saskatoon Public Library	3,725	3,419
Mendel Art Gallery	168	137
Credit Union Centre	453	1,562
Buildings and Ground Equipment	73	87
Bus Replacement	1,059	196
Civic Vehicles and Equipment	798	669
Civic Radio Reserve	80	60
Saskatoon Light & Power	7,098	6,708
Computer Equipment	450	316
Grounds Maintenance Equipment Acquisition	157	189
Fire Equipment	335	677
Fire Apparatus	807	508
Infrastructure Replacement:		
Surface Improvements	473	2,225
Water and Sewer Replacement	(14,614)	(17,137)
Parks	(1,951)	(1,298)
Storm Water Management	946	2,023
Landfill	(5,427)	(5,953)
Leisure Service Equipment	493	410
Photocopy Machine	595	585
Police - Vehicle/Radio	831	1,120
Radio Trunking	338	334
Wastewater Collection/Treatment	62	438
Water Utility	216	102
Weigh Scales	181	181
Balance, End of Year	(2,243)	(2,200)

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SCHEDULE 3 - SCHEDULE OF RESERVES (CONTINUED)

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013	2012
Future Expenditures		
Animal Services	138	85
Animal Trading - Zoo	62	63
Affordable Housing - Operating	1,963	2,502
Boards:		
TCU Place	3,313	2,786
Saskatoon Public Library	18,094	16,637
Mendel Art Gallery	8,802	2,767
Credit Union Centre	4,688	2,755
Bridge Major Repairs	380	(391)
Building Permits/Inspections	5,601	3,981
Corporate Capital	198	(259)
Campsite	281	193
Civic Buildings Comprehensive Maintenance	530	532
Civic Hospitality	134	120
Community Support Grant	195	145
Corporate Information Systems Development	492	439
Cosmo Stabilization	60	60
Cultural Capital	2	-
Dedicated Lands	1,249	1,887
Dedicated Roadways	812	965
Downtown Housing	651	599
Errors and Omissions	497	397
Saskatoon Light & Power Distribution Extension	(6,331)	(5,115)
Fire Department Uniforms	230	140
Forestry Farm Park and Zoo Capital	74	274
Forestry Farm Park Development	82	62
Forestry Farm Auditorium	25	26
Fuel Stabilization	1,000	1,000
General Voting	86	16
Golf Course Capital	461	264
Golf Course Stabilization	200	200
Heritage Fund	220	223
Holiday Park Golf Course Development	770	667
Idylwyld Drive Maintenance	917	896
Insurance Deductible	1,635	1,369
Interest Stabilization	2,003	1,702
Lakeridge Ponding	57	57
Land Bank	(20,809)	26,866
Land Operations	3,199	3,039
Municipal Heritage Advisory	12	12

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SCHEDULE 3 - SCHEDULE OF RESERVES (CONTINUED)

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013	2012
Neighbourhood Park Enhancement	348	307
North Sask Rugby	2	2
Parking Facilities	897	864
Pest Control	68	68
Police Facilities Major Repair	430	330
Police Equipment	46	378
Planning Levy	803	703
Prepaid Services	(35,571)	(7,828)
Property Realized	47,912	38,740
Public Works Building	63	53
Reserve for Capital Expenditures	3,760	4,772
River Landing Capital	120	80
Fiscal Stabilization	7,268	5,831
Saskatoon Soccer Capital	647	418
Sign Shop Equipment Acquisition	99	40
Sinking Fund	-	232
Snow & Ice Contingency	2,025	807
Snow & Ice Acquisition	267	-
Special Events	815	360
Sports Participation	79	76
Storm Water Management Utility Stabilization	1,376	766
Streetscape	4,733	3,361
Street Cleaning/Sweeping Acquisition	77	50
Sundry	28,329	(2,379)
Traffic Noise Attenuation	372	274
Traffic Safety	170	144
Transit Capital	(46)	(3)
Transportation Infrastructure Expansion	(2,084)	(3,585)
Reserves-Fund 04	88	419
Vehicle and Equipment	1,968	173
Warranty	1,266	931
Waste Minimization	-	(122)
Wastewater Collection/Treatment Capital	4,664	215
Water and Wastewater Utility Stabilization	4,634	3,063
Water Capital Projects	256	81
Weather	250	250
SIGI Reserve (Saskatchewan Infrastructure Growth Initiative)	22	70
Balance, End of Year	108,126	117,902
Total Reserves, End of Year	\$ 105,883	\$ 115,702

SCHEDULE 4 – SCHEDULE OF FINANCIAL ACTIVITIES BY SEGMENT For the Year Ended December 31, 2013 (in thousands of dollars)
Unaudited

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	Credit Union Centre	Consolidation Adjustments	2013
Revenues										
Taxation	\$ 161,209	\$ -	\$ 4,211	\$ -	\$ 17,171	\$ -	\$ -	\$ -	\$ (4,211)	\$ 178,380
Grants-in-Lieu	30,921	-	-	-	-	-	-	-	(26,492)	4,429
User Charges	82,797	249,110	-	-	318	539	11,720	20,089	(25,898)	338,675
FCM Green Fund Grant	-	-	-	91	-	-	-	-	-	91
Government Transfers	63,613	-	20,340	14,691	701	561	-	-	8	99,914
Investment Income	8,913	-	-	-	-	-	76	71	3,113	12,173
Contribution from Developers	-	-	13,696	2,053	-	-	-	-	175,210	192,990
Other	44,134	-	-	-	235	-	-	50	(4,201)	40,218
From Reserves	-	-	246,264	40,015	-	-	-	-	(286,279)	-
Utility Contribution	-	-	-	8,189	-	-	-	-	(8,189)	-
Total Revenues	391,587	249,110	284,511	65,039	18,425	1,100	11,796	20,210	(176,939)	866,870
Expenses										
General Government	57,128	-	18,145	-	-	-	-	-	(44,717)	30,557
Protection of Persons and Property	139,023	-	44,105	-	-	-	-	-	(47,306)	135,822
Transportation	84,354	4,931	133,272	194	-	-	-	-	(76,840)	145,911
Environmental Health	12,195	97,084	30,316	59,056	-	-	-	-	(106,421)	92,230
Social and Family Services	3,986	-	(1,952)	-	-	-	-	-	3,998	6,032
Planning and Development	29,976	-	55,189	-	-	-	-	-	(60,204)	39,946
Recreation and Culture	45,834	-	26,980	-	18,544	3,788	12,399	20,046	(18,383)	94,222
Saskatoon Light & Power	2	140,841	4,666	14,785	-	-	-	-	(63,918)	96,376
Debt Servicing Costs	10,185	1,586	-	-	-	-	-	-	(5,728)	6,043
Total Expenses	382,683	244,442	310,721	74,035	18,544	3,788	12,399	20,046	(419,519)	647,139
Surplus/(Deficit) of Revenues over Expenses	\$ 8,904	\$ 4,668	\$ (26,210)	\$ (8,996)	\$ (119)	\$ (2,688)	\$ (603)	\$ 164	\$ 242,580	\$ 219,731

SCHEDULE 4 - SCHEDULE OF FINANCIAL ACTIVITIES BY SEGMENT For the Year Ended December 31, 2012 (in thousands of dollars)
Unaudited

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	Credit Union Centre	Consolidation Adjustments	2012
Revenues										
Taxation	\$ 149,472	\$ -	\$ 3,454	\$ -	\$ 16,517	\$ -	\$ -	\$ -	\$ (3,443)	\$ 166,000
Grants-in-Lieu	29,106	-	-	-	-	-	-	-	(25,063)	4,043
User Charges	68,226	260,789	-	-	313	516	12,626	19,850	(45,494)	316,826
FCM Green Fund Grant	-	-	-	(54)	-	-	-	-	-	(54)
Government Transfers	57,358	-	63,044	14,259	732	488	-	-	-	135,798
Investment Income	9,552	-	-	-	-	-	67	54	1,631	11,305
Contribution from Developers	-	-	18,262	5,224	-	-	-	-	198,574	225,846
Other	40,004	-	-	-	203	19	-	300	(5,140)	35,386
From Reserves	-	-	195,963	22,389	-	-	-	-	(205,532)	-
Utility Contribution	-	-	-	8,098	-	-	-	-	(8,098)	-
Total Revenues	353,718	260,789	280,723	49,916	17,765	1,023	12,693	20,204	(92,565)	895,150
Expenses										
General Government	48,269	-	4,640	-	-	-	-	-	(27,732)	25,177
Protection of Persons and Property	130,280	-	58,383	-	-	-	-	-	(62,915)	125,748
Transportation	61,375	39,772	163,376	3,993	-	-	-	-	(142,340)	126,176
Environmental Health	11,769	84,751	47,000	47,590	-	-	-	-	(110,073)	81,036
Social and Family Services	3,491	-	187	-	-	-	-	-	5,106	8,784
Planning and Development	31,727	-	26,232	-	-	-	-	-	(29,984)	27,976
Recreation and Culture	42,525	-	13,505	-	17,899	3,465	13,409	19,991	(22,342)	88,452
Saskatoon Light & Power	-	132,583	(1,966)	23,103	-	-	-	-	(63,987)	89,733
Debt Servicing Costs	4,978	5,158	-	-	-	-	-	-	(4,137)	5,999
Total Expenses	334,414	262,264	311,357	74,686	17,899	3,465	13,409	19,991	(458,404)	579,081
Surplus/(Deficit) of Revenues over Expenses	\$ 19,304	\$ (1,475)	\$ (30,634)	\$ (24,770)	\$ (134)	\$ (2,442)	\$ (716)	\$ 213	\$ 365,839	\$ 316,069

SCHEDULE 5 – CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	Cost			Accumulated Amortization				Net Book Value	
	Opening Balance	Additions	Disposals	* Write-Downs	Balance End of Year	Accumulated Amortization Beginning of Year	Accumulated Amortization on Disposals	Amortization End of Year	Tangible Capital Assets End of Year
Land	\$239,248	\$25,345	\$1,672	\$ -	\$262,921	\$ -	\$ -	\$ -	2012 \$239,247
Land Improvements	258,355	4,437	-	2,538	265,330	102,457	-	9,128	153,745
Buildings	273,031	13,562	-	1,253	287,846	96,841	-	5,235	185,770
Roadways	1,116,090	44,240	-	313,496	1,473,826	487,819	-	46,257	939,750
Plant and Facilities	241,909	29,685	457	8,433	279,570	73,856	452	6,704	199,462
Underground Networks	971,047	29,985	-	37,036	1,038,068	266,312	-	13,816	757,940
Electrical Utility	310,210	8,899	1,101	7,420	325,428	128,885	862	8,812	188,593
Machinery and Equipment - Cost	21,658	2,030	-	1,953	25,641	10,052	-	1,461	14,128
Traffic Control	17,354	1,281	-	692	19,327	9,504	-	632	9,191
Vehicles	130,116	6,490	4,636	(243)	131,727	73,378	4,073	6,792	55,630
Other Property, Plant and Equipment	84,381	2,963	-	320	87,664	62,571	-	3,008	22,085
Assets under Construction	553,436	270,115	-	(424,456)	399,095	-	-	-	399,095
Total	\$4,216,835	\$439,032	\$7,866	\$(51,558)	\$4,596,443	\$1,311,675	\$5,387	\$101,845	\$3,188,310
									\$2,905,159

* Write-downs and transfers from assets under construction.

SCHEDULE 6 - SCHEDULE OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Revenues			
Taxation	\$ 160,016	\$ 161,177	\$ 149,440
Grants-in-Lieu of Taxes	31,345	30,921	29,106
General Revenues	75,349	78,957	74,303
User Fees	50,178	49,768	34,036
Transfers from Other Governments	63,175	63,613	57,358
Land Development	6,769	7,119	9,443
Total Revenues for the Year (Appendix 1)	386,832	391,555	353,686
Expenditures			
Community Support	14,080	14,235	13,616
Corporate Asset Management	8,173	8,064	6,509
Environmental Health	17,926	17,738	16,282
Corporate Governance and Finance	63,785	63,229	58,848
Land Development	6,769	7,119	9,443
Police	80,107	79,429	75,604
Fire & Protective Services	41,928	43,706	40,252
Recreation & Cultural Services	48,934	49,143	46,233
Transportation	91,876	98,879	69,028
Urban Planning & Development	12,182	12,370	11,612
Taxation	1,072	1,085	1,184
Total Expenditures for the Year (Appendix 2)	386,832	394,997	348,611
(Deficit)/Surplus	\$ -	\$ (3,442)	\$ 5,075

APPENDIX 1 - SCHEDULE OF REVENUES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Taxation			
Property Levy	\$ 159,706	\$ 160,812	\$ 149,101
Municipal Services Agreement	173	193	180
Trailer Occupancy	75	102	88
Amusement	62	70	71
	160,016	161,177	149,440
Grants-in-Lieu of Taxes			
Senior Governments and Agencies	4,300	4,438	4,051
Own Utilites - Saskatoon Light & Power	26,888	18,881	17,730
Own Utilities-Water	-	4,301	3,849
Own Utilites-Wastewater	-	3,105	3,124
Own Utilities-Transit	-	-	199
Land Bank Program	158	196	153
	31,346	30,921	29,106
General Revenues			
R.M. of Corman Park	75	75	75
Provincial Government	1,021	1,021	974
Licence and Permits	7,782	8,853	7,204
Fines and Penalties	8,566	9,644	8,992
Automated Enforcement Fines	1,355	1,170	1,316
Property Rentals	1,442	1,973	1,666
Franchise Fees	18,083	19,224	17,754
Interest Earnings	9,598	8,913	9,552
Tax Penalties	1,005	1,546	1,257
Other Revenue	203	355	248
Utility Return on Investment	23,760	23,761	22,666
Administration Recovery	2,199	2,149	2,081
Soccer Centre Tax Agreement & Other Grants	10	23	18
Land Bank Distribution	250	250	500
	75,349	78,957	74,303

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APPENDIX 1 – SCHEDULE OF REVENUES (CONTINUED)

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
User Fees			
Legal Fees	222	233	231
Tax Searches and Enforcement	200	211	203
Police	1,139	1,561	1,504
Fire	132	200	207
Engineering	821	757	779
Parking	5,340	5,690	5,725
Solid Waste Management	7,319	5,794	5,054
Environmental Protection	197	301	177
Transportation	238	223	228
Cemetery	991	1,032	1,175
Planning	324	302	336
Tourist Campsite	531	553	527
Forestry Farm Park	722	858	799
Kinsmen Park Rides	-	-	107
Albert Community Centre	113	181	157
Swimming Pools	386	396	362
Golf Courses	3,149	3,513	2,886
Skating Rinks	2,042	2,019	1,965
Rentals	5,441	5,515	5,081
Programming	6,176	5,805	5,888
Ball Fields	30	36	38
Outdoor Sports Fields	475	351	311
Transit	14,046	13,928	-
River Landing	143	309	296
	50,177	49,768	34,036
Transfers from Other Governments	63,175	63,613	57,358
	63,175	63,613	57,358
Land Development	6,769	7,119	9,443
	6,769	7,119	9,443
Total Revenues	\$386,832	\$391,555	\$353,686

APPENDIX 2 - SCHEDULE OF EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Community Support			
Community Development	\$3,047	\$3,043	\$2,953
Community Investments & Supports	8,440	8,567	8,173
Animal Control	1,173	1,162	1,072
Cemeteries	1,420	1,463	1,418
	14,080	14,235	13,616
Corporate Asset Management			
Vehicle & Equipment Services	-	(325)	(316)
Civic Facilities	8,173	8,389	6,825
	8,173	8,064	6,509
Environmental Health			
Environmental Program	639	712	720
Waste Collection and Disposal	12,517	12,174	10,979
Waste Minimization	738	940	853
Urban Forestry	3,227	3,146	2,980
Pest Management	805	766	750
	17,926	17,738	16,282
Corporate Governance and Finance			
Legislative	1,446	1,262	1,120
City Manager's Office	1,523	1,564	1,404
City Clerk's Office	2,189	2,034	1,985
City Solicitor's Office	2,063	1,989	2,045
Financial Services	3,392	3,538	3,301
Revenue Services	2,252	1,810	2,051
Assessment	3,185	3,272	2,955
Corporate Support	15,253	14,454	13,702
General Services	29,487	30,177	27,040
City-Owned Property	137	147	138
Fines & Penalties	2,858	2,982	3,107
	63,785	63,229	58,848
Land Development			
Land Development	6,769	7,119	9,443
	6,769	7,119	9,443

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APPENDIX 2 - SCHEDULE OF EXPENDITURES (CONTINUED)

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Fire & Protective Services			
Fire	41,570	43,313	40,029
Emergency Measures	358	393	223
	41,928	43,706	40,252
Policing			
Police	80,107	79,429	75,604
	80,107	79,429	75,604
Recreation and Cultural Services			
Spectator Ballfields	132	146	146
Marketing Services	587	568	547
Community Partnerships	246	227	223
Forestry Farm Park	2,311	2,332	2,307
Golf Courses	3,149	3,514	2,881
Gordon Howe Campsite	531	552	526
Indoor Rinks	2,255	2,155	2,061
Kinsmen Park Rides	41	46	175
Outdoor Pools	1,102	1,017	987
Outdoor Sports Fields	835	783	713
Parks Maintenance & Design	11,872	11,905	11,116
Playground & Recreation Areas	819	812	783
Program Research & Design	206	190	184
Rec/Competitive Facilities - Program	9,392	9,389	9,001
Rec/Competitive Facilities - Rentals	9,592	9,508	9,086
Targetted Programming	582	541	507
Albert Community Centre	231	236	223
Credit Union Centre	459	459	398
Marr Residence	21	26	22
Mendel Art Gallery	2,777	2,777	2,507
River Landing	312	478	384
TCU Place	1,482	1,482	1,456
	48,934	49,143	46,233

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APPENDIX 2 - SCHEDULE OF EXPENDITURES (CONTINUED)

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Transportation			
Transit Subsidy	-	-	20,746
Transit	37,010	36,597	-
Access Transit	4,281	4,491	4,275
Transportation Services	6,372	6,663	6,156
Road Maintenance	19,626	20,183	14,271
Snow & Ice Management	8,988	13,501	9,885
Street Cleaning/Sweeping	2,434	2,972	2,556
Bridges, Subways, Overpasses	3,717	3,719	1,333
Street Lighting	5,787	5,974	5,541
Parking	2,138	3,264	2,785
Engineering	725	805	716
Impound Lot	797	710	764
	91,875	98,879	69,028
Urban Planning & Development			
Affordable Housing	419	404	364
Building Permits & Standards	5,655	6,744	5,805
Business Improvement Districts	108	108	108
Business Licenses & Bylaw Enforcement	1,287	1,231	1,202
Development Review	1,053	1,057	987
Future Growth	467	445	409
Neighborhood Planning	500	496	428
Research & Mapping	426	386	365
Urban Design	2,267	1,499	1,944
	12,182	12,370	11,612
Taxation			
Other Levies	992	1,004	989
Property Tax Discount	-	-	36
Tax Loss Compensation	81	81	159
	1,073	1,085	1,184
Total Expenditures	\$ 386,832	\$ 394,997	\$ 348,611

APPENDIX 3 - WATER UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Revenues			
Metered	\$ 46,512	\$ 47,833	\$ 44,193
Infrastructure Levy	8,003	5,930	4,071
Miscellaneous	134	289	126
Fire Protection Charge	648	648	652
Late Payment Penalties	150	168	148
	55,447	54,868	49,190
Expenditures			
General	7,942	7,899	7,182
Laboratory	591	574	454
Treatment and Pumping	9,577	9,210	7,987
Buildings and Grounds	909	646	605
Meters	1,555	1,415	1,440
Watermains	6,870	6,799	5,390
Hydrants	1,257	734	828
Services	2,206	2,398	2,116
Contribution to Capital Reserves	13,430	11,345	12,716
Debt Charges	11,110	11,191	9,504
	55,447	52,211	48,222
Deficit Before Transfer from Reserve	-	2,657	968
Transfer from Stabilization Reserve	-	(2,657)	(968)
(Deficit)/Surplus	\$ -	\$ -	\$ -

APPENDIX 4 - WASTEWATER UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Revenues			
Metered	\$ 33,012	\$ 33,437	\$ 30,563
Infrastructure Levy	5,145	8,189	5,621
Late Payment Penalties	98	112	99
Miscellaneous	717	1,308	1,019
Flood Protection Levy	3,300	3,697	3,625
	42,272	46,743	40,927
Expenditures			
General	5,572	5,484	5,488
Laboratory	627	578	523
Lift Stations	1,123	1,462	1,360
Pollution Control Plant	7,119	6,323	6,249
Sludge Handling and Disposal	1,752	1,606	1,492
Sewer Engineering	399	349	301
Sewer Inspections	582	316	347
Sewer Maintenance	3,733	2,629	3,167
Service Connections	2,588	2,068	2,222
Contribution to Capital Reserves	13,777	17,208	14,208
Debt Charges	5,000	5,038	4,867
	42,272	43,061	40,224
Surplus Before Transfer to Reserve	-	3,682	703
Transfer to Stabilization Reserve	-	(3,682)	(703)
Surplus/(Deficit)	\$ -	\$ -	\$ -

APPENDIX 5 - STORM WATER MANAGEMENT UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Revenues			
Metered	\$ 4,586	\$ 5,044	\$ 4,510
Late Payment Penalties	10	11	10
	4,596	5,055	4,520
Expenditures			
General	237	389	253
Storm Sewer Engineering	283	218	220
Storm Sewer Maintenance	1,677	1,293	1,554
Drainage	714	859	353
Contribution to Capital Reserves	1,685	1,686	1,456
	4,596	4,445	3,836
Deficit Before Transfer from Reserve	-	610	684
Transfer from Stabilization Reserve	-	(610)	(684)
Surplus/(Deficit)	\$ -	\$ -	\$ -

APPENDIX 6 - SASKATOON LIGHT & POWER UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Revenues			
Metered	\$ 128,477	\$ 125,846	\$ 118,177
Municipal Surcharge	12,848	12,584	11,817
Service Connection Fee	450	438	428
Miscellaneous	559	541	528
Tax Collection Commission	2	2	-
Late Payment Penalties	245	280	247
	142,581	139,691	131,197
Expenditures			
General	24,208	23,651	21,943
Power Purchased	74,404	72,889	68,280
Buildings and Grounds	687	686	613
Poles, Lines, and Feeders	4,370	4,511	4,444
Substations	893	929	702
Street Lighting	1,250	1,046	1,075
Meters	1,130	1,241	1,102
System Operations	151	179	161
Provision for Capital Extension	4,891	4,891	4,485
Provision for Capital Replacement	6,837	5,910	6,299
	118,821	115,933	109,104
Surplus Before Transfer (to) from Reserve	23,760	23,758	22,093
Transfer to Stabilization Reserve	-	-	(576)
Surplus	\$ 23,760	\$ 23,758	\$ 21,517

APPENDIX 7 - TRANSIT UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Note that as of January 1, 2013, Transit Operations are no longer considered a Utility Program.

Unaudited

	2013 Budget	2013	2012
Revenues			
Mail Carriers	\$ -	\$ -	\$ (7)
Passes	-	-	7,363
Cash Fares	-	-	2,066
Ticket Sales	-	-	2,140
Charter	-	-	733
Senior Citizens' Passes	-	-	448
General Services Operating Allowance	-	-	20,746
Advertising	-	-	663
Miscellaneous	-	-	3
Province of Saskatchewan	-	-	800
	-	-	34,955
Expenditures			
General	-	-	3,104
Transportation	-	-	
Planning	-	-	388
Operating	-	-	15,543
Supervision	-	-	1,853
Customer Services	-	-	532
Equipment Servicing	-	-	9,211
Equipment Repair	-	-	551
Stores	-	-	217
Buildings	-	-	964
Contribution to Capital Reserves	-	-	2,175
	-	-	34,538
Surplus/(Deficit)	\$ -	\$ -	\$ 417

APPENDIX 8 - RECYCLING UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 2013 (in thousands of dollars)

Unaudited

	2013 Budget	2013	2012
Revenues			
Recycling User Fees	\$ 3,661	\$ 2,753	\$ -
	3,661	2,753	-
Expenditures			
Recycling General	3,661	2,594	-
	3,661	2,594	-
Surplus	-	159	-
Transfer to Stabilization Reserve	-	(170)	(9)
(Deficit)	\$ -	\$ (11)	\$ (9)

STATISTICAL

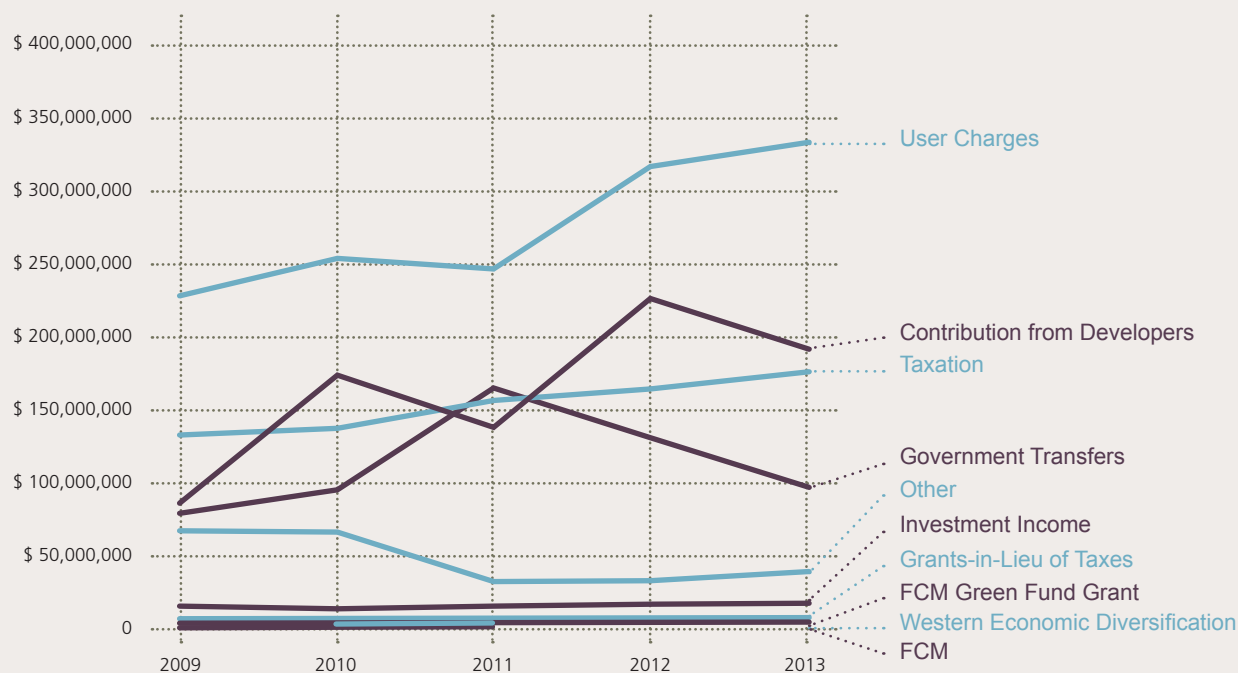
City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2013

CONSOLIDATED REVENUES AND EXPENDITURES

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)

	2013	2012	2011	2010	2009
Consolidated Revenues					
Taxation	\$ 178,380	\$ 166,000	\$ 154,687	\$ 144,696	\$ 136,882
Grants-in-Lieu of Taxes	4,429	4,043	4,133	3,855	4,163
User Charges	338,675	316,826	300,291	249,077	253,798
Federation of Canadian Municipalities	-	-	217	-	183
Federation of Canadian Municipalities Green Fund Grant	91	(54)	54	14	377
Government Transfers	99,914	135,798	164,660	98,544	83,720
Investment Income	12,173	11,305	10,987	9,622	10,260
Contribution from Developers	192,990	225,846	145,367	173,079	89,815
Other	40,218	35,386	32,956	67,431	67,305
Western Economic Diversification	-	-	5	420	-
Total Revenues	\$ 866,870	\$ 895,150	\$ 813,357	\$ 746,738	\$ 646,503

CONSOLIDATED REVENUES

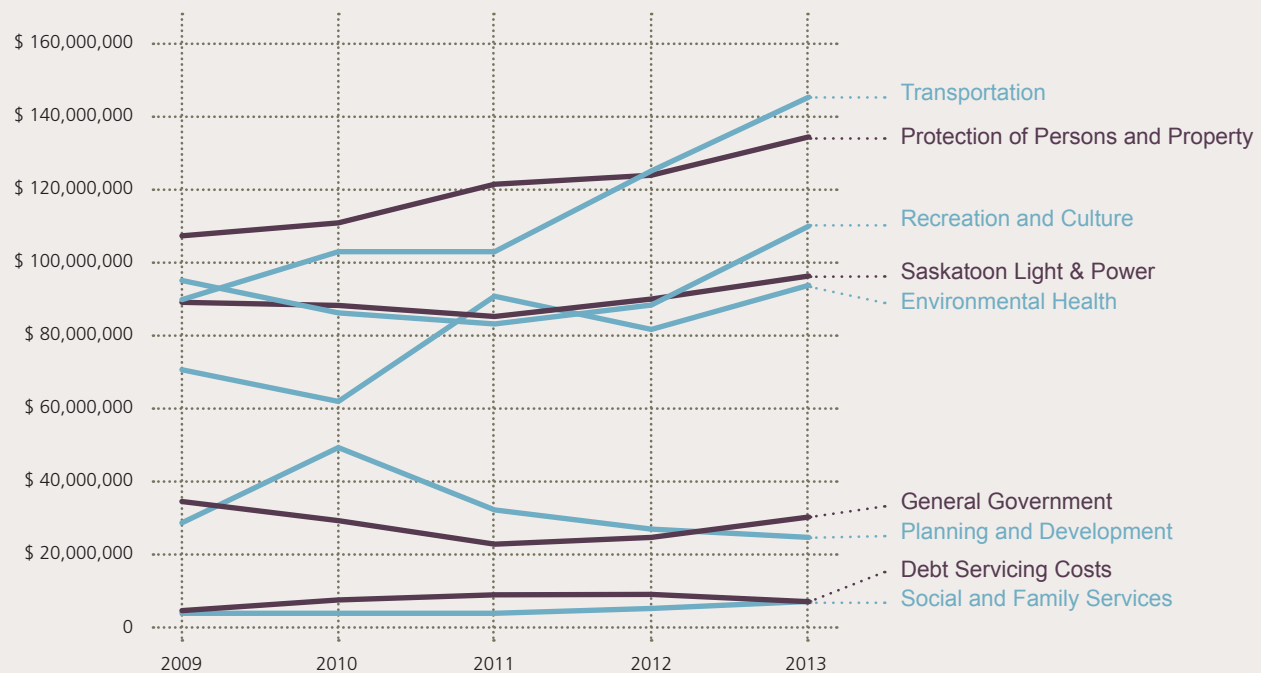


CONSOLIDATED REVENUES AND EXPENDITURES (CONTINUED)

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)

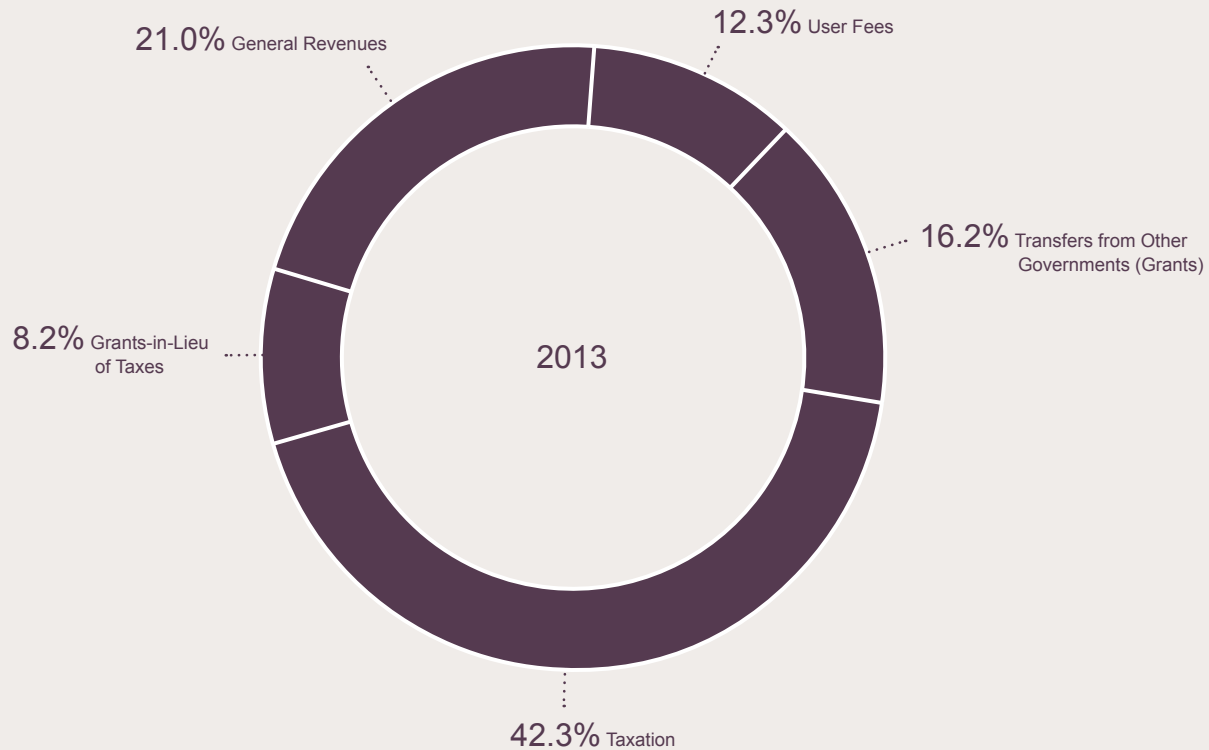
	2013	2012	2011	2010	2009
Consolidated Expenditures					
General Government	30,557	25,177	\$ 23,865	\$ 29,272	\$ 36,793
Transportation	145,911	126,176	103,483	103,449	89,520
Protection of Persons and Property	135,822	125,748	121,840	113,970	107,450
Recreation and Culture	109,207	88,452	83,536	86,198	95,268
Social and Family Services	6,032	8,784	8,437	7,081	4,137
Planning and Development	24,961	27,976	36,879	48,817	28,089
Saskatoon Light & Power	96,376	89,733	86,930	88,837	88,977
Environmental Health	92,230	81,036	86,834	61,878	69,984
Debt Servicing Costs	6,043	5,999	4,019	3,834	3,938
Total Expenditures	647,139	579,081	555,823	543,336	524,156
Surplus of Revenues over Expenses	\$ 219,731	\$ 316,069	\$ 257,529	\$ 203,402	\$ 122,347

CONSOLIDATED EXPENDITURES



SUMMARY OF REVENUES (SCHEDULE 6)

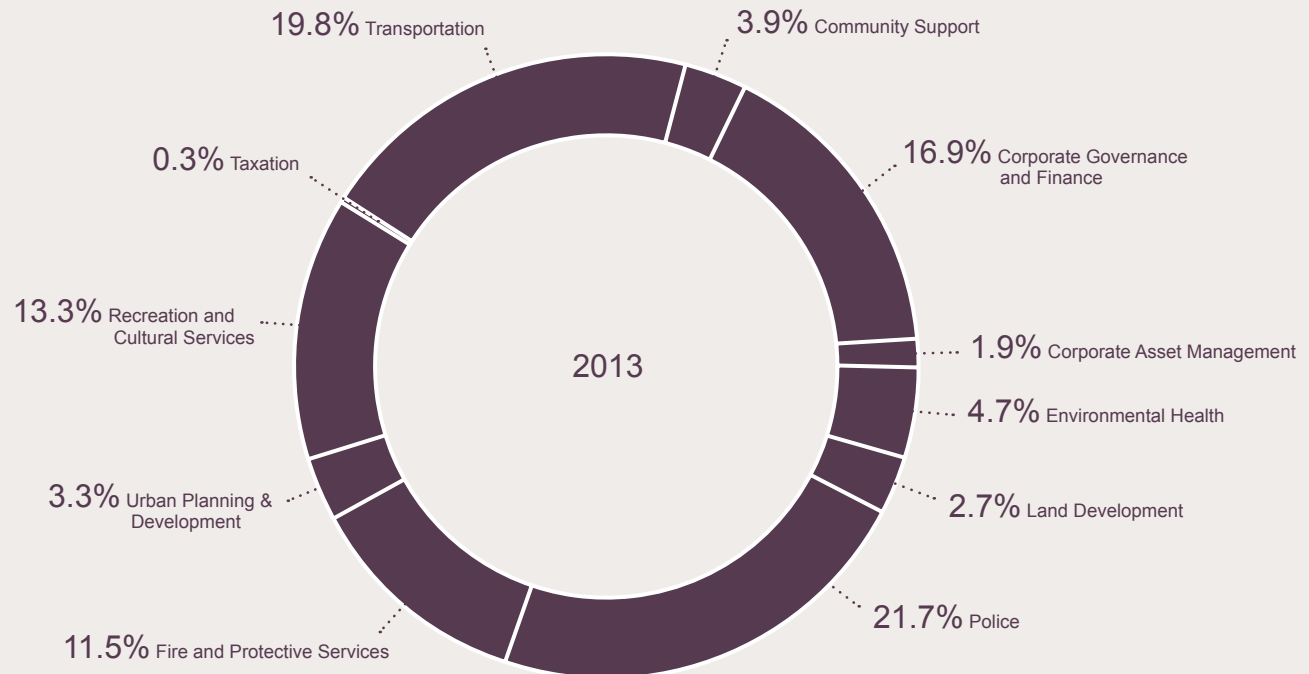
For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)



	2013	2012	2011	2010	2009
Taxation	\$ 161,177	\$ 149,440	\$ 139,049	\$ 130,035	\$ 122,523
Grants-in-Lieu of Taxes	30,921	29,106	29,153	27,880	26,651
General Revenues	78,957	74,303	73,528	67,323	63,021
User Fees	56,887	43,479	38,588	37,270	28,946
Transfers from Other Governments	63,613	57,358	52,836	42,318	37,816
	\$ 391,555	\$ 353,686	\$ 333,154	\$ 304,826	\$ 278,957

SUMMARY OF EXPENDITURES (SCHEDULE 6)

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)



	2013	2012	2011	2010	2009
Community Support	\$ 14,235	\$ 13,616	\$ 8,342	\$ 7,678	\$ 7,224
Corporate Asset Management*	8,064	6,509	-	-	-
Environmental Health	17,738	16,282	15,793	14,697	12,508
Corporate Governance and Finance*	63,229	58,848	57,644	50,596	56,342
Land Development	7,119	9,443	6,690	7,111	2,981
Public Safety	-	-	116,950	109,907	98,993
Police*	79,429	75,604	-	-	-
Fire & Protective Services*	43,706	40,252	-	-	-
Recreation & Cultural Services	49,143	46,233	45,100	43,379	39,989
Transportation	98,879	69,028	65,345	58,284	47,448
Urban Planning & Development	12,370	11,612	13,222	11,962	9,121
Taxation	1,085	1,184	995	792	696
Total	\$ 394,997	\$ 348,611	\$ 330,081	\$ 304,406	\$ 275,302

* New Business Lines as of 2012

SUMMARY OF CAPITAL OPERATIONS

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)

	2013	2012	2011	2010	2009
Sources of Funds					
Province of Saskatchewan	\$ 9,509	\$ 36,075	\$ 55,836	\$ 365	\$ 310
Saskatchewan Water Corporation	-	3	-	-	279
Municipal Economic Enhancement Program	-	-	-	-	22,012
Canada Strategic Infrastructure Fund	-	-	-	-	2,682
Federal Gas Tax Program	-	4,189	6,090	6,997	8,113
Municipal Rural Infrastructure Fund	-	-	-	-	223
Provincial Building Communities Program	279	54	980	216	747
Provincial Community Shares Program	-	-	-	-	1,453
Urban Highway Connector Program	45	4,958	1,221	-	-
Government of Canada	-	9	274	17	70
Cultural Capitals of Canada Program	-	-	-	-	172
Transport Canada	-	-	-	-	11
Federal Transit Funding Program	618	633	1,361	5,688	6,795
Federal Gateway and Border Crossings	8,224	18,238	31,176	29,603	-
Building Canada Fund (FED)	11,349	9,987	7,639	2,011	-
Recreational Infrastructure Canada (FED)	-	-	392	371	-
Recreational Infrastructure Canada (PROV)	-	-	-	763	-
Building Canada Fund (PROV)	4,858	3,055	1,555	373	-
Federal Infrastructure Stimulus Fund	-	12	3,875	8,058	343
Federation of Canadian Municipalities	-	90	217	-	183
Federation of Canadian Municipalities Green Fund Grant	91	(54)	54	14	377
Green Municipal Fund Federation of Canadian Municipalities	-	-	-	-	2,303
Canada Mortgage and Housing Corporation Municipal Infrastructure Lending Program	-	-	-	44,000	33,190
Western Economic Diversification	-	-	-	409	193
Internal Borrowing	-	-	-	-	22,563
Taxation	4,211	3,454	5,205	4,051	3,970
Utility Contribution	8,189	8,098	8,398	7,892	6,175
Borrowing	-	-	-	-	(300)
Contributions from Developers Benefitting Property Owners and Other Users	14,502	22,452	15,325	20,622	23,541

(continued on next page)

SUMMARY OF CAPITAL OPERATIONS (CONTINUED)

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)

	2013	2012	2011	2010	2009
Appropriations					
Sinking Fund	-	-	675	-	-
Operating Surplus	-	-	-	144	-
Reserves	286,279	218,352	174,973	163,450	159,675
Library Reserve	-	-	50	-	-
	348,154	329,605	315,296	295,044	295,080
Application of Funds					
General Government	17,996	4,595	4,131	4,900	3,707
Protection of Persons and Property	43,743	57,761	19,579	6,425	6,188
Transportation	132,371	165,608	177,454	167,370	56,710
Environmental Health	88,640	93,572	69,622	80,045	65,928
Social and Family Services	(1,952)	187	-	4,103	1,352
Planning and Development	54,736	25,503	34,601	24,065	22,929
Recreation and Culture	24,890	12,029	9,618	9,045	12,564
Property Purchases and Development	0	0	-	11,292	5,067
Saskatoon Light & Power Expansion and Replacements	19,292	20,910	14,441	10,460	14,100
	379,716	380,165	329,446	317,705	188,545
Increase (Decrease) in Unexpended Capital Financing	(31,562)	(50,560)	(14,150)	(22,661)	106,535
Unexpended Capital Financing, Beginning of Year	146,315	196,875	211,025	233,686	127,151
Unexpended Capital Financing, End of Year	\$ 114,753	\$ 146,315	\$ 196,875	\$ 211,025	\$ 233,686

SUMMARY OF PUBLIC UTILITIES OPERATING RESULTS

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)

	2013	2012	2011	2010	2009
Net surplus after deducting operating expenses, debt charges and contributions to reserves:					
Water	\$ -	\$ -	\$ -	\$ -	\$ (12)
Saskatoon Light & Power	23,758	21,517	23,907	21,780	19,519
Transit System (before contribution from General Revenue)	-	(20,329)	(21,212)	(18,356)	(18,977)
Net Surplus	23,758	1,188	2,695	3,424	530
Amount contributed by Utilities to Revenue as Grants-in-Lieu of Taxes	\$ 26,286	\$ 24,900	\$ 24,898	\$ 23,776	\$ 22,209

SUMMARY OF RESERVES AND SURPLUS

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)

	2013	2012	2011	2010	2009
Reserves					
Property Realized	\$ 47,912	\$ 38,740	\$ 15,499	\$ 11,434	\$ 19,183
Replacement	(2,243)	(2,200)	(5,155)	(11,656)	(27,506)
Future Expenditures	60,214	79,162	42,107	43,482	23,164
Surplus/(Deficit)	(3,442)	5,075	3,073	420	3,655
	\$ 102,441	\$ 120,777	\$ 55,524	\$ 43,680	\$ 18,496

SUMMARY OF TERM DEBT AND REQUIRED SINKING FUND CONSOLIDATION OF ALL OBLIGATIONS

As at December 31, 2013 to 2009

	2013	2012	2011	2010	2009
Total Term Debt	\$ 234,509,219	\$ 197,125,312	\$ 127,368,044	\$ 145,510,451	\$ 115,341,381
Less Sinking Fund	-	-	-	-	-
	234,509,219	197,125,312	127,368,044	145,510,451	115,341,381
Population Estimate at Dec. 31 (1)	248,700	239,000	234,200	224,300	218,900
Gross Debt Per Capita	943	825	\$ 544	\$ 649	\$ 527
Net Debt Per Capita	943	825	\$ 544	\$ 649	\$ 527
Mill Rate Supported Debt	562	440	\$ 387	\$ 463	\$ 314
Legal Debt Limit	\$ 414,000,000	\$ 414,000,000	\$ 414,000,000	\$ 414,000,000	\$ 298,000,000
Debt servicing costs as a percentage of total expenditures	N/A	N/A	0.723%	0.710%	0.760%

(1) Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

SUMMARY OF TERM DEBT AND REQUIRED SINKING FUND BY RESPONSIBILITY CENTRE

For the Year Ended December 31, 2013

	2013	2012
Waterworks Utility	\$ 37,839,921	\$ 31,156,512
Wastewater Utility	15,847,140	14,192,000
Gas Tax	41,100,669	46,710,889
Total Debt Not Supported by Civic Mill Rate	94,787,730	92,059,401
Total Civic Mill Rate Debt	139,721,489	105,065,911
Total Term Debt	234,509,219	197,125,312
Net Debt	\$ 234,509,219	\$ 197,125,312
Population Estimate at Dec 31	248,700	239,000
Gross Debt per Capita	943	825
Net Debt per Capita	943	825
Mill Rate Supported Debt	562	440

(1) All figures are based on book values and have not been adjusted for foreign currency exchange.

(2) Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

TERM DEBT MATURING WITH PERCENTAGES

As at December 31, 2013

Year	Long-Term Debt Maturing	Percentage Yearly	Percentage Reduction Accumulated
2014	\$ 21,405,334.00	9.13%	9.13%
2015	22,077,517.00	9.41%	18.54%
2016	20,303,904.00	8.66%	27.20%
2017	20,936,773.00	8.93%	36.13%
2018	21,602,406.00	9.21%	45.34%
2019	18,346,099.00	7.82%	53.16%
2020	14,890,247.00	6.35%	59.51%
2021	9,017,949.00	3.85%	63.36%
2022	9,308,952.00	3.97%	67.33%
2023	4,698,233.00	2.00%	69.33%
2024	3,096,805.00	1.32%	70.65%
2025	2,986,000.00	1.27%	71.92%
2026	3,078,000.00	1.31%	73.24%
2027	3,171,000.00	1.35%	74.59%
2028	3,267,000.00	1.39%	75.98%
2029	3,368,000.00	1.44%	77.42%
2030	3,469,000.00	1.48%	78.90%
2031	3,575,000.00	1.52%	80.42%
2032	911,000.00	0.39%	80.81%
2043	45,000,000.00	19.19%	100.00%
Total	\$ 234,509,219.00	100.00%	

SUMMARY OF PROPERTY ASSESSMENT AND TAX LEVY

For the Years Ended December 31, 2013 to 2009

	2013	2012	2011	2010	2009*
Gross Assessments	\$ 30,448,361,645	\$ 15,389,037,180	\$ 15,106,052,606	\$ 14,753,816,654	\$ 14,459,817,161
Exemptions	7,137,299,775	3,222,423,140	3,237,388,060	3,202,875,913	3,179,330,802
Assessed Value for Taxation	23,311,061,870	12,166,614,040	11,868,664,546	11,550,940,741	11,280,486,359
	Mills	Mills	Mills	Mills	Mills
Tax Rate:					
General	6.79	12.05	11.57	11.08	10.66
Library	0.72	1.33	1.30	1.25	1.21
Education:					
Public Board / Separate Board	5.03	9.51	9.51	10.08	10.08
Total	12.54	22.89	22.38	22.41	21.95
		\$ 302,869,121	\$ 289,960,812	\$ 283,447,250	\$ 278,828,559
Property Roll Collections:					
Current	\$ 318,630,299	\$ 297,078,078	\$ 287,554,659	\$ 278,327,217	\$ 268,951,792
Arrears	6,968,087	5,815,050	5,823,629	5,472,156	5,271,525
Total Collected	325,598,386	302,893,128	293,378,288	283,799,373	274,223,317
Percentage of Levy Collected:					
Current	96.19%	95.40%	98.20%	95.09%	97.09%
Current and Arrears	95.98%	95.20%	97.80%	94.96%	96.92%
Taxes Outstanding:					
Current	8,208,711	6,506,252	5,321,930	5,398,160	5,025,820
Arrears	1,580,279	1,495,262	1,382,920	1,285,838	1,138,992
	\$ 9,788,990	\$ 8,001,514	\$ 6,704,850	\$ 6,683,998	\$ 6,164,812

* Reassessment Year

ECONOMIC HIGHLIGHTS

SASKATOON ECONOMIC STATISTICS

For the Years Ended December 31, 2013 to 2009 (in thousands of dollars)

	2013	2012	2011	2010	2009
Saskatoon Population (December 31)*:	248,700	239,000	234,200	224,300	218,900
Annual Change	4.059%	2.050%	4.414%	2.467%	4.454%
Saskatoon Inflation Rate - Annual Change	1.000%	1.470%	2.500%	1.200%	0.900%
Saskatoon Unemployment Rate - Annual Average	4.100%	5.600%	8.600%	8.300%	7.000%
No. of Persons Employed in Saskatoon	169,000	160,400	144,700	145,900	143,200
Saskatoon Building Permits					
Total Number	5,020	5,196	4,651	4,100	3,550
Total Value	\$ 1,088,500	\$ 1,082,100	\$ 936,900	\$ 666,100	\$ 537,900
Annual Change	-3.400%	15.500%	40.655%	23.800%	(11.850)%

* Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

Sources of Information:

Statistics Canada

Conference Board of Canada

City of Saskatoon - Planning Branch, Community Services Department

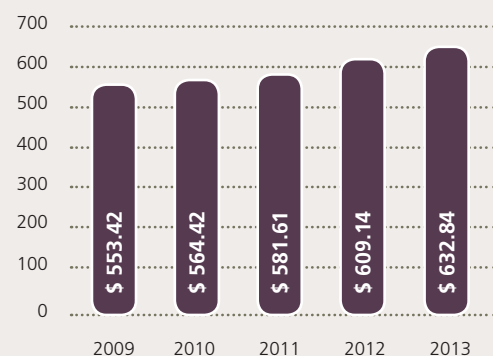
MAJOR TAXPAYERS IN SASKATOON

2013 Taxable Assessment (in thousands of dollars)

Midtown Plaza Inc	\$ 200,079,300
Boardwalk Reit Properties Holdings Ltd	\$ 113,107,420
Saskashop Centre Inc	\$ 87,712,200
Centre At Circle & Eighth Property Inc	\$ 87,003,000
Pillar Properties Corp	\$ 75,804,130
959630 Alberta Inc	\$ 75,094,990
Dundee Canada (GP) Inc	\$ 59,031,100
101042414 Saskatchewan Ltd	\$ 56,634,300
FP Equities Inc	\$ 55,679,000
CNH Canada Ltd	\$ 54,661,000
Federated Co-operatives Limited	\$ 51,753,300

MUNICIPAL PROPERTY TAX

(Per Capita)



ECONOMIC HIGHLIGHTS (CONTINUED)

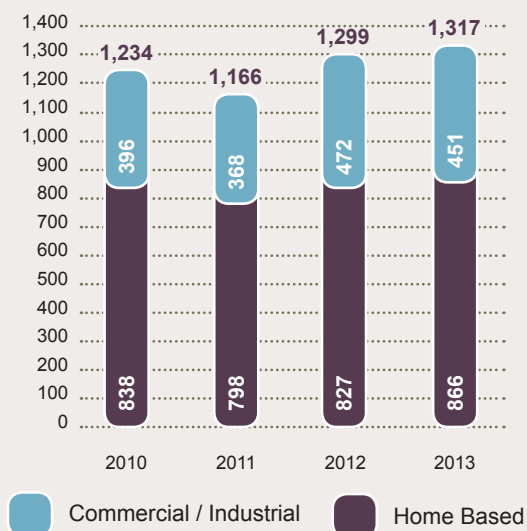
BUILDING PERMITS STATISTICS FOR 2013 VS 2012

Category	Number of Permits			Construction Value (\$ million)		
	Dec 31/13	Dec 31/12	Change %	Dec 31/13	Dec 31/12	Change %
Residential	3,787	3916	-3.3%	\$441.8	\$493.4	-10.5%
Apartments & Housing Projects	305	343	-11.1%	\$177.7	\$160.9	10.4%
Commercial	328	397	-17.4%	\$165.3	\$230.3	-28.2%
Industrial	217	203	6.9%	\$111.1	\$104.9	5.9%
Institutional & Assembly	88	98	-10.2%	\$177.3	\$74.2	138.9%
Other (includes demolition permits)	295	239	23.4%	\$15.3	\$18.4	-16.8%
TOTAL	5,020	5196	-3.4%	\$1,088.5	\$1,082.1	0.6%

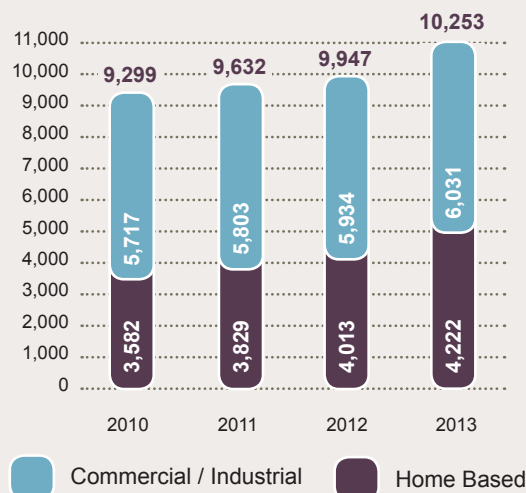
SUMMARY OF PERMITS OVER \$10M APPROVED TO DECEMBER 31, 2013

Addition to Office Building - 516 2nd Ave N	\$19.5M	(Included in "Commercial" above)
New Office Building, Shell and Final - 616 Main St.	\$10.8M	(Included in "Commercial" above)
New Art Gallery, Foundation - 102 Spadina Cres.	\$17.0M	(Included in "Institutional and Assembly" above)
Addition to High School - 2115 McEowen Ave.	\$14.5M	(Included in "Institutional and Assembly" above)
Addition to Elementary School - 1508 Arlington Ave.	\$11.3M	(Included in "Institutional and Assembly" above)
Red Bear Student Centre - U of S	\$10.9M	(Included in "Institutional and Assembly" above)
New Hotel, Shell and Final - 317 Aerogreen Cres.	\$10.6M	(Included in "Commercial" above)
New Apartment, Shell and Final - 235 Willis Cres.	\$17.3M	(Included in "Apartments & Housing Projects" above)
New Apartment Condominium - 1025 Moss Ave.	\$12.0M	(Included in "Apartments & Housing Projects" above)
New Hotel - 3331 8th St. East	\$11.8M	(Included in "Commercial" above)
Apartment Condominium, Stage 2 - 1010 Ruth St.	\$10.8M	(Included in "Apartments & Housing Projects" above)
New Art Gallery, Shell and Final - 102 Spadina Cres.	\$59.8M	(Included in "Institutional and Assembly" above)

NEW LICENSED BUSINESSES



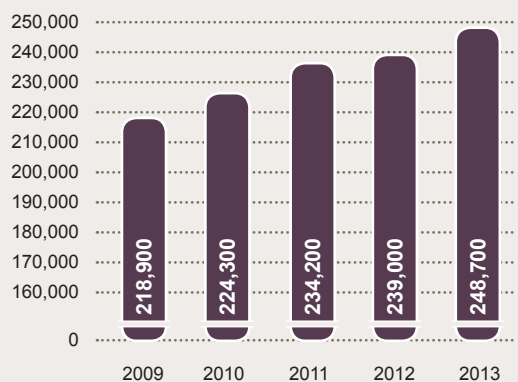
TOTAL LICENSED BUSINESSES



KEY STATISTICS 2013

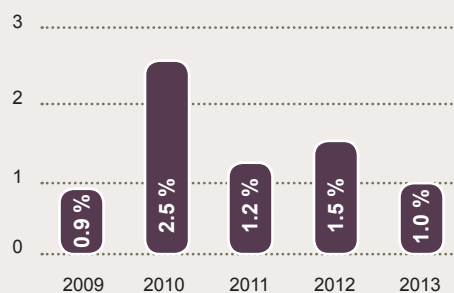
POPULATION

(as at December 31st)



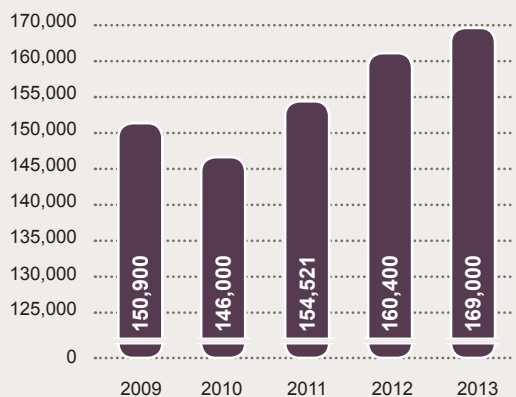
AVERAGE ANNUAL

Consumer Price Index



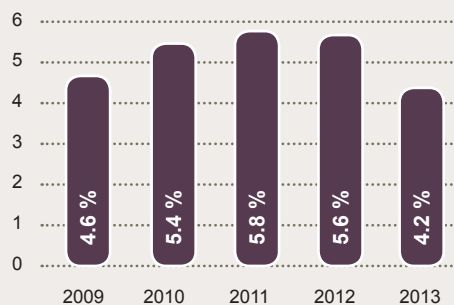
LABOUR FORCE

(for month of December)



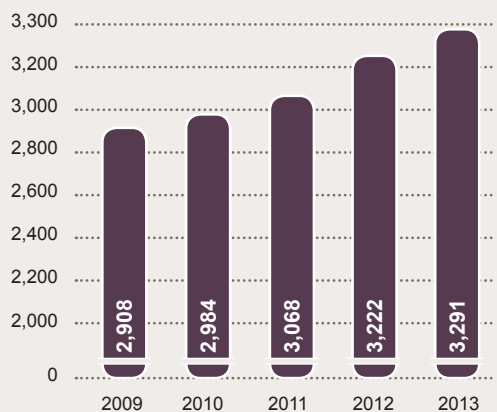
UNEMPLOYMENT

(for month of December)

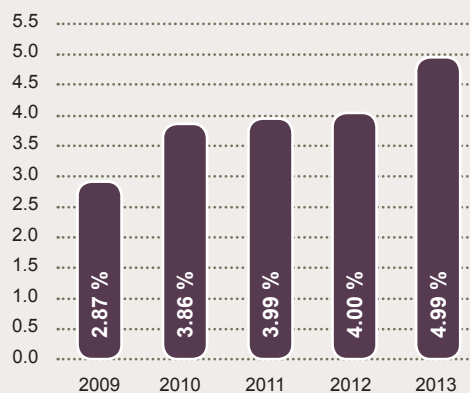


MUNICIPAL BUDGETED STAFF YEARS

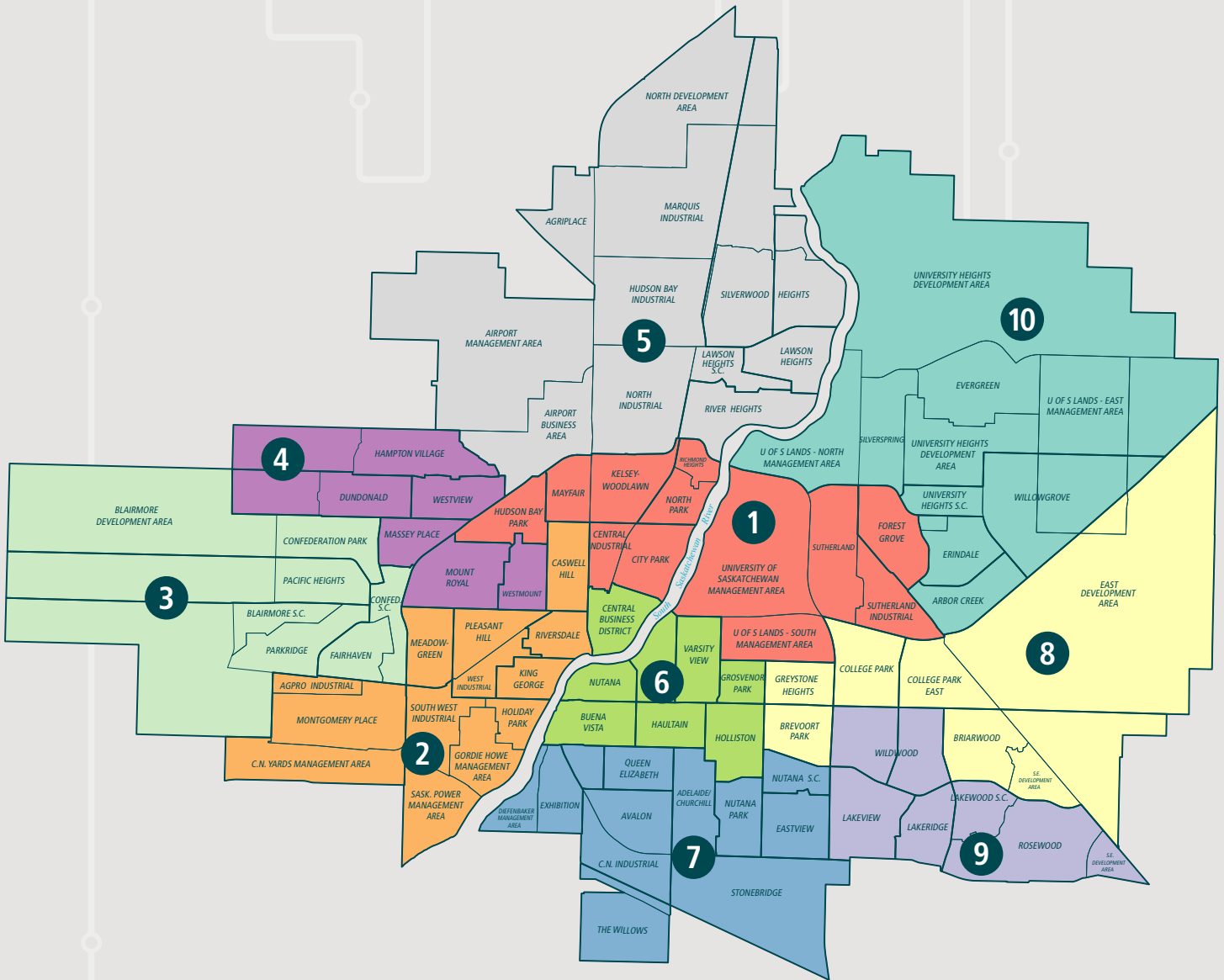
(Including Boards and Commissions - excluding Library)



PROPERTY TAX INCREASE



CITY OF SASKATOON WARD MAP





Asset & Financial Sustainability

SASKATOON INVESTS IN WHAT MATTERS

Our planning is inspired by the idea the “we invest in what matters”. The financial and physical resources under our care are used to address the needs of citizens today and tomorrow - focused on our long-term goal to manage the City in a smart, sustainable way.

The services we provide are aligned with what our citizens expect and are able to pay. Citizens see value in the investments they make through their tax dollars. On their behalf, we seek revenue streams from new and multiple sources, and manage both risk and debt appropriately.

We are open, accountable and transparent, particularly when it comes to the resource allocation and collection decisions we make.

Our buildings, roads and bridges are well-managed and well-maintained - meeting the needs of citizens and reflecting the pride and priorities of a modern *21st Century City*.

Strategic Plan 2013-2023 (Strategic Goal: Asset and Financial Sustainability)



www.saskatoon.ca

