

Shaping Our Financial Future

2018

ANNUAL REPORT

FOR THE FISCAL YEAR
ENDED DECEMBER 31, 2018



City of
Saskatoon
SASKATCHEWAN, CANADA

Shaping Our Financial Future

We are committed to building a better city and ensuring a great quality of life for all citizens of Saskatoon.

The economic future of our city is bright. We continue our dedicated work on improving our service delivery, building amenities, wisely managing expenditures and growing our revenues.

The 2018 Annual Report details our investments, projects and service levels. It gives an overview of what we accomplished in 2018 based on the priorities of citizens and the goals set forth in our Strategic Plan.

2018 Budget: At a Glance

- A combined Operating and Capital Investment of over **\$1.1 billion**
- Total Civic Operating Expenditures of **\$490.6 million** Land Development Operating Expenditures of **\$4.2 million**
- Total Utility Operating Expenditures of **\$352.3 million**
- Capital Budget Investment of **\$296.2 million**

Saskatoon at a Glance in 2018

Population of Saskatoon
268,188

Median Age
35.8

Population Growth
6,525

Unemployment Rate
6.98

City Area
236.34 km²

Single Family Housing Starts
756

Total Building Permits Issued
3,566

GUIDING DOCUMENTS

Strategic Plan

In 2012, City Council adopted a 10-year Strategic Plan that reflected the visionary ambitions of the people of Saskatoon.

Over the last half decade, we have worked to bring the Plan to life. The city has evolved, and with it, the Strategic Plan has evolved. We have gained a better understanding of what our seven Strategic Goals mean to the city, and to the role they play in achieving the City's collective vision.

In 2018, our teams refreshed and re-focused our Strategic Plan to guide us as we work together to realize our vision for the future. The updated Strategic Plan refocuses our efforts and shifts our resources to Council's 10 priority areas. Resource requirements are identified for business planning and budgeting based on the priorities and initiatives therein.

The 2018-2021 Plan reflects the insights of our new City Council – elected in late 2016 – and, of course, those of their constituents.

We remain deeply committed to achieving our seven Strategic Goals:

A CULTURE OF
CONTINUOUS
IMPROVEMENT



ASSET & FINANCIAL
SUSTAINABILITY



QUALITY OF LIFE



ENVIRONMENTAL
LEADERSHIP



SUSTAINABLE
GROWTH



MOVING AROUND



ECONOMIC DIVERSITY
& PROSPERITY



We continue to work together – as citizens, City Council and civic administration – to achieve our goals and ultimate vision of making Saskatoon **a great place to live, work, learn and play.**

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City of Saskatoon 2018 Annual Report

Year ended December 31, 2018

Saskatoon, Saskatchewan, Canada

Prepared and produced by the City of Saskatoon Asset and
Financial Management and Corporate Performance Departments

Financial Statements presented to City Council on May 27, 2019

Letter of Transmittal

June 30, 2019

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, 2018. 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 (City) 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 and related entities to allow readers to gain an understanding of the City and the resources available to the City.

The Annual 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 management. The statements have been prepared on a basis consistent with the reporting requirements of PSAB. Included in the consolidated financial statements are those entities that are accountable to, and owned or controlled by, the City. These entities include the Saskatoon Public Library, Saskatoon Police Service, Saskatchewan Place Inc. (operating as SaskTel Centre), Saskatoon Centennial Auditorium (operating as TCU Place), and the Rемаi Modern Art Gallery of Saskatchewan (operating as Rемаi Modern).

City Council appointed the accounting firm of Deloitte LLP to perform an independent audit of the City's 2018 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 Standing Policy Committee on Finance 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 PricewaterhouseCoopers also reports to the Standing Policy Committee on Finance, ensuring internal controls and procedures are in place and adhered to through a series of internal audits and reviews, with a focus on the City's Risk Management program.

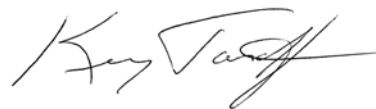
As noted, the consolidated financial statements include information on the City's financial position and operating results, along with those of several related entities. The City's operations are typically segmented (General Operating, General Capital, Utility Operating, and Capital) for budgeting and 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 \$3.1 million (see Schedule 4 within the Consolidated Financial Statements on page 120).

The City's 2018 capital program included planned expenditures of \$296.2 million. These expenditures were financed from reserves, development levies, contributions from developers, Federal and Provincial grants, gas tax revenues from the Federal Government, and borrowing.

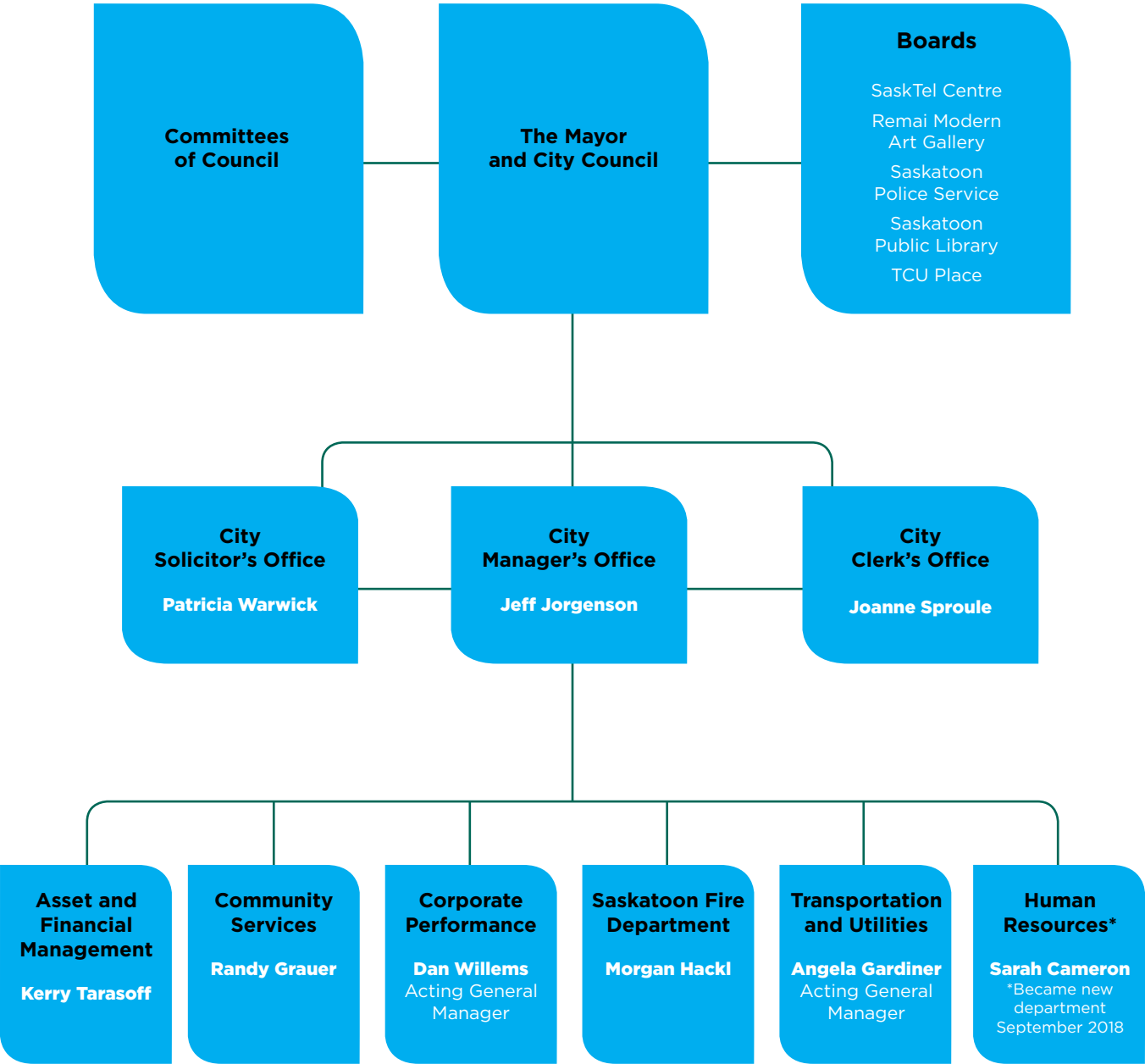
The City continues to receive positive reviews from S&P Global which reconfirmed the City's "AAA"/Stable credit rating.

Respectfully submitted,



Kerry Tarasoff, FCPA, FCMA
Chief Financial Officer

City of Saskatoon Organizational Chart 2018





Message from the Mayor

“Saskatoon is becoming a city that is responsive, modern, and able to face the challenges - and capitalize on the opportunities - of our changing world.”

On November 16, 1984, Chief Wallace Tawpisin from Muskeg Lake sent a letter to Mayor Cliff Wright about acquiring a parcel of land in the Sutherland area to create an urban reserve. This was an unprecedented move in Canada—never before had a commercial reserve been created in an urban setting, let alone one that was almost 50 acres in size.

The band had faith that there was the possibility in Saskatoon to create a cooperative relationship with benefits for both them and the City. This isn't to say it was a perfectly smooth path in getting there, but there was a commitment on both sides to come together and build the sort of community that we needed to become.

This was a bold vision for our city 35 years ago, and it remains a bold vision for our city today. This aspiration was realized because of the determination and perseverance of the people working for the City and the band, but the opportunity wouldn't have even come about if Chief Tawpisin didn't see potential in our community. Potential for economic opportunity, potential for bridging divides that have for too long plagued our country, and potential for a shared future that could be stronger than our past.

Reflecting back on 2018, I can't help but think of the momentum we have as a city and the potential that remains to build on this. Saskatoon is becoming a city that is responsive, modern, and able to face the challenges—and capitalize on the opportunities—of our changing world.

In 2018, we opened the Chief Mistawasis and Traffic Bridges, revamped our procurement practices, and moved forward with revitalizing our Downtown, including taking the first steps to plan for a Downtown arena district.

In Saskatoon we're seeing unprecedented levels of collaboration to build a strong community for the future, in projects as diverse as the Gordie Howe Sports Complex, creating the Safe Community Action Alliance, and moving forward with the Saskatoon North Partnership for Growth.

This work isn't going unnoticed, either. In 2018 the *New York Times* listed us as one of the top 52 places to go in the world, the Rемаi Modern more than doubled their attendance goals, and we were selected as a finalist in the federal government's Smart Cities Challenge.

We are a city of both tradition and of innovation, continuing to find and challenge our place in a modern world. The opportunities and potential for Saskatoon are here just as they were 35 years ago when Chief Tawpisin wrote his letter, and this is something that we must remember as we continue our work of city building.

Together, we will build the city that gets it right.

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

Charlie Clark
Mayor

City Council 2018

Effective October 26, 2018

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.



SASKATOON CITY COUNCIL



MAYOR
CHARLIE CLARK



COUNCILLOR
DARREN HILL
Ward 1



COUNCILLOR
HILARY GOUGH
Ward 2



COUNCILLOR
ANN IWANCHUK
Ward 3



COUNCILLOR
TROY DAVIES
Ward 4



COUNCILLOR
RANDY DONAUER
Ward 5



COUNCILLOR
CYNTHIA BLOCK
Ward 6



COUNCILLOR
MAIRIN LOEWEN
Ward 7



COUNCILLOR
SARINA GERSHER
Ward 8



COUNCILLOR
BEV DUBOIS
Ward 9



COUNCILLOR
ZACH JEFFRIES
Ward 10



Message from the City Manager

“...Administration will remain laser-focused on building an even better community for all residents of Saskatoon. We are committed to excellence in city-building and to always finding better ways...”

Successful organizations must continually refresh and evolve to meet the needs of the people they serve.

This 2018 Annual Report outlines the investment, collaboration and innovation undertaken to maintain and improve the outstanding quality of life that the citizens of Saskatoon expect and deserve. Highlights we are proud of include the completion of our largest-ever bridge building project on-time and on-budget, and naming the new Chief Mistawasis Bridge, a unique opportunity that brought our community together in responding to the Truth and Reconciliation Commission's Calls to Action. This report offers a comprehensive account of these and many other achievements the City accomplished in 2018.

A Re-focused Plan for Our Future

In 2018, we released an updated Strategic Plan to reflect the insights and priorities of our current City Council and to focus on achieving important outcomes from 2018-2021. Our refreshed, re-focused Strategic Plan will keep us on track for realizing our vision for the future, and we will continue to monitor our performance progress.

Putting Citizens First

Citizen input continued to play an important role in the City's business planning and budget process, and in 2018 we provided a variety of engagement opportunities for the public to share feedback. A new dedicated public engagement section enabled the City to provide a more coordinated, consistent and efficient approach to how we collect public input from Saskatoon's residents. Results from our 2018 annual Civic Satisfaction and Performance Survey confirmed residents' perceptions about quality of life in Saskatoon remain strong and their overall satisfaction with the quality of services.

Investing in Our People

In 2018, we started our journey of transformational change at the City. Our ongoing success will be realized through our vision to create a smart and healthy work place for our employees, and by giving our employees the right tools, systems and processes to do their jobs efficiently and effectively.

Working closely with City Council, Administration will remain laser-focused on building an even better community for all residents of Saskatoon. We are committed to excellence in city-building and to always finding better ways to deliver and improve our services. We will continue to manage the City in a smart and sustainable way and protect our valuable “AAA” credit rating.

Most of all, I am proud of the dedicated civic employees and our culture of continuously improving the services we provide. Working together, we are taking on the many challenges Cities face, such as improving our sustainability, addressing revenue and expenditure pressures, and creating an environment where our employees can achieve their potential.

I encourage you to explore the 2018 Annual Report to learn more about the City's achievements in 2018 and the many exciting projects we will continue to focus on to ensure Saskatoon is a great city in which to live, work, learn and play.

Jeff Jorgenson
City Manager

How Do Others See the City?

City's Robust Financial Performance Continued in 2018!

The City of Saskatoon (City) again received a favourable endorsement from S&P Global Rating Services, which reconfirmed the City's "AAA" credit rating with a stable outlook.

Calling Saskatoon the "economic engine of Saskatchewan," S&P Global Rating Services reaffirmed "AAA" long-term issuer credit and senior unsecured debt ratings on the City. This important rating is viewed by financial institutions as having virtually no-risk with respect to defaulting on credit.

Clear, Concise Financial Reporting Earns City Eleventh National Financial Award

In 2018, the Government Finance Officers Association (GFOA) of the United States and Canada presented the City with the Canadian Award for Financial Reporting for its 2017 Annual Financial Report. The award recognized the City's ability to present financial information in a clear, concise and informative manner. The City is committed to demonstrating openness, accountability and transparency in all its financial reporting.

City's Inclusive Workplace Welcomes Diversity!

For the seventh consecutive year, the City ranked as one of Canada's Best Diversity Employers. The City has a long-standing commitment to diversity and inclusion including being an equity partner with the Saskatchewan Human Rights Commission. As an equity partner, the City commits to the basic principles and objectives which outline a larger responsibility to foster an inclusive society.

Confirmed Again! Saskatoon is a Great Place to Live, Work, Learn and Play!

Citizen input has always been an important part of the City's business planning and budget process. In 2018, we developed a process to gather more input from residents to inform City Council and the Administration as we begin planning for our first ever multi-year business plan and budget for 2020-2021.

Switching things up, we developed two surveys to gain better insight into what citizens value most. Approximately 4,000 residents provided feedback through two surveys and community outreach activities. The City is very proud of the results that show residents' perceptions about quality of life in Saskatoon remain strong, and their overall satisfaction with the quality of services and value provided by the City remains high.

Remai Modern Nomination

In the fifth year of the prestigious Leading Culture Destination Awards (called the "Oscars for Museums"), the Remai Modern was one of three nominees for New Culture Destinations of the Year – North America. The Remai was in excellent company – the other two nominees were the ICA at VCU (Richmond, USA) and Museum of Contemporary Art (Toronto, Canada).

Saskatchewan's Top Employers

The City has once again been named to Forbes' list of Canada's Best Employers! The City is especially proud of this award because the ranking is based entirely on employee recommendations.

City Receives GOLD Award for Bridging to Tomorrow Project

The City's Bridging to Tomorrow project was awarded a gold infrastructure award from the Canadian Council for Public-Private Partnerships. The project involved the construction of the Chief Mistawasis and Traffic Bridges, and was selected for breaking new ground on how P3 projects are built, financed, or delivered, as well as the impact they have on boosting the economy, saving costs, and creating more vibrant, inclusive communities.

The Bridging to Tomorrow project is the largest infrastructure project ever delivered in the city and the first bundled transportation P3 in Canada. The two new bridges opened on October 2, 2018.

Supporting Reconciliation, Indigenous Autonomy and Resolving Conflict

The City was honoured with the Peacemaker Award in 2018 for its ongoing efforts in responding to the Truth and Reconciliation Commission's Calls to Action, and for providing exceptional service to mediation and dispute resolution in our community. With courage and leadership, the City is building mutually respectful relationships, and authentically working towards the elimination of racism.

City Receives Sustainable Development Recognition Program Award

The City's Climate Action Plan - Public Engagement and Awareness Campaign was one of 23 projects recognized by the Regional Centre for Expertise – Saskatchewan, as part of its Sustainable Development Recognition Program. The program recognizes projects that help increase capacity for sustainable development in Saskatchewan and contribute to advancing UNESCO's Global Action Programme on Education for Sustainable Development.

How Citizens See the City

Play Program Employees Give 110%

"One resident took the time to email kudos to the play program leaders at Wallace Park: 'a quick note to say how awesome those workers are who show up to the spray park and play with the kids... Janae and Davis are 110% effort employees. No wonder Saskatoon is the BEST!!!"

Lighting the Way

"Thank you for installing lights at the overpass at College, Highway #5 area, over C.P. rails. I am an older lady and sight is quite good, but from bright to absolute dark was a problem. I love not having to guess where the line is. Also overpass at McOrmond is a great idea, safer for all."

Thanks Truck #106!

"A lady called saying she was in Gabriel Dumont Park and had left her keys on a picnic table when she went for a walk. Truck #106 was doing maintenance in the park and she asked if the worker had seen her keys. He had not, but he drove back to where she left them, recovered them, and brought them back to her. She called to say how extremely grateful she was."

Marr Residence Maintenance

"The Marr Board wants to extend a big thank you for all the hard work City workers have done to ensure the Marr and surrounding park area is well maintained, safely protected and ready for public programming events. A big pat on the back for a job well done."



Thank You for Safer Streets

"Hello, just wanted to send a quick note thanking you for your very quick response. I was definitely not expecting a response to my email at 9 p.m. the same day, and I really wasn't expecting a snow grater to come the day after that! I appreciate the effort that was taken to make our street a bit safer to drive on. Thanks again."

Where Would We Be Without City Road Crews?

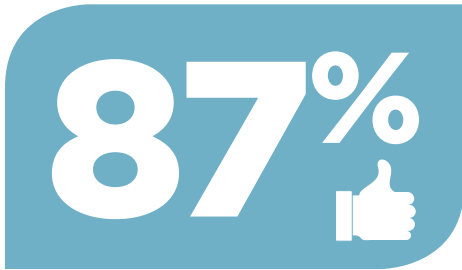
"I wanted to take a quick minute and say thanks to all of the hard workers who are out fixing potholes and who are painting the roadway lines in/around Saskatoon. I think those are services that people really take for granted and I feel like the workers take a lot of heat from impatient people who can't slow down to let them do their jobs. I really appreciate all the hard work they do, along with everyone else at the City of Saskatoon. I hope you all have a wonderful summer! Thanks so much."

Above & Beyond Customer Service

"I just heard from a friend that you went above and beyond the other morning to help him with a flat tire he found after his swim at Harry Bailey. Thanks for providing exceptional customer service to patrons that come to the pool. So a big thanks to you for that!!!!"

2018 RESULTS

CITIZEN SATISFACTION & PERFORMANCE SURVEY

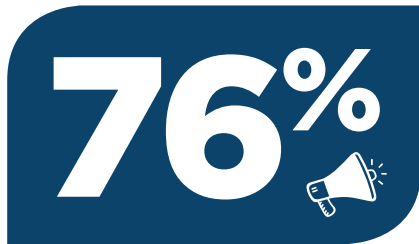


Quality of Life & Satisfaction

87% of respondents say that they are satisfied with living in Saskatoon. **84%** of respondents rate the quality of life in Saskatoon as good or very good.

Quality & Value of Services

82% agreed that they are satisfied with the quality of services provided by the City of Saskatoon. **82%** say they receive very good or good value from the services provided by the City.

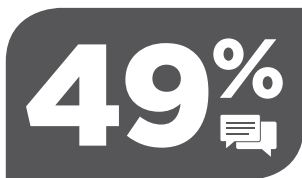
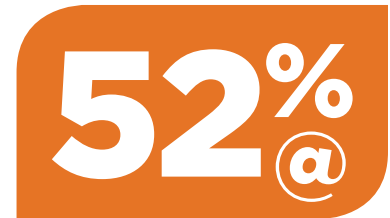


Communications

76% of respondents are satisfied with the quality of City communications.

Customer Service/Contact the City

52% agree the City provides good customer service, averaged across five categories. **62%** of respondents preferred contacting the City by telephone, followed by email **48%**.

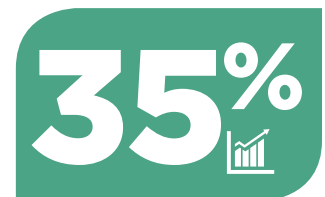


Community Engagement and Volunteering

49% of respondents say the City does enough to get the public's input on decisions. **40%** of participants say that they volunteer in their community.

Balancing the Budget

35% participants prefer a combination of both property tax and user fee increases to balance the budget.



These are the average percentages taken from Telephone and Online Panels.

2018 Highlights: Our Continuous Improvement



Naming of Chief Mistawasis Bridge

Naming of the North Commuter Parkway Bridge as Chief Mistawasis Bridge, was a unique opportunity that united the community in an act of reconciliation, “enabling Saskatoon’s citizens to see themselves in our community – in our shared places and spaces.”

The community-led naming process and educational journey responded directly to the Truth and Reconciliation Commission’s Call to Action #79: Participate in a strategy to commemorate Aboriginal People’s history and contributions to Canada.

Chief Mistawasis Bridge opening celebrations included a grand entry on the new bridge deck that involved local Indigenous leaders, Elders, Indian residential school survivors, dignitaries, and students.

“The naming of Chief Mistawasis Bridge provides a lasting legacy of hope and reconciliation for the community and a source of great pride for our children and generations to come,” said Anthony Blair Dreaver Johnston, University of Saskatchewan School of Environment and Sustainability Indigenous Mentor and great-great-great grandson of Chief Mistawasis.

Completion of Historic Bridge-Building Project

The City of Saskatoon celebrated the completion of its largest ever bridge-building project. All three orders of government funded the \$238.8 million Bridging to Tomorrow Project, which includes Chief Mistawasis Bridge, McOrmond Drive and Central Avenue extensions, and the Traffic Bridge. The Government of Canada contributed approximately 25% of eligible costs, the Government of Saskatchewan contributed \$50 million toward Chief Mistawasis Bridge, and the City funded the remaining costs.

New Fire Station No. 3 an Effective Community Partner

The much anticipated Fire Station No. 3, relocated from Taylor Street and York Avenue to Clarence Avenue South, opened in July 2018. The relocation was a strategic choice to strengthen neighbourhood amenities for the community at large, and provide improved service/response times. A previously identified new fire station will not be required in the Stonebridge neighbourhood with No. 3 now open, resulting in savings of \$6 million in capital costs and \$2 million in annual operating costs in perpetuity.

Improved Roadways, Keen Focus on Preventative Maintenance

The Building Better Roads Program has made significant progress over the past five years, establishing an annual funding level of \$61 million to cover road construction, preventative maintenance, road repair, pothole patching, sidewalk rehabilitation, back lane upgrades, street sweeping, and snow and ice management into the future. And in 2018, more work was completed than originally forecast: 20% more or 64 kilometres of sidewalk improvement work, twice as much or 56 kilometres of preventative crack sealing was applied, and in total, 206 lane kilometres of roadways was replaced or rehabilitated.

Traffic flow and areas of congestion in the city were improved with reconfiguration work completed at the intersection of Taylor Street & Arlington Avenue, and to coincide with the opening of the new Traffic Bridge, Victoria Avenue was reimagined with the addition of a first-time raised cycle track in an established neighbourhood.

In October 2018, over 10 kilometres of roadway were added to the City’s networks with the opening of the new Traffic Bridge, Chief Mistawasis Bridge, and Central Avenue & McOrmond Drive extensions.



New Procurement Policy Streamlines Processes, Adds Transparency

Teams of City employees worked together to develop a new civic purchasing policy. The policy became effective in December 2018 and continues to provide many benefits, including streamlined manual processes, easy-to-follow protocols, and more transparent procurement operations.

City's Transit Fleet Receives GPS Installation

Investing in public infrastructure supports efficient, affordable, and sustainable transit services that help Citizens and their families get to work, school, and essential services on time and back home safely at the end of a long day. Partial funding was provided through the Public Transit Infrastructure Fund (PTIF) from the Government of Canada. The Government of Saskatchewan administers federal PTIF funding in the province.

This transit service improvement falls under City Council's Strategic Goal of Moving Around, which aims to make it easier for citizens to use Saskatoon Transit by providing safe, convenient, reliable and affordable service. These fully accessible buses were the first of 52 that have been ordered by Saskatoon Transit as part of its PTIF project.

Online Incident Management

A new online tool was developed to improve how the City manages internal workplace incidents. A great example of cross-departmental collaboration, the new tool offers faster communication, real-time reporting, and access to trending data.

Internal Visual Communications Coordinators

The Communications Division added two Visual Communications Coordinators to provide internal graphic and visual design services. The result? Reduced wait times and financial costs for the development of communication materials and dedicated keen eyes on the City's brand guardianship.

New! 30-foot Transit Buses

Six 26-foot cutaway transit vans were replaced with eight 30-foot medium-duty transit buses, including four with an additional rear ramp and additional wheelchair station. The new buses have a 12-year lifecycle versus the 7-year cycle of cutaway transit vans. They provide better all-around service, are about 2/3 the weight of a 40-foot bus, and are equipped with a smaller diesel engine, resulting in approximately a 40% fuel savings.



Transit Service Improvements – from Access to Conventional

In consultation with the Saskatoon Council on Aging and the Saskatchewan Health Region, Saskatoon Transit introduced Route 808 to connect residents to medical and health facilities around the city. The new route addresses a service gap by providing safe, convenient, reliable, and affordable service to an underserved market.

Bus Stop and Infrastructure Improvements-Safe and Comfortable Locations

Saskatoon Transit continued making improvements to transit shelters, bus stops, and related infrastructure. Significant improvements included wheelchair accessibility ramps, pedestrian signals and crosswalks, 3-meter wide sidewalks, wayfinding information, and 250-mm curb heights for near-level boarding.

Improvements were made to transit shelters at Attridge Drive and Rever Westbound, Attridge Drive and Rever Eastbound, and Airport Drive and 45th Street. New shelters were installed at the east side of Robin Crescent, North of Airport Drive, the west side of Avenue H, South side of 29th Street, and Attridge and Rever Eastbound.





Corporate Climate Change Adaptation Plan

The Corporate Climate Change Adaptation Plan aims to ensure the City of Saskatoon (City) is proactively preparing itself to mitigate risks to key infrastructure, programs, and services posed by a changing climate to key infrastructure, programs, and services. The plan has strong links to other strategic initiatives, including risk management, asset management planning, the Green Strategy, and the forthcoming Urban Forestry Management Plan.

YXE Talks Trash - Residential Engagement

The City engaged with over 5,000 residents through various activities to gather feedback on curbside waste collections. Over 80% of participants expressed clear support for a city-wide organics program. The majority prefer co-mingled (food and yard waste together) collection in a single green cart.



Use of Efficient Technology Reduced Consumption

Saskatoon Light & Power continued to use highly efficient LED technology for nearly 900 new street lights in 2018, including two interchanges, the Chief Mistawasis Bridge, and the North Commuter Parkway. This reduced energy consumption on these roadway projects by 118,534 watts annually.

A Framework for Collaboration

The City and the Saskatchewan Indian Institute of Technologies (SIIT) signed a Memorandum of Understanding in 2018 to create greater education, career development and training opportunities for Indigenous students and workers. The formal agreement outlines a framework for collaboration between the two organizations, including strategic initiatives to improve the quality of life for SIIT students while living in Saskatoon.

First Graduates of Pathway to Reconciliation

The first annual Pathway to Reconciliation graduation, held at Wanuskewin Heritage Park on October 17, 2018, recognized 16 Reconciliation Ambassadors.

Reconciliation Ambassadors are City employees who have made a personal commitment to reconciliation by understanding the history and culture of Indigenous people, and valuing diversity in the workplace.



Reconciliation

Modern Offices Spark Sense of Community

Mobile work is increasingly important for our employees, as is having office space that promotes technology and collaboration. With this in mind, in 2018 the City modernized the 2nd floor of Civic Square East. Reflective of our corporate shift in demographics, the new sunlit workspaces offer a sense of community and now exude a place where our employees want to co-create – and innovate!

Digital Signage Pilot Project

Digital displays were installed in City Hall and the Shaw Centre to improve citizen service and employee engagement. Digital signage helps to reduce the amount of visual clutter and at times, outdated information presented at civic facilities. It also provides new opportunities to increase audience engagement.





Our Performance Measures

2018 Progress Update

The City of Saskatoon's Corporate Strategic Goals emerged through city-wide consultations with citizens of Saskatoon. Guiding the vision, mission and annual investment decisions, seven Strategic Goals provide a road map for decision-making and planning through to 2023.

To continue advancing the City's goals and monitor our progress, a dashboard of performance measures and indicators each provide a snapshot of current standing as they connect to specific performance measures, City Council priority areas and strategic outcomes.

A more detailed overview of each goal, related performance measure, key strategies and progress is available at saskatoon.ca/strides.



CULTURE OF CONTINUOUS IMPROVEMENT

Overall Satisfaction with Civic Services



Representative Workforce



Lost Time Injury Frequency



ASSET & FINANCIAL SUSTAINABILITY

Annual Municipal Property Tax Increase



Long-Term Tax-Supported Debt/Capita



Key Civic Infrastructure Status



QUALITY OF LIFE

Number of New Attainable Housing Units



Vacancy Rates for Rental Housing



Participation at City Recreation Facilities



Annual Decrease in Crime Rates



Fire Response Time





ENVIRONMENTAL LEADERSHIP

Waste Diverted from the Landfill



Reduce the City of Saskatoon's Greenhouse Gas Emissions



SUSTAINABLE GROWTH

Residential Infill Development



MOVING AROUND

Transit Rides per capita



Transportation Choices



Cycling Specific Infrastructure in Kilometers



ECONOMIC DIVERSITY & PROSPERITY

Supply of Residential Land (Units)



Supply of Industrial Land (Acres)





Introduction to Business Line Reporting

A Refreshed Strategic Plan for 2018-2021!

The City of Saskatoon released an updated Strategic Plan to reflect the priorities of the current City Council. The revised plan focuses on achieving important outcomes from 2018-2021. Enhancements include measures to monitor progress made on each outcome, and on the specific actions Administration undertakes.

Why update our Strategic Plan?

To ensure our programs and services continue to address the needs of the community and our changing city, while staying within our financial means. These timely updates will guide the City's first multi-year business plan and budget process planned for 2020-2021.

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** by providing for more regular, ongoing, and thorough examination of civic services to ensure that services are relevant to citizens' needs and priorities.

Business Line Overview

Arts, Culture and Events Venues	Provides opportunities for citizens to participate in and enjoy the benefits of arts, culture and events.
Community Support	Provides support and community investment to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighbourhood-based associations and organizations.
Corporate Asset Management	Provides building operation and maintenance services for the City's buildings and structures and manages its fleet of vehicles and equipment.
Corporate Governance and Finance	Provides administrative, human resources, information technology and finance supports for all other business lines.
Environmental Health	Preserves and protects the long-term health of our urban environment.
Fire 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.
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.
Policing	Works in partnership with the community to develop collaborative strategies to reduce crime and victimization. In partnership with City Council and the community, continues enforcement with proactive prevention, education, and early intervention strategies.
Recreation and Culture	Provides opportunities for citizens to participate in and enjoy the benefits of sport, recreation, culture, and park activities.
Taxation and General Revenues	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. Other corporate revenues, including the Municipal Operating Grant, are applied to the general fund and are included in this business line.
Transportation	Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.
Urban Planning and Development	A proactive approach to addressing future opportunities and pressures on our community that accommodates growth and change (e.g. population, diversity of public services and amenities, broader scope of education, research, business), while balancing long-term economic, environmental, and social needs and achieving the desired quality of life expressed by our citizens.
Utilities	Provides cost-effective and high-quality electricity (Saskatoon Light & Power), quality drinking water, treatment of waste water, recycling, and storm water management (Water and Sewer).



Arts, Culture and Events Venues

Service Outcomes

Rемаi Modern Art Gallery

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

SaskTel Centre

- To provide world-class culture, sport, and live entertainment experiences for the social and cultural enrichment of the region
- To provide a facility suitable for hosting major touring shows, sport team tenants and local, national, and international events
- To provide exemplary customer service, high-quality events, strong fiscal management, excellence in safety, engaged workforce, positive community partnerships, and environmental stewardship

TCU Place

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



Operating Budget: \$7.7 million

Capital Budget: \$0.2 million

Strategic Goal:



QUALITY
OF LIFE

2018 At a Glance

Rемаi Modern Art Gallery

- Over 420,000 visits
- 130,000 square feet of space, including 11 exhibition galleries, community atrium, restaurant, retail store, 2 learning studios, 150-seat theatre, rental spaces, including the Riverview Room, rooftop patio, 2 board rooms, and gallery lounge

- More than 8,000 works of art in the collection, including 406 Picasso linocuts, valued at over \$40 million

SaskTel Centre

- 400,000 visits per year
- 15,000 seats
- 800 staff (full-time, part-time, volunteer, contract)
- 30 years of operation

Major Projects and Initiatives

Remai Modern

- Completed first fully operational year, exceeding business plan targets, including total visits, membership and admission revenue, among others.
- Continued momentum of Rемаi Modern Membership Program, with over 7,000 members.
- Hosted the inaugural Mendel International Lecture with guest speaker Frances Morris, Director of Tate Modern, London.
- Hosted the first LUGO art party at Rемаi Modern with a sold-out crowd of more than 1,000 attendees.
- Welcomed more than 50,000 participants in 1,729 learning and engagement programs.
- Benefited from than 1,100 volunteer hours contributed to the museum.
- Opened exhibitions by international and Canadian artists including Jimmie Durham, Rosa Barba, Oliver Husain, Paul Chan, Thomas Hirschhorn and many more.
- Featured the work of Saskatchewan artists' including Zachari Logan, William Perehudoff, Eli Bornstein, Ellen Moffat, Dorothy Knowles, Julie Oh, Thirza Cuthand, Lori Blondeau, Tammi Campbell, Robert Christie and Kara Uzelman.
- Hosted live performances and talks by dozens of local artists, educators, musicians, poets and more.

SaskTel Centre

- Successfully implemented a new strategic plan focused on four primary areas - our customers and community, our processes, our people, and

TCU Place

- 900,000 visits per year
- 120,000 square feet of multi-purpose space
- 22,400 square foot ballroom
- 2,074 seats in Sid Buckwold Theatre
- 500 events organized by Convention Services
- 65 booking dates in Sid Buckwold Theatre


our finances. Ensuring these four areas function efficiently and effectively positions SaskTel Centre for success.

- Presented diverse, high-quality programming, including Santana, Michelle Obama, Rod Stewart, Shania Twain, Cirque Du Soleil, Taste of Saskatchewan, Rock the River, Keith Urban, Saskatoon Blades, Saskatchewan Rush, and more.
- Continued work with City of Saskatoon and TCU Place on a long-term plan for Saskatoon's public assembly facilities.
- Upgraded security and door access card system, LED lighting in public areas (including concourse and restrooms), and one concession stand, added air curtains to several exterior doors, and installed exterior security cameras.

TCU Place

- Marked the 50th Anniversary of TCU Place, 1968-2018, with several receptions, events, and marquee shows.
- Worked with City of Saskatoon on new business model for future expansion/enhancement of the facility.
- Continued development of cultural diversity action plan to meet Saskatoon's changing population demographics.
- Funded capital upgrades to box office ticketing system (\$24K), security system (\$40K), catering serving ware (\$11K), and server and networking system (\$45K).
- Supported quality of life by emphasizing delivery of diverse, popular programming in Sid Buckwold Theatre.

Performance Measures

Performance Targets with Trends – Arts, Culture and Events Venues							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Overall Satisfaction with Civic Services	≥ 90%	81%	86%	87%	82%	Decline	



Operating Budget: \$15.3 million

Capital Budget: \$0.3 million

Strategic Goal:



QUALITY
OF LIFE

Community Support

Service Outcomes

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

2018 At a Glance

Sport, Recreation, and Culture Participation

- 682,846 visits to cultural facilities
- 35,500 hours of community association programs

Support and Community Investment

- 52 sports organizations
- 53 community outdoor rinks, including Meewasin outdoor rink
- 46 social serving agencies
- 47 community associations
- The City leverages millions in self-generated revenue and human resources in community-based organizations, including thousands of volunteer hours

Subsidies

- 125,000 Leisure Access visits to leisure facilities subsidized
- 199 spay or neuter surgeries subsidized
- 40 subsidized interments at Woodlawn Cemetery

Cemetery Services

- Supports 94-acre, aesthetically pleasing park-like setting at Woodlawn Cemetery
- 500 interments at Woodlawn Cemetery

Major Projects and Initiatives

Age-Friendly Saskatoon

- Age-Friendly Community Development Steering Committee, of which the City is a key member, continued implementing recommendations of the Age-Friendly Action Plan.
- Saskatoon Council on Aging (SCOA) Age-Friendly Community Development Coordinator worked with Saskatoon Transit staff to develop a series of training/educational videos for bus drivers and seniors.
- The Age-Friendly Policy Lens Self-Assessment tool was piloted with several organizations to help build shared understanding of older adults and factors influencing their quality of life. SCOA met with Fire, Police and Community Services to discuss how the policy lens could be used to review Age-Friendly initiatives already underway at the City.

Anti-Racism Education

- Presented next steps in anti-racism report. Joined the Cultural Diversity and Race Relations Committee in organizing and hosting kick-off event in Council Chambers to declare March as Cultural Diversity and Race Relations Awareness Month. Also coordinated and hosted annual Living in Harmony Awards at the Roxy Theatre.
- Held Understanding Racism training sessions for civic staff and provided external training sessions to community agencies. Conducted an equity and inclusion review of the City's Naming Policy.
- Continued to build a Saskatoon anti-racism network, developed a presentation for the 2018 Wicahitowin Conference, and continued to connect anti-racism work with reconciliation.

Corporate Accessibility Action Plan

- The Accessibility Advisory Committee's strategic plan identified several priorities for the year—accessibility in older neighbourhoods, implication of snow removal on sidewalks/curb ramps on transit and bus rapid transit accessibility, accessible parking in commercial areas, accessibility considerations in complete streets policy guide, garbage and recycle bin supports for people with disabilities and improved design of play structures.
- Continued to address the impact of the new National Building Code on new and existing buildings with respect to barrier-free accessibility.
- Began working on terms of reference for an Accessibility Action Plan review and connection to the Rick Hansen Foundation accessibility certification process.

Immigration Action Plan

- Eighty people from various sectors attended a Newcomer Settlement and Integration Community Forum, facilitated by the City at TCU Place. Discussion focused on newcomer challenges, such as housing, education, justice, employment, and health.
- Established a Local Immigration Partnership Council to provide strategic direction to the immigration initiative. Council includes representatives of the City, Saskatchewan Health Region, Saskatoon Public and Catholic school divisions, settlement and government agencies, and business.
- Local Immigration Partnership office opened on 22nd Street East, with staff positions and office space funded by Immigration, Refugees & Citizenship Canada.

Indigenous Partnerships

- Partnered with Saskatoon Tribal Council and Gabriel Dumont Institute to deliver the 2018 Atoske Aboriginal leadership camp, which attracted 20 First Nation and Métis youth.
- Partnered with the United Way to implement a youth strategy to address barriers to participation.
- Worked with Saskatoon Tribal Council to finalize details for the installation of the Truth and Reconciliation Commission artwork, 'The Coming Spring,' which was unveiled in Victoria Park in June.

Grant Funding Tools

- Completed a process review of the Community Association Neighbourhood Park Enhancement Grant.
- City Council approved replacing the Sport Participation Grant with the Sport Projects Grant, which is more flexible in funding for qualifying sports organizations. The 2019 application was updated to reflect the changes.



Major Projects and Initiatives

Social Development Strategy

- Work continued on a strategy to provide the City with long-term direction on social development priorities. Community Development hosted a workshop to gain input from staff responsible for civic programs, services and initiatives that address social issues.
- Civic staff participated in ongoing development of Safe Community Action Alliance, a group of community-based social service agencies and government representatives working to improve community safety and well-being.
- Presented a report on the role of the City in social development, including overview of current levels of City involvement and framework for future involvement on various initiatives (e.g. Smart Cities Challenge, Safe Community Action Alliance, Immigration Partnership Saskatoon, Saskatoon Poverty Reduction Partnership).

Performance Measures

Performance Targets with Trends – Community Support

Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Number of New Attainable Housing Units	≥500 new units annually across attainable housing continuum	560	525	377	142	Decline	
Participation at City Recreation Facilities	≥6,600 visits/1,000 population	6,634	6,959	6,667*	7,613	Improvement	



Corporate Asset Management

Service Outcomes

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

Operating Budget: \$8.5 million

Capital Budget: \$29.1 million

Strategic Goal:



ASSET &
FINANCIAL
SUSTAINABILITY

2018 At a Glance

Assets, Facility Management

- 410,820 square metres of building area
- 17,406 Facility Work Requests
- 9,300 assets via Comprehensive Maintenance Program
- 5,727 park furnishings in 252 parks
- 365 buildings valued at \$1.707 billion with contents valued at \$123.9 million
- 230 play structures valued at \$9.0 million
- 31 paddling pools, 22 spray parks and 8 pools

Fleet Management

- 3.6 million litres of diesel/gasoline via six fuelling stations
- 149,868 square metres of vehicle parking
- 8,530 Fleet Services Work Orders
- 1,465 radios and related infrastructure valued at \$15 million
- 1,050 active vehicles and equipment with a book value of \$97.3 million
- 64 in-car cameras and recorders for Saskatoon Police Service; maintain radar units in all patrol vehicles
- 55 user groups supported by Fleet Services
- 4 automated licence plate readers

Major Projects and Initiatives

Asset Management and Planning

- After a full year in operation, Remail Art Gallery is on track. A submission for full accreditation from the Canadian Conservation Institute is pending.
- Fire Hall No.3 was completed in spring 2018. Facilities Management and Fire Services are in full control of the facility, which is now fully operational.

Continuous Improvement



- Corporate Security Strategy (2018-2028) was approved in August 2018. Development work began on a staffing plan to support the security function over the short and medium term.
- Work progressed on short-term priorities, including implementation of new Visitor Screening Procedures for Council Chambers. Security Incident and Observation Reporting was implemented, a pilot project to advance key corporate security objectives was initiated, and planning of security enhancements for high-risk sites and development of corporate policies began.
- Work continued on enhancing the City's radio system. New radio infrastructure was installed at SaskTel Centre to enhance coverage in the city's west end. Testing and coverage mapping continued through 2018.

Improving Civic Facilities and Spaces

- Ongoing work to incorporate accessibility design standards in civic facilities and spaces included discussions with the Accessibility Advisory Committee, Recreation and Sport, Building standards and other divisions on updates to the Accessibility Action Plan.
- Work continued on renovation of the former Saskatchewan Transit Corporation building, long-term accommodations and City yards planning. Work also began on the Corporate Space Planning program.
- Initiated discussions on standardizing Building Management Systems. Explored network enhancements to ensure continued high-performance building operation.
- Presented report to City Council on potential scope and successes of Energy Performance Contracts, including expanding from 20 to 38 buildings. Preliminary measures were presented to facility operation stakeholders for review, with further engagement planned.

Performance Measures

Performance Targets with Trends – Corporate Asset Management

Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Key Civic Infrastructure Status	B Service Level	B	B	B	B	Neutral	
Overall Satisfaction with Civic Services	≥ 90%	81%	86%	87%	82%	Decline	
Reduce the City of Saskatoon's Greenhouse Gas Emissions	≥-40% from 2014 levels by 2023 and 80% below 2014 levels by 2050	N/A	107,500 tonnes CO ₂ e (+1% relative to baseline)	108,900 tonnes CO ₂ e (+2% relative to baseline)	Pending	Neutral	



Corporate Governance and Finance

Service Outcomes

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

Operating Budget: \$57.3 million

Capital Budget: \$17.1 million

Strategic Goals:



ASSET &
FINANCIAL
SUSTAINABILITY



CULTURE OF
CONTINUOUS
IMPROVEMENT

2018 At a Glance

Governance

- \$490.6 million Civic Operating Budget (excluding utilities)
- \$296.2 million Capital Budget invested in projects
- \$52.7 billion of assessed property
- \$35.4 billion of taxable property
- 73,826 parcels of land in City's Green Infrastructure Strategy system
- 5,000 devices and 60 locations supported by Information Technology
- 20,521 online information and service requests
- 23% of utility accounts on eBill

Leadership

- 3,835 full-time equivalent positions throughout the City's 41 boards, commissions and committees, including four major tribunals and six pension boards
- 18 Joint Occupational Health and Safety Committees
- 12 Unions and Associations within the City's organizational structure
- 11 elected officials, including the Mayor and 10 Councillors

Major Projects and Initiatives

Citizen Engagement

- Supported community engagement initiatives on a number of issues, including waste diversion, green infrastructure, city-wide growth plans, multi-year budgeting and North Commuter Parkway. A total of 143 engagement surveys and events were held.
- Unveiled the new Engage! Saskatoon program identifier, piloted a presentation on engagement for civic staff, and continued work on a City Council Community Engagement Policy.
- Drafted a three-year action plan to identify and address potential issues related to structure, strategic partnerships, research and analytics, stakeholder management, engagement procedures and policy.

Continuous Improvement

- Launched the new MyCity internal intranet site, seven corporate information sites, and four published content sites as part of one-stop shop corporate intranet to ensure civic staff are well informed about civic programs and initiatives.
- Modern Workplace Strategy moved workloads to the cloud, allowing City employees to collaborate more effectively with internal and external stakeholders.
- The Enterprise Resource Planning (ERP) Steering Committee developed program vision, mission, and guiding principles. The ERP project team validated over 1,400 functional business requirements across civic divisions, boards, and commissions, and incorporated them into a request for proposals for software; four vendors were shortlisted. Completed a readiness assessment that focuses on five key areas: governance, employee awareness, change management and communications, current business process maturity, and IT needs.
- Performance Improvement Coordinators worked with Service Saskatoon and IT staff to support customer-facing divisions in service level definition. Each service level includes information to help customers understand what service the City provides and what to expect from each program. Reviews are underway in more than 15 divisions, with more than 30 improvement projects underway across the organization.
- The City made considerable progress expanding the purchasing card program to departments.

- A review of procurement processes and protocols included online and in-person engagement opportunities for stakeholders as well as an engagement session on inclusion with Indigenous stakeholders. City Council approved a new procurement policy featuring transparency, common standards, an eye to 'best value' practices, and efficient internal processes.
- Continued to develop a life-cycle costing and asset management model to provide consistent, reliable information on major capital projects. Implementation of recommendations from an internal audit engagement are expected for the 2020-2021 multi-year business plan and budget.
- Centre of Excellence for Public Sector Marketing completed an asset inventory and valuation report and reported on sponsorship program strategy to enable the City to optimize revenues from naming rights, sponsorship, advertising, and donations.
- Graffiti Management Program and Service Level report approved, Parking Services Service Level report presented, and Service Level Procedure document updated.
- Completed Cyber Security Strategy and Roadmap, which highlights recommendations, risks, and costs of implementing a cyber security plan. Continued work on a disaster recovery plan, service catalogue and service delivery strategy for various business processes, and cost reporting for IT-related services.
- Newly hired Chief Human Resources Officer focused on reviewing recommendations from 2017 HR Health Check internal audit and establishing a recruitment service model, corporate onboarding program, and annual performance review.

Diversity and Inclusion

- Supporting a workforce focused on employee diversity and inclusion training, mandatory Aboriginal awareness training was offered for all employees, and intercultural problem-solving and religious accommodation training began for supervisors and managers.
- Pathway to Reconciliation provided mandatory Fundamentals of Cultural Competency training for all supervisors and managers, and voluntary training for all other employees. First annual Pathway to Reconciliation graduation luncheon at Wanuskewin Heritage Park recognized 16 Reconciliation Ambassadors (civic employees who made a personal commitment to reconciliation, understand the history and culture of Indigenous people, and value diversity in the workplace).

Major Projects and Initiatives

- A number of initiatives advanced the City's Aboriginal Employment Strategy—a signed Memorandum of Understanding between Saskatchewan Indian Institute of Technologies and City of Saskatoon, the launch of Gear for Your Career to support Indigenous learners in employment opportunities, Indigenous Summer Day Camp for Future Engineers in partnership with Walker Projects, and continued work on an Indigenous Employer Handbook.
- Used presentations to community organizations, one-on-one meetings with job seekers, and attendance at community events to reduce recruitment barriers. Actively involved with organizations that offer employment programs, such as Saskatoon Trades and Skills, Canadian Council on Rehabilitation, and Work Business Advisory Committee.
- Partnered with Learning Disabilities Association of Saskatchewan to produce an employee handbook, *Understanding Invisible Disabilities and Creating an Inclusive Workplace for All*. Hosted an awareness day at Transit and Access Transit on understanding invisible disabilities.
- Provided work placements in Recreation and Community Development through SaskAbility Council and in landscaping (Parks Division), municipal operations (Roadways and Operations, Water and Waste Stream Divisions), and building custodian/fireman certificate (Facilities Division) through Saskatoon Trades and Skills.
- Debriefed senior management and employees on results of the 2017 Employee Engagement Survey and provided opportunity to provide input. Action plans to improve employee engagement were identified, and all divisions began actively implementing plans.
- Held four well-attended Leadership Connect events and three town hall meetings.

Health and Safety

- Civic Health and Safety Management System is 90% complete; began development of an Employee Absence Management Policy.
- Began implementation phase of ISNetWorld Contractor Management Program; Approximately 138 contractors subscribed to the program in 2018.

Improving Citizen Service

- Service Saskatoon actively participated on the Enterprise Resource Planning evaluation team. In preparation for implementation of a Customer Relationship Management Program, subject matter experts attended demonstration sessions to provide the evaluation team with feedback.
- Service Saskatoon and Performance Improvement Coordinators continued working with select divisions on their State of Readiness and knowledge base as part of documenting formal service levels for different services in each division.






Multi-Year Budget

- City Council adopted the 2018-2021 Strategic Plan in August 2018. The redesigned Business Plan and Budget process enabled allocation of resources to key initiatives, such as asset management, Indigenous relations and snow and ice.

Taking Care of City Business

- Communications initiatives focused on implementing the City's Digital First strategy, which focuses on creating digital animations to aid residents' understanding of transportation and construction projects as well as other civic programs and services.
- Corporate IT initiatives included developing a new program to govern Internet of Things information, completed 14 projects to introduce or enhance existing customer-facing services and continued work on three new initiatives, 22 upgrades to update the capabilities of shared service platforms, and 22 business-related technology initiatives.
- Stakeholder engagement continued with a focus on the Corporate Strategic Plan, Municipal Benchmarking Network classification and Key Performance Indicators

Performance Measures

Performance Targets with Trends – Corporate Governance and Finance							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Overall Satisfaction with Civic Services	≥ 90%	81%	86%	87%	82%	Decline	
Representative Workforce	Aboriginal = 9.3%	Aboriginal = 8.4%	Aboriginal = 8.5%	Aboriginal = 8.4%	Aboriginal = 9%	Improvement	
	Visible Minority = 11.0%	Visible Minority = 10.5%	Visible Minority = 10.6%	Visible Minority = 10.5%	Visible Minority = 10.8%	Improvement	
	People with Disabilities = 5.0%	Disabilities = 3.7%	Disabilities = 3.8%	Disabilities = 3.7%	Disabilities = 3.7%	Neutral	
	Women = 39.5%	Women = 37.4%	Women = 38.0%	Women = 37.5%	Women = 37.3%	Neutral	
Lost Time Injury Frequency	Zero	3.6	2.43	2.28	3.26	Decline	
Annual Municipal Property Tax Increase	≤ MPI	3.19%	1.81%	2.89%	3.79%	Decline	
Long-Term Tax-Supported Debt/Capita	≤ \$1,750	\$767	\$966	\$1,111	\$1,158	Neutral	



Operating Budget: \$14.3 million

Capital Budget: \$17.2 million

Strategic Goal:



ENVIRONMENTAL
LEADERSHIP

Environmental Health

Service Outcomes

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

2018 At a Glance

Environment

- 243,200 tonnes waste generated in Saskatoon: 72% delivered by the residential sector and 28% delivered by the industrial, commercial and institutional sector
- 2016 Community Emissions totalled 3.68 Million Tonnes CO₂e and 2017 Community Emissions totalled 3.71 Million tonnes CO₂e, a 1% increase from 2016 rates. Corporate emissions totalled 107,300 tonnes in 2016 and 108,900 in 2017, an increase of 1% annually (Latest data available)

Pest Management

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

Urban Forest

- 110,000 trees, approximately 60% lining city streets and 40% in civic parks
- 10,000 trees proactively pruned each year
- 2,000 citizen requests for tree health assessments, pruning and clearing of broken/hanging branches, tree removals and clarification of tree ownership
- 800 trees planted as part of park and urban reforestation initiatives

Waste Handling

- 2.6 million residential curbside containers collected each year with 99.97% success rate
- 96,200 tonnes of solid waste received at Landfill annually; in 2018 approximately 60% of solid waste was collected by City crews from residents and several businesses (based on commercial contracts)

- 70,000 single-family homes and 700 multi-family properties receive garbage collection services by a fleet of 31 collections trucks, including side loader trucks, rear loader trucks and forklift trucks

Major Projects and Initiatives

Diverting and Managing Waste

- The City engaged residents on curbside waste collection. Over 4,570 online surveys were completed, 770 residents attended pop-up events, 66 residents participated in community workshops and eight participated in an accessible waste collection workshop. Results informed recommended changes to waste management, including the organics program, pay-as-you-throw waste utility, and review of current recycling program service levels.
- City Council approved a one-year pilot program to expand glass recycling to four Sarcan Depots in Saskatoon. Approximately 90% of glass is broken by the time it is collected and sorted in the current residential recycling programs. The pilot gives residents another option to ensure unbroken glass is properly recycled.
- Engagement on the Multi-Unit Waste Diversion Strategy took place in June, with 546 residents and 123 property managers participating through online surveys, a pop-up event and property manager workshops.
- Planning and preliminary design work continued on Recovery Park, a one-stop waste reuse and recycling centre. A request for proposals process was completed, narrowing the field to two potential proponents.

Protecting Our Urban Forest

- Monitoring for Dutch Elm Disease, West Nile and Emerald Ash Borer was successfully carried out by the Urban Biological Services program. Monitoring is reviewed and adjusted as needed to protect Saskatoon's urban forest against invasive pest issues.
- The City's response to Cottony Ash Psyllid outbreak resulted in the removal of 661 trees and 175 stumps. Replanting continued during the remainder of the 2018 season.



Reducing Saskatoon's Carbon Footprint

- Community engagement on Saskatoon's greenhouse gas reduction opportunities resulted in an analysis of 270 opportunities to reduce greenhouse gas emissions. Those opportunities with the greatest emissions-reduction potential, best financial performance, and highest level of community readiness were identified in a recommendation report.
- Completed data collection for emissions, energy mapping and modelling, and began engagement with civic divisions on a low emissions community implementation plan.
- Signed an Energy Performance Contract to accelerate retrofits of the City's highest energy-consuming buildings. Urgent lighting retrofits were completed at the Shaw Centre, Saskatoon Field House, and Harry Bailey Aquatic Centre, reducing lighted energy by approximately 50%.
- Completed a Green Infrastructure baseline inventory and a preliminary business plan for a green strategy as part of the City's climate change mitigation efforts. Public communication and engagement on the strategy included a social media awareness campaign, pop-up events and workshop with community experts.
- Launched the Environmental Management System project to improve civic environmental performance. Work began on a relationship management framework to prioritize support for sustainability focused initiatives across the corporation. Completed civic engagement with Roadways and Operations, Transit and Facilities Management.

Green Infrastructure Strategy

- Completed phase one of the Green Infrastructure Strategy and began work on Natural Areas Standards underway.
- Communication and engagement initiatives included pop-up events and tours with natural areas experts. Held a workshop with community experts in collaboration with Green Strategy and Urban Forest Management Plan. Results of engagement and awareness campaigns were analyzed and incorporated into the project.

Performance Measures

Performance Targets with Trends – Environmental Health							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Waste Diverted From the Landfill	Divert 70% of Saskatoon's waste from landfills by 2023	21%	22%	23%	23%	Neutral	
Reduce the City of Saskatoon's Greenhouse Gas Emissions	≥-40% from 2014 levels by 2023 and 80% below 2014 levels by 2050	N/A	107,500 tonnes CO ₂ e (+1% relative to baseline)	108,900 tonnes CO ₂ e (+2% relative to baseline)	Pending	Neutral	



Fire Services

Service Outcomes

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

Operating Budget: \$48.1 million

Capital Budget: \$10.3 million

Strategic Goal:



QUALITY
OF LIFE



CULTURE OF
CONTINUOUS
IMPROVEMENT

2018 At a Glance

- 14,308 emergency and non-emergency calls required crews to respond, not including inspection activity or community engagement events
- 5,317 inspections and re-inspections by the Fire Prevention & Investigation Division
- 2,642 complaints received
- 476 events attended, 18,900 adults and 21,364 children seen by Community Relations Division
- 761 total enforcements were followed through by Fire Prevention & Investigation Division
- 336 staff in Operations, Administration, Prevention & Investigation, Community Relations, Training, Emergency Management, Maintenance, and Mechanical
- 256 fire investigations – Fire Investigation Cube Van Unit, 2 SUV Fire Investigation Units
- 22 Grades 9, 10 and 11 students from five high schools participated in eight-week F.I.R.E. Cadet Program
- 3 graduates of F.I.R.E Cadet Program employed for property maintenance, fire prevention initiatives, and community relations events in July and August
- 12 front-line Engines, 2 Rescue Trucks, 2 Aerial Ladder Trucks, 4 Reserve Engines, 1 Reserve Aerial Ladder Trucks, 3 Brush Trucks, 2 Water Tankers, 1 Hazmat Response Unit, 1 Decontamination Unit, 1 Rehabilitation Unit and a Water Rescue fleet operated out of nine stations
- 1 Mobile Command Unit and a Municipal Emergency Operations Centre

Major Projects and Initiatives

Continuous Improvement

- Implementation of the Property Maintenance Pilot Project to address complains of garbage/junk in yards.
- Saskatoon Fire Department (SFD) met with Saskatchewan Polytechnic and SIIT to establish a working group to investigate accessibility of Primary Care Paramedic Training.
- Implementation of a new Learning Management System to deliver EMS, Fire Training, and Safety Notices from a single location for distribution to all SFD staff.
- Developed an improved program curriculum that meets industry and safety standards for response to emergency and non-emergency calls.
- Potential female firefighter candidates participated in a focus group with current SFD female firefighters to network and discuss barriers.
- New Corman Park Fire Service Agreement reflecting a more realistic cost-recovery provision for the City of Saskatoon that includes a fire inspector to perform regular and routine inspections of Corman Park businesses to help reduce fire losses and increase firefighter safety when responding.
- Updated the City of Saskatoon Emergency Management Committee.

Enhancing Partnerships

- Saskatoon Emergency Management Organization (EMO) partnered with Saskatchewan Public Safety Division to offer Disaster Response Institute Service Continuity Training and Incident Command System 400 (Area Command) training to civic departments and divisions as well as key, critical, infrastructure partners.
- Saskatoon EMO was authorized and trained to send SaskAlert (provincial) messages in emergency situations as part of a communication plan with notifynow, the City's emergency alert system.
- Continued collaboration with Saskatchewan Health Authority to define response agreement, data agreements, pre-hospital emergency care, and community paramedicine.

Improving Response and Coverage

- SFD used GIS mapping to study new neighbourhoods and travel times to better meet travel time targets within the National Fire Protection Association 1710 benchmark.

- Continued to develop a long-range plan for locations of future fire stations, including relocation of existing stations based on GIS heat maps and population growth projections.
- The SFD began development of the Saskatoon Fire Department Facilities Master Plan to cover the need for expanded facilities including new fire stations in growth areas.
- Deployment analysis of fire apparatus response was ongoing, and the initiative will see many improvements long-term. Assessment of stations and district boundaries continued to address response coverage and response times as the city grows.
- Station No. 3 relocated and became operational. The previous location (1902 York Avenue) was repurposed for fire inspectors and space on the apparatus floor was made available to Saskatoon Search and Rescue.



Maintaining Infrastructure

- Continued to work to establish a joint Civic Training Centre of Excellence to explore opportunities for co-location, with other departments, and the standardization of training and credentials.
- Established a task force to evaluate current assets as part of a long-term plan for building and replacement of SFD infrastructure. Completed a draft of the Strategic Facilities Plan, a charter and next steps.
- Long-term planning for the replacement of Station Headquarters (Station No. 1 on Idylwyld Drive) was made part of the Strategic Facilities Plan for SFD buildings.
- Established Capital Project 1914, which will be regularly reviewed to assess service as Saskatoon grows to half a million people.

Public Education and Safety

- Continued to work with both Saskatoon school divisions to incorporate additional water safety training in school presentations.
- Completed year four of the F.I.R.E. Cadet Program, which builds the leaders of tomorrow through education and opportunity.
- SFD staff checked a total of 185 child car seats, including hosting six car seat clinics and assessment of 71 child car seats at Station No. 1.

Performance Measures

Performance Targets with Trends – Fire Services							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Fire Response Time	≥90% (6.2 mins)	80%	81%	80%	80%	Neutral	
Representative Workforce	Aboriginal =9.3%	Aboriginal =8.4%	Aboriginal =8.5%	Aboriginal =8.4%	Aboriginal =9.0%	Neutral	
	Visible Minority =11.0 %	Visible Minority =10.5%	Visible Minority =10.6%	Visible Minority =10.5%	Visible Minority =10.8%	Neutral	
	People with Disabilities =5.0%	Disabilities =3.7%	Disabilities =3.8%	Disabilities =3.7%	Disabilities =3.7%	Neutral	
	Women =39.5%	Women =37.4%	Women =38.0%	Women =37.5%	Women =37.3%	Neutral	



Land Development

Overview

The City of Saskatoon is unique in that it is a land developer. Saskatoon Land operates on a level playing field with the private sector, providing financial returns to the City for allocation to civic projects and programs. Saskatoon Land is operated on a for-profit basis, with 100% of the surplus funds allocated for reinvestment in the community.

Service Outcomes

- To ensure an adequate supply of new infrastructure is in place throughout the city to accommodate new development and core civic services
- To invest capital dollars in the provision of municipal infrastructure and create demand for durable products and employment, adding value to the economy and encouraging job growth, positive net migration, and other important multiplier effects
- To perform all real estate functions and activities for the Corporation, including the acquisition of future development lands and all corporate land requirements, administration of both internal and external leases, coordinating and overseeing the maintenance of lands held for future development, providing valuations, and providing real estate advice to the Corporation as a whole
- To construct arterial roadways, trunk sewers, primary water mains, storm water facilities, roadway interchanges, lift stations, and suburban park development through the use of the Land Development capital program
- To use development levies collected from prepaid servicing rates to fund installations of trunk sewers, arterial roads, storm ponds, lift stations, park development, primary water mains and a portion of new roadway interchanges

Operating Budget: \$4.2 million

Capital Budget: \$49.7 million

Strategic Goals:



ASSET &
FINANCIAL
SUSTAINABILITY



SUSTAINABLE
GROWTH

2018 At a Glance

- \$133.3 million in net proceeds from the sale of property in Hampton Village, Willowgrove, Evergreen, and Rosewood allocated by City Council to operating budgets and various capital projects since 2007
- \$49 million in total sales revenues:
 - 136 residential lots were sold for a total of \$20.5 million
 - 3 multi-family parcels totalling 8.9 acres were sold for a total of \$8 million
 - 19 industrial parcels totalling 45.86 acres were sold for a total of \$19.3 million
 - 1 commercial/mixed-use parcel totalling 1.04 acres was sold for a total of \$1.2 million
 - Land Development serviced 13 acres of multi-family/mixed-use land
- \$2.5 million in total annual revenue from managing 80 leases of land and buildings
- 7,000 acres of future development land managed/maintained
- 8 parcels of land acquired over the past two years for various civic projects
- New land development included:
 - 2,139 metres of new primary water mains
 - 213 metres of new water mains
 - 247 metres of new sanitary sewer mains
 - 324 metres of new storm sewer mains
 - 1.2 lane kms of new arterial roads

Major Projects and Initiatives




Infrastructure Development

- Roads: Work began on new arterial road construction on 33rd Street.
- Water and Sewer: Design of the Brighton minor trunk sewer extension underway. Construction began on primary water mains and fill mains along Neault Road in Kensington and Taylor Street in Rosewood. Evergreen Fill Main completed.
- Parks: Work progressed on new parks in Aspen Ridge, Rosewood, Evergreen, Kensington, and Brighton. Evergreen District Park, Richards Park, George H Clare, MacKay Park, Penner Park, and Bev Dyck Park complete. Struthers Park 75% complete and Brighton linear park in process.
- Infill Development: Assessment of infill development opportunities on select City-owned properties continued, with Adolph Crescent infill site rezoned to accommodate redevelopment plans.
- Evaluated redevelopment approaches for former transit facilities in South Caswell. Site servicing approach determined. Reviewing agreement with U of S prior to proceeding with pricing and sale approval.
- Solicited proposals for adaptive reuse of 321 Avenue C North (former transit facilities), negotiation with preferred proponent is ongoing.

Neighbourhood Updates

- Aspen Ridge: Roadways Project underway, with catch basins installed and road excavation and placement of road base ongoing.
- Kensington: Kensington Boulevard water and sewer work completed, with grading deficiencies, riprap placement and water main removal scheduled for 2019.
- Industrial: In Marquis Industrial area, Phase II roadway construction underway, negotiations and detailed design for CN crossing at Arthur Rose Avenue ongoing.

Performance Measures

Performance Targets with Trends – Land Development							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Residential Infill Development (5 Yr. Avg)	Average of 25% Infill Development Over Last 5 Years	2011-2015 15.0%	2012-2016 14.8%	2013-2017 13.7%	2014-2018 14.8%	Neutral	 NEEDS IMPROVEMENT
Supply of Residential Land (Units)	1-2 Year Supply	5,384	5,150	4,766	3,668	Neutral	 ON-TRACK
Supply of Industrial Land (Acres)	2 Year Supply	180	197	223	238	Neutral	 ON-TRACK



Policing

Overview

The Saskatoon Police Service (SPS) is committed to providing service based on excellence to ensure a safe and secure environment. We police in partnership with the community, recognizing that public safety is key to a healthy, growing city. Individuals, families, community groups, social agencies, businesses, and visitors all benefit from the many programs and services offered through the Policing business line.

Service Outcomes

- To provide service to the community in a number of core areas: Emergency Response, Quality Investigations, Traffic, and Community Involvement
- To reduce crime and victimization by working in partnership with the community to develop collaborative strategies

2018 At a Glance

- 257,284 calls received, including 84,552 emergency calls
- 33,810 traffic tickets
- 10,553 detention arrests
- 661.33 SPS staff members at SPS:
 - 463 Officers
 - 59.5 Special Constables
 - 138.83 FTE Civilians

Operating Budget: \$89.5 million

Capital Budget: \$2.6 million

Strategic Goal:



QUALITY
OF LIFE

Major Projects and Initiatives

New Chief of Police

In February of 2018, newly appointed Police Chief Troy Cooper was sworn in after a nation-wide, six-month recruitment campaign directed by the Saskatoon Board of Police Commissioners.

Legislative Changes Affecting Operations and Resources

In 2018, SPS came under the *Local Authority Freedom of Information and Protection of Privacy Act* (LA FOIP). This provincial act applies to various public bodies in Saskatchewan and now includes municipal police forces. LA FOIP provides access to public records in the possession or control of the SPS (some limitations apply).

SPS currently has two access and privacy officers. In 2018, there were 275 *Freedom of Information and Protection of Privacy Act* (FOIP) requests. In addition, all SPS employees were trained on the role and responsibilities of SPS under LA FOIP.

Cannabis Legislation Introduced

In October 2018, the federal government legalized recreational use of cannabis across Canada. Legalization came with similar regulations to those that apply to alcohol, addressing issues relating to home production, distribution, consumption and sales.

During the legalization process in 2018, SPS trained a number of Drug Recognition Experts and held a number of information sessions on social media to educate the public. The public was invited to ask questions and make comments.

Launch of Project Lifesaver Saskatoon

Saskatoon Search and Rescue (SSAR), with financial assistance from the Saskatoon Police Service Foundation and support from the SPS launched Project Lifesaver Saskatoon.

For many years, SSAR has used volunteers to provide search and rescue efforts and assistance to organizations such as the SPS, the Saskatoon Emergency Measures Organization, and the Royal Canadian Mounted Police (RCMP). Over the past four years, almost three quarters of their activations have involved individuals suffering from Alzheimer's, dementia, autism, or other cognitive disorders that are known to cause wandering. Project Lifesaver

Saskatoon is a program that may help to reduce those numbers.

People enrolled in the Project Lifesaver program wear a wristband that emits an individualized radio-frequency signal. If that person wanders, SSAR members, who are trained as electronic search specialists, use a special receiver to search for the signal and locate the missing person.

Initial funding for the project came from fundraising initiatives conducted by the Saskatoon Police Service Foundation. The foundation is an incorporated, not-for-profit, community-led organization. It is dedicated to raising funds to support projects that contribute to community safety. Additional funding was provided by Dakota Dunes Community Development Corporation, SaskTel, the SaskTel TelCare program, and individual donations.

Saskatoon Police Service Operations Review

A comprehensive review of SPS operations and practices was undertaken by an independent third party during 2017, with the final report released in 2018. A total of 20 recommendations were assessed by SPS for benefit and practicality, with SPS reporting back on the outcomes to The Saskatoon Board of Police Commissioners.

New Policy for SPS Contact Interviews

After growing concerns across the country pertaining to police practices for interviewing the public, it was determined that a more detailed process would be put in place.

Following direction from the Saskatchewan Police Commission, the SPS implemented a new policy in 2018 to address contact interviews, a practice previously referred to as "street checks".

Contact interviews are appropriate when a subject's behaviour, or the circumstance of the contact, cause the SPS member to be concerned about the subject's purpose or safety.

The new policy ensures transparency when undertaking this important component of community policing.

Major Projects and Initiatives

SPS Patrol Officers Saved Lives with Naloxone

SPS officers saved 13 lives in 2018 by administering naloxone as an emergency overdose treatment.




Naloxone is an antidote to opioids such as fentanyl, morphine, heroin, methadone or oxycodone.

In the event of an opioid overdose, administering naloxone may buy critical time for first responders to reach the patient and begin treatment.

When administered properly, naloxone can restore breathing to an individual experiencing an overdose.

Performance Measures

Performance Targets with Trends – Policing

Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Annual Decrease in Crime Rates	≥-5.0%	-5.9%	7.3%	-3.6%	Available in July 2019	Improvement	 NEUTRAL
Annual Decrease in Traffic Collisions	≥-5.0%	3.10%	-7.30%	-6.30%	N/A	Improvement	 ON-TRACK
Representative Workforce	Aboriginal = 9.3%	Aboriginal = 8.4%	Aboriginal = 8.5%	Aboriginal = 8.4%	Aboriginal = 9.0%	Neutral	 NEUTRAL
	Visible Minority = 11.0%	Visible Minority = 10.5%	Visible Minority = 10.6%	Visible Minority = 10.5%	Visible Minority = 10.8%	Neutral	
	People with Disabilities = 5.0%	Disabilities = 3.7%	Disabilities = 3.7%	Disabilities = 3.8%	Disabilities = 3.7%	Neutral	
	Women = 39.5%	Women = 37.4%	Women = 38.0%	Women = 37.5%	Women = 37.3%	Neutral	



Operating Budget: \$29.2 million

Capital Budget: \$28.2 million

Strategic Goal:



QUALITY
OF LIFE

Recreation and Culture

Service Outcomes

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

At a Glance

Culture & Open Spaces

- \$4.0 million dollars of public art maintained
- 19 major arts, cultural, and heritage organizations supported, attracting 682,846 visits
- 1029 hectares of park space
- 836 hectares of open space that include areas such as buffers, berms, and medians
- 49.35 hectares of cemeteries
- 155 km of park pathways
- 14.8 hectares (36 acres) of pathways, green space at River Landing

Facilities & Programs

- 1.58 million visits to City-operated leisure centres
- 305,000 visits to riverfront trail at River Landing
- 230,430 visits to Forestry Farm Park & Zoo
- 119,550 ride tickets used at Nutrien Playland at Kinsmen Park
- 141,197 participants in summer playground programs
- 93,637 rounds of golf played
- 50,421 rental hours booked to community groups at leisure facilities
- 15,523 visitor nights at Gordon Howe Campground

- 15,164 people registered in swimming lessons at Leisure Centres and Outdoor Pools
- 13,000 individual participants in community association and neighbourhood-based programs
- 283 outdoor sports fields and 6 leisure centres
- 30 paddling pools, 17 spray pads, 13 youth centres, and four travelling program vans

Major Projects and Initiatives

Continuous Improvement

- Meetings with Facilities and Fleet Management led to updated draft of a service level agreement outlining operations and maintenance levels within recreation facilities.
- Developed a draft document outlining current service levels for the City's summer playground, travelling playground, youth centre, and youth centre travelling van programs.
- The City's Noise Bylaw was officially amended to delegate authority for approval of noise bylaw extensions for outdoor public and private events to Administration. All Noise Bylaw requests are now administered by a Special Event Application process.
- Initiated a service level review of Provision of Civic Services for outdoor special events, with a report due in 2019.
- Internal Process Review of staff scheduling processes identified ways to more effectively communicate staff availability. Implementation of improved communication strategies with part-time staff at leisure centres will coincide with a corporate email initiative.
- Develop capital planning, lifecycle replacement, and funding strategies for sport fields, recreation facilities, and recreation amenities in parks.

Culture Plan Refresh

- Completed Culture Plan Implementation Refresh 2018-2022 and undertook a review of Culture Grant program. Strategies and actions were communicated to arts and culture stakeholders and incorporated into 2019 budget action plans. Administration is reviewing the mechanism for public art funding.

Forestry Farm Park & Zoo Master Plan

- Parks staff provided master planning development services for the review and update of the Saskatoon Forestry Farm Park & Zoo Master Plan. Internal and external stakeholder engagement provided input into development of a concept plan, which was presented at a public open house in September.

- Input from engagement sessions with senior management led to further work on car park configurations. External online surveys being developed for 2019.
- Successfully launched new season pass for Saskatoon Forestry Farm Park and Zoo. Response was positive, with over 2,300 season passes sold for total season pass sales of approximately \$162,000.

Leisure Centres

- Accessibility upgrades for leisure centres is a priority of the Recreation and Parks Facilities Game Plan and is scheduled for completion within five years, based on available funding.
- A feasibility study on implementing an accessible family change room at Harry Bailey Aquatic Centre was completed. Alternative, cost-effective options, and funding sources are currently being explored.
- Cross-department brainstorming session gathered ideas on initiatives to increase leisure centre attendance, rentals, and total revenues. Various initiatives were under review, including more rental equipment, schedule changes at outdoor pools to attract evening participants, and reviewing facilities to accommodate more pickle ball.
- Ongoing program updates continued, based on customer feedback.

Off-leash Dog Parks

- Landscape plan for the 80-acre off-leash dog park at Chief Whitecap Park was approved by the Meewasin Board and presented to the Crime Prevention Through Environmental Design (CPTED) Review Committee for comments. Completed perimeter fencing, gates, and some signage.
- Completed Paul Mostoway Dog Park in Hampton Village.
- Held a public open house on future plans for Pierre Radisson Park in Westmount, including proposed reconfiguration of existing dog park and development of supporting parking lot.

Major Projects and Initiatives

Parks

- Completed assessment of parks inventory to include assets added in 2018 and to identify opportunities for improved accessibility, with information in a graphically visible environment. Working with Major Projects to identify next steps.
- Assigned student resource to represent Parks in the City's Quality Management System working group.
- Approved capital project to update aspects of Landscape Design and Development Standards to better align with Green Infrastructure Strategy.
- Delivered customer service training to administrative staff to support the use of new processes associated with responding to customer enquiries. Parks knowledge base completed and transitioned over to the Service Saskatoon SharePoint site.

Partnerships

- Presented Parks Asset Management funding strategy during City Council budget deliberations. A gap in funding to support life cycle replacement was identified and will be part of 2019 and future budgets.
- Met with both Saskatoon school divisions on a new Joint Use Agreement. Key terms were approved and a draft agreement prepared. Implementation of agreement principles and details is ongoing.
- Held a planning session to analyze the current process when a group contacts the City proposing a partnership project or agreement. Information will be used to help formulate framework for a partnership policy.

Performance Measures

Performance Targets with Trends – Recreation and Culture							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Participation at City Recreation Facilities	≥6,600/1,000 population	6,634	6,959	6,667*	7,613	Improvement	

*In 2017, Holiday Park Executive 9 was closed for half of the season for a capital improvement project.



Taxation and General Revenues

Overview

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

The originally approved 2018 Budget approved by City Council on November 28, 2017 saw expenditures increase by \$13.0 million while operating revenues increased by \$2.6 million, creating a funding gap of \$10.3 million. In order to balance the Operating Budget and reduce the funding gap to zero, a property tax increase of 4.70% was approved in the original budget.

On April 10, 2018, the Province of Saskatchewan tabled its 2018-2019 Budget. Included in the Provincial Budget was the reinstatement of the SaskEnergy grant-in-lieu (GIL) previously removed in the 2017-2018 Provincial Budget. The reinstated GIL return came in two parts:

1. A 5% SaskEnergy Municipal Surcharge was applied against a customer's bill within their municipality; and
2. A GIL of property tax paid on real property for SaskEnergy and SaskPower.

In total, the changes included in the 2018-2019 Provincial Budget resulted in an overall return of approximately \$5.8 million to the City of Saskatoon. In order to provide a fair and balanced approach, City Council returned \$1.99 million back to the 2018 Budget through a property tax reduction. This resulted in a 0.91% reduction in property taxes from the originally approved 4.70%, to 3.79%.

The City's 2018 Operating Budget included total operating expenditures of \$490.6 million, an increase of \$13.0 million, or 2.7%, over the Approved 2017 Operating Budget.

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

To help pay for the City's operations and to ensure the budget was balanced, the 2018 Operating Budget included a finalized municipal property tax increase of 3.79%.



Operating Budget: \$(384.6) million

Capital Budget: \$0.0 million

Strategic Goals:



ASSET &
FINANCIAL
SUSTAINABILITY



ECONOMIC
DIVERSITY &
PROSPERITY

In 2018, 1.00% of the property tax was equivalent to \$2.2 million. Thus, the property tax increase for 2018 generated an additional \$8.36 million for the City's Operating Budget.

For 2018, the City invested \$296.2 million in various capital projects. This is an increase of approximately \$34.3 million, or 13.1%, over the Approved 2017 Capital Budget.

Grants-in-lieu of taxation are received from federal and provincial governments for properties they own but are exempt from taxation. These are equivalent to property

taxes calculated on these properties and application is made to the governments to pay this amount. The most significant portion of grants-in-lieu comes from civic utilities, such as Saskatoon Light & Power, Water, Waste Water and Storm Water. Civic utilities are treated like utility corporations that would pay taxes for using property, both above and below the surface, to conduct business.

Also included, General Revenues not dedicated for any particular purpose other than to fund general administration and the provision of any and all programs and services.

At a Glance

Final Assessment Roll for 2018



Total Assessment for Saskatoon:	\$52,737,653,400
Total Number of Properties:	95,792
Total Taxable Residential Condos:	23,237
Total Taxable Residential (less than 4 units):	65,953
Total Taxable Assessment:	\$45,895,563,135
Taxable portion:	\$35,464,910,900 (77.3% of total)
Exempt portion:	\$10,430,652,235 (22.7% of total)

Major Projects and Initiatives

Alternative Revenue Sources

- User fee and revenue policy currently being planned to help guide future decisions and expectations of how the City's expenditures and certain programs are funded.

Performance Measures

Performance Targets with Trends – Taxation and General Revenues							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Overall Satisfaction with Civic Services	≥ 90%	81%	86%	87%	82%	Decline	 NEUTRAL
Annual Municipal Property Tax Increase	≤ MPI	5.33%	3.96%	4.82%	3.79%	Decline	 NEEDS IMPROVEMENT



Operating Budget: \$108.7 million

Capital Budget: \$44.4 million

Strategic Goal:



MOVING
AROUND

Transportation

Service Outcomes

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

2018 At a Glance

Bridges and Structures

- 8 bridges
- 49 overpasses
- 24 pedestrian crossings
- 30 km sound attenuation walls
- 5 km retaining walls

Roads and Sidewalks

- 3084 lane km of paved roadways
- 476 lane km of paved gravel roadways
- 462 lane km of back lanes
- 6,700 potholes repaired using 2,550 tonnes of asphalt
- 1,850 km of sidewalks (includes all sidewalk types, walkways, tunnels, and pathways)
- 2,300 km of walkways maintained between May – October

Transportation

- 2,886 paid parking stalls
- 593 traffic count stations
- 409 seasonal decorations on street lights
- 287 signalized intersections
- 192.1 km of cycling-specific infrastructure

Public Transit

- 9.3 million riders used conventional Transit
- 140,000 used Access Transit
- 172 public transit buses:
- 127 conventional 40-foot diesel buses, including 7 high-floor variant
- 27 mid-sized para-transit diesel buses providing Access Transit Demand Response Services
- 10 articulating buses
- 8 mid-sized low-floor 30-foot diesel buses
- 38 bus routes operating on 276 km of streets, providing service to 1,472 bus stops 242 of which are equipped with shelters

Saskatoon Commuters

Saskatoon Census Subdivision (2016):

- 86.6% Drive Car, Truck or Van
- 5.1% Public Transit
- 4.5% Walk
- 2.2% Bicycle
- 1.5% Other

Major Projects and Initiatives

Asset Management

- Used automated and semi-automated data collection to build a pavement condition baseline. Analyzed data on roadway condition, bridge deck testing, and sidewalk condition to ensure scientifically-based decisions following asset management principles.
- Continued to explore options to improve curb, sidewalk and facility accessibility for wheelchair users, and citizens with limited physical mobility.
- Automation of sign shop operations underway to better track work orders and provide more timely communication to the public on road closures.
- Transportation began mapping current business processes for development review, driveway crossing permits, and building permit applications.
- Installed specialized photocell controls for pathway lighting in Parkridge as part of a pilot program, with a second installation planned for Aspen Greenway. Submitted a proposal to the Government of Canada for a LED streetlight retrofit project.

Building Better Roads and Sidewalks

- Bridging to Tomorrow Project completed, including construction of Chief Mistawasis Bridge, extensions of Central Avenue and McOrmond Drive, and replacement of Traffic Bridge. Work continued on landscaping, seeding, and utility installations.
- The grand opening of Traffic Bridge and Chief Mistawasis Bridge held October 2, 2018. The celebration marked the significance of naming the bridge after Chief Mistawasis, an act of reconciliation as part of the City's commitment to Truth and Reconciliation Commission.

- P3 Project: Graham Commuter Partners represents the first-time in Saskatoon's history that operating, maintenance, and rehabilitation costs of a road/bridge asset have been funded and irrevocably committed to for 30 years.
- McOrmond Drive interchange opened to traffic in October with remaining ramps completed shortly after. Final two southbound lanes on McOrmond Drive to be completed in 2019. Sound wall in northwest quadrant at McOrmond Interchange completed in December. All ramps on Boychuk Interchange completed, with minor work to be completed in 2019.

Improving Transit Experience

- Transit ridership increased to an all-time high of nearly 40,000 rides per day. Service changes had positive impact by connecting northeast neighbourhoods to University and Downtown; buses running full during peak-hours.
- Collaborated with Growth Plan project team on functional planning and engagement of a Bus Rapid Transit system. Continued to update Transit Route Reconfiguration to offer transit as a viable alternative to single user vehicle.
- Positive response to the new Transit App. Customer engagement included a pilot with Saskatoon Council on Aging, four UStart orientation sessions for new university students, Experience Transit travel training session, and engagement sessions with operators and the public on 2018 route changes in Willowgrove, Sutherland, and University Heights.
- Implemented route changes in northeast neighbourhoods to provide more direct, high frequency service from Lowe Road and Nelson Road along Preston Avenue, Attridge Drive and

College Drive to downtown.

- Introduced Transit Interaction training for operators. The ongoing training is based on a program originally developed by OC Transpo in Ontario. Approximately one-third of Transit operators received training in 2018.
- To reduce preventable collisions, Saskatoon Transit offered ongoing monthly Defensive Driving Courses

Transportation Network

- Work continued on the City's Transportation Strategy, including development of operating procedures and programs charter, and draft policy documents for traffic signal operations, pavement markings, and signing.
- Work continued on implementation of Active Transportation Plan, including conceptual design and community engagement on a Downtown for All Ages and Abilities Cycling Network Study, review of bike parking at civic facilities, and review of Learn to Ride Safe Program.
- Continued to refine the planning for bus rapid transit corridors.

Neighbourhood Traffic Issues





- Developed a new traffic calming program with a guidebook for residents on traffic calming requests.
- City Council approved new Traffic Calming Policy. Council also approved Pedestrian Crossing Devices Policy and review of residential speed limits, school zone, and playground zone applications.
- Developed a program to include neighbourhood boundary streets in Neighbourhood Traffic Review program.

Snow Removal

- Continued coordinating with Business Improvement Districts to improve sidewalk snow clearing compliance and to ensure sidewalk snow is collected when commercial areas are cleared.
- Snow clearing bylaw updates were approved and a coordinated approach to snow clearing adjacent to bike lanes was adopted.
- Incorporated Global Positioning Systems (GPS) in snow plows and sanders to improve response times, report on level of service, and optimize equipment routing.
- Level of Service met for winter 2018 snow events. New freeway plowing strategy reduced response times network-wide. Began implementation of GPS into all civic equipment.

Performance Measures

Performance Targets with Trends – Transportation

Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Transit Rides Per Capita	≥62	32.6	32.1	31.7	33.7	Improvement	
Km of Cycling-Specific Infrastructure	10% increase, for a total of 188 km by 2023	173 km	175 km	179 km	192 km	Improvement	
Transportation Choices	20% of people using cycling, walking or transit to get to work	N/A	11.9% (2016 actual)	N/A	Next report after 2021 Census	Neutral	
Annual Decrease in Traffic Collisions	≥-5.0%	3.10%	-7.30%	-6.30%	N/A	Improvement	



Operating Budget: \$6.0 million

Capital Budget: \$3.4 million

Strategic Goals:



**ECONOMIC
DIVERSITY &
PROSPERITY**



**QUALITY
OF LIFE**



**SUSTAINABLE
GROWTH**

Urban Planning and Development

Service Outcomes

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

2018 At a Glance

Supporting the Community and Economy

- 38% increase in number of licensed businesses operating in the city since 2009
- 11,686 licensed businesses operating in Saskatoon
- 3566 building permits issued, with construction value over \$642 million
- 1328 development permits issued
- 489 property-use complaints required attention

Development and Attending to Growth

- 142 attainable housing units created through various programs in the City's Housing Business Plan
- 67 subdivision applications processed, reflecting demand for fully-serviced residential, commercial, and industrial building sites in all areas of city
- 30 CPTED reviews conducted on various parks, neighbourhoods, and major capital projects to ensure safe design
- 29 rezoning requests received
- 13 discretionary use applications processed, including garden and garage suite applications
- 15 neighbourhoods have approved Local Area Plans
- 15 vacant lot incentive applications approved, resulting in new development on chronically vacant sites
- 17 condominium applications received
- 8 Official Community Plan amendments received

Major Projects and Initiatives

Building and Administration Bylaws

- Implemented the Building Bylaw and continued to work with industry stakeholders to provide educational opportunities on bylaw changes.
- Culture of Service training completed by a number of staff and identified as a priority training course for all.
- Held stakeholder meetings to frame scope of new drainage regulatory compliance model.

Continuous Improvement

- Initiated pilot project to have bylaw inspector provide enforcement on some aspects of Property Maintenance Bylaw.
- Developed Bylaw Enforcement Network database to help streamline bylaw complaints and implement enhanced data management.
- Brought administration of Taxi Bylaw and future rideshare regulation into Community Standards Division.
- Completed internal process review on major land use applications and created action plan for implementation.
- Implemented online residential building permit application system; approximately 40% of submissions used the online application process since launch.
- Launched the online property information tool for viewing building and plumbing permit information.
- Identified functional requirements of online service for each program and service within Building Standards, completed roadmap to support online delivery, and completed Action Plan integrated into 2019 Budget and Business Plan.

- Updated building and development permit application forms and drawing requirements in collaboration with industry stakeholders.
- Worked with Saskatoon Construction Association to provide education on building permit application process; delivered education sessions to industry.
- Worked with civic divisions to streamline building and development permit application review process.
- Continuous improvement changes to date have resulted in commercial permit applications meeting established turnaround times.

Enhancing Partnerships

- Muskeg Lake Cree Nation celebrated the 30th Anniversary of Asimakaniseekan Askiy Reserve and broke ground on a new SIGA building.
- Federal approval was issued to Yellow Quill First Nation, transferring the First Nations Bank building on 4th Avenue South to Reserve status.
- Planning and engineering work continued with several First Nations who purchased land in Saskatoon and are in the process of creating Reserves.
- Work progressed on a resource to assist first-time developers in navigating the land development process in Saskatoon.
- Established Sector Plan project team to support University of Saskatchewan development plans. Developed a Communication and Engagement Strategy to enable stakeholder input. Began development of high-level policy direction and design strategies for land use, infrastructure, open and natural spaces.

Major Projects and Initiatives

Growth Plan to Half a Million

- Work continued on the Bus Rapid Transit system, including station design. Stakeholder engagement included workshops with the Downtown and Broadway merchant groups. Feedback was summarized for a final routing decision report in 2019.
- Visual identity for new Official Community Plan was approved and work on individual sections completed. Internal review of Sustainable Growth, Environment, and Quality of Life sections underway.

Homelessness Action Plan

- Implementation of Saskatoon's Homelessness Action Plan continued under Saskatoon Housing Initiatives Partnership (SHIP). Five Saskatoon agencies operated Housing First and Rapid Re-housing programs to help individuals and families find and keep a home.
- Sanctum 1.5 Home officially opened in Saskatoon. The ten-unit project provides supportive housing for pregnant women with health or substance abuse issues at risk of being homeless.
- Implemented the Cold Weather Strategy numerous times to ensure access to shelter and services during cold weather. Circulated a list of publicly accessible cool-down locations during hot weather to help prevent heat-related illness among vulnerable and homeless populations.
- The City supported a SHIP training opportunity that attracted over 200 community leaders, volunteer board members, and front-line workers.

Housing Business Plan

- Council approved annual status report on 2013-2022 Housing Business Plan. A total of 142 new attainable units were counted in 2018.
- With financial support from the City, Quint Development opened a new 26-unit rental project for individuals and families with complex needs. Funding was approved for eight new accessible family-sized homes, to be constructed by SaskNative Rentals.
- Council approved policy changes to allow capital grants for renovation of existing affordable housing units. Funding allocated to support a target of 200 attainable housing units in 2019, including housing units supported by 'in kind' contributions from the City.

Legalizing Existing Suites Program

- Continued to offer Legalizing Existing Suites program to qualified property owners.

Partnership for Growth

- Work continued internally and with the RM of Corman Park, rights-holders, and stakeholders on finalizing options to address the Grasswood node. Market Impact Study on the Grasswood node submitted to Council.
- The internal review of the Urban Design Program is anticipated to begin in 2019. The project was discussed at the Urban Design Committee meeting in December 2018.

Planning for Growth




- Continued work on bylaws for new Saskatoon North Partnership for Growth (P4G).
- Pilot project to identify flood-prone lands in part of the Green Network completed.
- City Council approved 2019 P4G budget to fund work on boundaries of Green Network and North Concept Plan project.

Other Planning Initiatives

- Montgomery Place Local Area Plan approved by Council.
- Imagine Idylwyld Corridor Study to improve the function, safety, connectivity, and quality of Idylwyld Drive as key gateway to the city centre was presented to the Transportation Committee in June.

Performance Measures

Performance Targets with Trends – Urban Planning and Development

Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Residential Infill Development (5 Yr. Avg)	Average of 25% Infill Development Over Last 5 Years	2011-2015 15.0%	2012-2016 14.8%	2013-2017 13.7%	2014-2018 14.8%	Neutral	
Number of New Attainable Housing Units	≥500 new units annually across attainable housing continuum	560	525	377	142	Decline	
Vacancy Rates for Rental Housing	Average of 3% Vacancy Rate Over Last 10 Years	2006-2015 2.8%	2007-2016 3.51%	2008-2017 4.41%	2009-2018 4.8%	Neutral	



Utilities

Service Outcomes

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

At a Glance

Saskatoon Light & Power

- 60,801 customers
- 1,171 km of overhead lines in the transmission and distribution network
- 631 km of underground power cables

Storm Water Drainage and Collection System

- 13,615 catch basins
- 3,057 service connections
- 744 km of storm sewers, 44 km of sub-drainage, 4 km of force mains
- 26 wet ponds, 8 dry ponds, including 3 natural ponds and 2 constructed wetlands

Water Treatment Plant and Distribution System

- 45.2 million cubic metres treated per year
- 74,000 service connections
- 14,803 valves
- 7,349 fire hydrants
- 1,175 km of water mains

Waste Water Treatment Plant and Collection System

- 31.6 million cubic metres of waste water treated per year
- 74,000 service connections
- 11,703 manholes (storm and sanitary)
- 1,062 km of sanitary mains, 24 sanitary sewer lift stations, 52 km of force mains

Operating Budget: \$352.3 million

Capital Budget: \$93.5 million

Strategic Goals:



ASSET &
FINANCIAL
SUSTAINABILITY



ENVIRONMENTAL
LEADERSHIP

Waste Services

- 70,000 homes provided with curbside, bi-weekly recycling services
- 58,000 vehicles visited compost depots
- 36,000 apartment and condominium units received recycling services
- 15,000 tonnes of leaves, grass, branches and other yard waste handled
- 8,500 subscribers to Green Cart program for food and yard waste

Major Projects and Initiatives

Power Generation Initiatives

- Presented an asset management plan to address Saskatoon Light & Power's infrastructure renewal issues, growth requirements, and service levels.
- Explored options with SaskPower to add capacity to Saskatoon Light & Power transmission system from city's north end.
- Discussions continued with Saskatoon Tribal Council and SaskPower on hydropower initiative.
- Submitted a funding application to the Low Carbon Economy Fund challenge for St. Paul's Hospital Combined Heat and Power project.

Slope Remediation

- Continued to monitor lower slope and storm sewer outfall at Saskatchewan Crescent, 16th Street, and 11th Street lane. Repaired storm sewer pipe leading to 16th Street outfall, completed revegetation on 16th Street slope, remediated stormwater erosion near east side of Broadway Bridge.
- Existing geotechnical data from east riverbank incorporated into 3D mapping to identify areas with higher slope stability risk.
- Partnered with University of Saskatchewan to investigate geotechnical conditions of slope and slumping risk near East Lake Avenue and Saskatchewan Crescent.

Storm Water Initiatives

- Council approved the Storm Water Utility Plan, a long-term capital and funding plan for storm water infrastructure.
- Prepared feasibility assessments for dry ponds and underground storm water infrastructure for two priority flood risk areas and assessed infrastructure options and costs for 27 flood risk areas.

- Completed 113 home inspections as part of the Home Flood Protection Program pilot project.
- City Council approved a nine-year, \$54 million Flood Control Strategy to add storm water infrastructure to mitigate flooding in over half of highest risk properties. Applied for \$21.4 million in Government of Canada Disaster Mitigation and Adaptation Funding.
- Completed Montgomery Place Culvert Inventory and Assessment report to inform development of asset management plan.
- Cleaned and inspected approximately 32 km of storm water pipes.
- Completed lining of 2.2 km of storm water pipes to extend their life and performance.

Waste Water Initiatives




- Completed preliminary design of fourth digester at Waste Water Treatment Plant.
- Began construction on liquid solids waste station in north industrial area to eliminate waste haulers having to travel through residential neighbourhoods. Building envelop, overhead doors, stairs & gratings, area grading, landscaping, and roads completed in 2018.
- Completed condition assessment and hydraulic analysis of all 31 sanitary sewer lift stations and force mains, with a final report planned for 2019 to create a capital plan for lift station upgrades.

Major Projects and Initiatives

Water Initiatives

- Completed upgrade of filter infrastructure at Water Treatment Plant to ensure continued filtration reliability and automation of controls.
- Replaced approximately 390 lead lines in year two of ten-year plan to eliminate lead service lines. Planning continued for cast iron water main and lead service line replacement in City Park and Riversdale to take place in 2019.
- Completed construction of fill main through Forestry Farm Park, with pathway paving work to be completed in 2019.
- Implementation of Advanced Metering Infrastructure project for installation of smart communication modules on water meters 48% complete, with 36,000 water meters monitored remotely.
- Development of Optimum Water Services Strategy included working with National Water and Wastewater Benchmarking Initiative to discuss issues with other municipalities that have similar water demand/capacity scenarios.

Performance Measures

Performance Targets with Trends – Utilities							
Measures	Target	2015	2016	2017	2018	Year-Over-Year Progress	Long-Term Progress
Waste Diverted From the Landfill	Divert 70% of Saskatoon's waste from landfills by 2023	21%	21.7%	23%	23%	Neutral	 NEEDS IMPROVEMENT
Reduce the City of Saskatoon's Greenhouse Gas Emissions	≥-40% from 2014 levels by 2023 and 80% below 2014 levels by 2050	N/A	Pending	N/A	Pending	Neutral	 NEEDS IMPROVEMENT
Key Civic Infrastructure Status	B Service Level	B	B	B	B	Neutral	 ON-TRACK



Services Provided by the City of Saskatoon

Office of the City Manager

The City Manager is responsible for planning, directing, supervising, coordinating and controlling all municipal operations. This includes providing advice and help on municipal operations, investigating and reporting on all matters referred by City Council and Committees of Council; and submitting capital and operating budgets to Council for review.

The City Manager chairs the Leadership Team, which coordinates all management and operational matters. It is comprised of the general managers of Corporate Performance, Asset and Financial Management, Community Services, Transportation and Utilities, as well as the City Solicitor and the Director of Government Relations.

All general managers, directors and civic employees fall under the purview of the City Manager. This includes appointment, promotion, demotion and suspension of employees.

Exceptions include boards and commissions responsible to City Council and employees appointed directly by City Council.

Government Relations

Government Relations builds and maintains relationships with other municipalities, municipal associations, Aboriginal governments, federal and provincial governments. It analyzes key policy decisions, issues and trends as they relate to the policies and operations of the City of Saskatoon.

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.

Office of the City Solicitor

The Office of the City Solicitor provides general and specialized legal services. Reporting directly to

City Council, the Office gives legal advice to City Council, Committees of Council, the City Manager, the City Clerk and other civic departments. It represents the City at all levels of court, including bylaw enforcement prosecutions, appeals for the City and all claims made by or against the City. The Office drafts legislation, arranges for insurance for the City and provides legal services to all civic departments and boards. Its services also include land transactions, contracts, loans and debentures, expropriations and tax collections.

Asset and Financial Management Department

The role of the Asset and Financial Management Department is to ensure the management and sustainability of the City's financial transactions (including all aspects of finance, purchasing and inventory), the Land Bank Program, the City's real estate needs, and the City's facilities and fleet services. These responsibilities and services are delivered through five divisions.

Corporate Revenue

The Corporate Revenue Division is responsible for the functions of property assessment and property taxation, as well as utility services, including meter reading, billing and collection. It provides data management and customer support for parking and other bylaw tickets, as well as animal and taxi licenses. Corporate Revenue is also responsible for the collection, control, and disbursement of all corporate funds, including the investment, debt, and banking requirements; the oversight of accounting controls and cash handling procedures throughout the organization; and the administration of the General Licensing and Taxi Bylaws.

Corporate Risk

The Corporate Risk Division is responsible for the Corporate Risk Management Program which ensures that the significant risks identified by the corporation, and confirmed and prioritized by City Council, are being addressed in a positive, systematic and productive way. Through the identification, analysis, evaluation and treatment of risk, the Division helps to ensure the achievement of corporate objectives. Corporate Risk also oversees the internal audit function of the corporation by working with the contracted internal auditor in meeting the timelines and expectations of the internal audit plan.

Services Provided by the City of Saskatoon

Facilities and Fleet Management

The Facilities and Fleet Management Division 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 Division 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 of the City. Project management services for any capital or maintenance projects are provided, including design, contract tendering and award, and construction management. Energy management, space management, corporate security, identification services, and accommodation planning are also provided for user departments.

Finance

The Finance Division consists of several different sections, including Business Administration, Financial Planning, Corporate Accounting, Budget and Payroll Services. Finance assists other departments in collecting, understanding and presenting financial information that assists with effective decision making and improved controls. At a high level, Finance is responsible for the following:

- oversight and implementation of day-to-day financial operations;
- planning for financial sustainability of civic operating and capital budgets;
- ensuring the City has accurate information on costs of services and revenues to inform decision making;
- setting leading practices, policies and controls; and
- ensuring appropriate financial accountability at all levels of the corporation.

More specifically, Business Administration plays a key role in continuous improvement and system development, as well as implementation, control and monitoring of new initiatives for divisional operations throughout the corporation by providing expert financial, control and business process advice and partnerships. This is completed through assistance with understanding the financial, control and system impacts of decisions and initiatives, and working together to develop solutions that meet business and operational requirements.

Saskatoon Land

The Saskatoon Land Division plans, services and sells residential, commercial and industrial lots owned by the City of Saskatoon. The Division is also responsible for the provision of real estate advice and services on behalf of the Corporation.

Community Services Department

Through its five divisions, the Community Services Department provides programs, services and resources to foster a community where people of all ages and cultural backgrounds want to live, work, play and visit.

Building Standards

The Building Standards Division 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.

Community Standards

The objective of the Community Standards Division is to support a healthy and vibrant community by ensuring that reasonable community standards are maintained throughout the city, as articulated in bylaws and policies approved by City Council. The Division brings together a continually adapting business unit that seeks to deliver streamlined licensing, permitting, and bylaw enforcement functions throughout the corporation. An effective delivery model for these services ensures customers can easily have their issues dealt with which in turn supports the effective maintenance and promotion of our community standards.

Recreation and Community Development

The Recreation and Community Development Division provides a wealth of opportunities for citizens to participate in and enjoy the benefits of sport, culture, recreation and wellness activities. The Division provides the supportive environment to help build capacity and empower people of the community to organize themselves for planning and action. Also, to help encourage as many citizens as possible to take advantage of the activities available, the Division operates a number of facilities, provides direct services and programs, and provides support to community-based organizations involved in

Services Provided by the City of Saskatoon

delivering programs and services. The Division also facilitates collaboration that strengthens groups, promotes inclusion and addresses racism.

Parks

The Parks Division is responsible for developing, preserving, and enhancing the City of Saskatoon's investment of its parks system and civic open spaces. This is accomplished through policy development, maintenance standards, public education process, community gardens, educational program development, developing safety standards and policies, conceptual planning, design and construction, consultation with both private and public stakeholders, and project management.

Planning and Development

The Planning and Development Division is responsible for overall land use planning and long-range transportation planning for the City of Saskatoon. The primary goal of the Division 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. Through community engagement and consultation, the Division seeks to understand the values of the community and reflect those values through the implementation of development policies, programs, bylaws and standards.

Corporate Performance Department

The Corporate Performance Department incorporates the private sector best practice of grouping a range of corporate services to ensure support functions work together to help front-line civic staff deliver services to citizens.

Indigenous Relations

Aboriginal Relations is primarily responsible for building and maintaining relationships with the Aboriginal community, municipal associations and Aboriginal governments. In performing this key function, Aboriginal Relations 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.

Communications

The Communications & Public Engagement Division – and its inter-related functions including Corporate Communications, Customer Service, Community Engagement, and Digital Programs – plans and directs all corporate communication activities for the Civic Administration, including the development and implementation of employee and public relations strategies. Communications assists with engaging and informing the public of the City's operations and initiatives through reports to City Council, information campaigns, and on the City's digital platforms including the City's website. Communications provides support to administrative staff to communicate and engage directly with the public on programs and services. Communications also coordinates its activities with Media Relations and the Emergency Measures Organization (EMO) to oversee the Emergency Public Information Plan and *notifynow*.

Environmental and Corporate Initiatives

The Environmental and Corporate Initiatives Division leads initiatives that address City Council's Strategic Goal of Environmental Leadership and major city-building projects that enhance quality of life. Corporate Initiatives include the planning, design and facilitation of major city-building projects.

The Division develops and implements plans to achieve the waste diversion objectives established by City Council. Programs include recycling, composting, household hazardous waste and the recycling of construction-related materials.

Human Resources

The Human Resources Division provides general and specialized services to the civic departments and boards, designed to maximize employee performance. To ensure consistency in human resource practices, primary focus is placed on the following key areas:

- **Administration:** Provides support services to the Department in the areas of administrative and human resource services.
- **Client Services – Human Resources:** Provides support in the areas of recruitment, training, coaching, job evaluation and classifications, conflict resolution, grievance hearings, investigations, contract negotiations and legal interpretations.

Services Provided by the City of Saskatoon

- **Client Services** – Occupational Health and Safety: Provides support for employees, supervisors and managers through the Health Management System for both occupational and non-occupational injuries and illnesses. Promotes a healthy workplace and wellness initiatives supporting work-life balance.
- **Culture and Diversity:** Provides support to attaining a workforce representative of the public served and enables inclusive, multi-generational workforce practices through openness and accountability. Offers culture change initiatives and continuous improvement through innovation.
- **Total Rewards:** Provides strategies to attract, motivate and retain employees. Delivers in-house expertise and administration related to employee recognition, work-life balance, succession planning, and benefit plans and entitlements.
- **Policy, Strategy, Performance and Quality:** Provides strong management and fiscal responsibility through technology and innovation. Develops policies, planning and priorities, performance, data analytics and metrics.
- **Engagement:** Provides direction and support to organization development initiatives. Assists departments to be effective and efficient through support in employee engagement, change management, training and development, conflict management and respectful workplace.

Information Technology

The City of Saskatoon embraces technology as a means to enhance the quality and responsiveness of its services to residents, increase the efficiency of operations, and position the City nationally as a leading place to incorporate the creative use of technology into personal and professional pursuits.

The Information Technology Division consists of Application Delivery Services, Corporate Support Services, Technology Integration Services, and Corporate Geographic Information Services.

Media Relations

Media Relations manages and coordinates the City's interaction with the local, provincial, national and international news media. It guides distribution of corporate news releases and public service announcements, as well as City-related information for journalists. Media Relations has also adopted the role of shepherding City messages in social media by sharing, monitoring and responding to public

information requests via the City's Facebook, Twitter and YouTube channels. Media Relations periodically consults and co-operates with Saskatoon Police Service Public Affairs officials when certain bylaw initiatives need to be communicated to the public through the news media.

Strategic and Business Planning

The Strategic and Business Planning Division is responsible for the implementation of the Strategic Plan, aligning the Annual Business Plan and Budget with the Strategic Plan, and developing a Performance Measurement Program to track the performance of the Corporation relative to the Strategic Goals outlined in the Strategic Plan.

One of the key deliverables from these initiatives is to create a culture of innovation and creativity within the Corporation through the implementation of a Continuous Improvement Strategy.

The Division also provides corporate leadership and development opportunities that enhance an employee's understanding of the Corporation, their work environment, and their role and responsibilities so they can provide the highest quality of service to citizens.

Ongoing learning and development opportunities fall into four categories: General Training, Professional Development Training, Supervisor and Manager Training, and Management Development.

Service Saskatoon

Service Saskatoon and the Service Saskatoon model were officially launched on April 6, 2016. Service Saskatoon is a new and improved model for service delivery. The new model is built on four pillars: Citizen Input, Systems, Standards and Staffing. The City has made a new commitment to improve delivery of customer service. It is about helping citizens connect to the right people and information they need from the City – quickly, simply and seamlessly. The goal for citizens is to eliminate the guesswork involved in finding the right information or department. The City wants to create multiple channels for citizens to access information and answers they need. Service Saskatoon is a City-wide shift in how we deliver front-line services, respond to requests, and improve services.

The Citizen Input pillar is key to accomplishing the City's goal. Opportunities are being provided for citizens to shape the design of the City's services

Services Provided by the City of Saskatoon

including the opportunity through Shaping Saskatoon to participate in a new Citizen Advisory Panel (CAP) to help establish priorities. Currently, there are over 1,500 participants in the CAP.

A new Customer Relationship Management (CRM) system is the technology centerpiece of the new model and supports the Systems pillar. It will help the City manage citizen requests and inquiries more efficiently and effectively. The CRM is currently being piloted with the Water & Waste Stream Division for introductory services for citizens to experience the CRM model. The City's goal is to make it easier for citizens to access information, request services, and track request progress from start to finish. A CRM software is a critical piece of the citizen experience although the current program is temporary. An enterprise-based CRM to support a long-term customer service strategy will need to consider the corporate direction on integrated business solutions/systems.

Saskatoon Fire Department

The Saskatoon Fire Department (SFD) is a public service focused on safety and risk reduction. Community protection and prevention is accomplished by six divisions working out of nine strategically-located stations. Fire Service and Dispatch Agreements are held with multiple surrounding municipalities and First Nations communities.

The Operations Division provides 24-hour emergency response and mitigation to incidents involving fire, rescue, pre-hospital emergency medical and dangerous goods hazards to protect and enhance quality of life for citizens and visitors of Saskatoon. Firefighters access vital information, collected during preplans and inspections from in-vehicle Computer Aided Dispatch (CAD) regarding hazard and occupancy.

The Fire Prevention and Investigation Division performs inspections to ensure compliance with legislated life safety and property preservation standards. Fire investigations result in meaningful changes to acts or bylaws for ongoing public protection.

The Community Relations Division partners with community groups, schools, service clubs and businesses to educate and promote fire and life safety, prevention and recruitment.

Through the Emergency Planning Division, the Saskatoon Emergency Measures Organization (EMO) ensures a coordinated and timely response for complex and/or escalating emergencies in Saskatoon, by maintaining an overarching emergency plan. The EMO trains multi-jurisdictional personnel to operate effectively at the incident site or in the Emergency Operations Centre (EOC). EMO is the sole administrator for the City of Saskatoon's emergency notification system, *notifynow*.

Transportation and Utilities Department

The Transportation and Utilities Department is responsible for managing and operating core services such as transit; water treatment and distribution; sewage and solid waste collection and treatment; land development design and construction; and all aspects of optimizing, operating, and preserving City's transportation network for all modes of transportation. Saskatoon's electrical franchise is included in the Department's mandate, serving approximately 60% of Saskatoon citizens.

Construction and Design

The Construction and Design Division delivers municipal infrastructure projects; provides regulatory oversight; maintains infrastructure records; and provides expertise, advice and guidance on municipal infrastructure. These services allow the City of Saskatoon to provide and maintain a high quality of infrastructure in a safe and cost-effective manner to its citizens.

Major Projects and Preservation

The Major Projects section of the Major Projects and Preservation Division provides project delivery services for the Corporation for capital projects that do not fit into the typical scope of the other divisions. The Asset Management section of the Division is responsible for stewarding the asset condition status, rehabilitation programs, and recommending funding levels for the City's roadways, lanes, sidewalks, bridges, water distribution system, waste water collection system and storm water management system.

Roadways and Operations

The Roadways and Operations Division is responsible for the operation and maintenance

Services Provided by the City of Saskatoon

of roads, lanes and sidewalks. It also provides procurement, logistical and operational support for departments across the City.

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 is a public transit provider wholly owned and operated by the City of Saskatoon. Saskatoon Transit has an annual budget of \$46.6 million, assets (buses, buildings, stops and shelters, etc.) valued at approximately \$200 million and over 400 employees. Operating six terminals spread throughout the city, Saskatoon Transit services over 40 Fixed Routes totally 276 km on Saskatoon streets, and also operates Access Transit, for individuals who are unable to use the regular transit system.

Saskatoon Water

The Saskatoon Water Division is responsible for the operation and maintenance of the City's water and waste water treatment plant; the handling and disposal of solids resulting from the treatment processes; the water and waste water pumping facilities; ongoing process optimization and environmental studies; engineering and long-term expansion planning for water distribution; storm and sanitary sewer collection systems and treatment plants; related construction project management and capital work; the testing and maintenance of water meters; and the Cross Connection Control Program.

Transportation

The Transportation Division provides planning, design, regulation, and operation of the City's transportation network. Major activities include planning for the transportation network, traffic

management and operations. The goal of the Division is to provide for the safe and efficient movement of people, goods, and services within and through Saskatoon in a cost-effective manner.

Water and Waste Stream

The Water and Waste Stream Division is responsible for the operation, maintenance and preservation of water mains, sanitary sewer mains, storm sewer mains, solid waste handling and disposal services.

Boards

Remai Modern Art Gallery

Remai Modern is a thought leader and direction-setting modern art museum that boldly collects, develops, presents and interprets the art of our time. Our mandate is to enable transformative experiences by connecting art with local and global communities.

Located at River Landing, Remai Modern will be recognized across Canada as one of the top art museums in the country. It is anticipated to be a major driver of the Saskatoon tourism market, and as such will be a catalyst for economic growth in the city.

Remai Modern's 11 gallery spaces, including the huge, third-floor Marquee Gallery, to be used for major, international touring exhibitions, as well as its 147-seat SaskTel Theatre, offer an abundance of opportunities for programs and exhibitions. In addition, the permanent collections galleries will exhibit selections from the permanent collection, including an outstanding collection of Picasso linocuts and ceramics. Remai Modern also presents art programs throughout the city, including at schools, hospitals, libraries and other community organizations.

Saskatoon Police Service

The Saskatoon Board of Police Commissioners is appointed by City Council to oversee Saskatoon Police Service (SPS) operations. It consists of the Mayor, two City Council members and two citizens-at-large.

While the Board must adhere to the budget allotted by City Council, it is otherwise independent.

SPS members are equipped and trained to deliver police service in partnership with the community. They offer emergency services, take complaints of

Services Provided by the City of Saskatoon

crime, conduct follow-up investigations and crime prevention activities.

Saskatoon Public Library

For more than 100 years, Saskatoon Public Library (SPL) has been connecting citizens with a wide range of programs, services and literary materials. The Central Library, along with SPL's eight branch locations, are welcoming and vibrant community meeting spaces that strive to change lives through connections, engagement and inclusivity.

With a rapidly changing digital world changing how people learn and interact, SPL's collections, programs and services have followed suit. SPL patrons can access many third-party online learning services for free and can also borrow a vast selection of books, DVDs, CDs and video games at any branch city-wide. While continuing to offer many traditional programs – such as children's story times – numerous other programs have adopted digital components, from robotics and virtual reality to gaming and technology tutorials.

Its fundamental principles of equality and diversity make SPL a valued public service. The organization has moved forward on various initiatives that address the Truth and Reconciliation Commission's Calls to Actions, and SPL also offers EAL programs for those looking to improve their English language skills. SPL's many outreach services – such as visits to crisis shelters, loans to correctional facilities and home deliveries to those who are physically unable to visit the library – also help ensure no one is left behind in the organization's promotion of lifelong learning.

SaskTel Centre

(Legal name: Saskatchewan Place Association Inc.)

SaskTel Centre opened in February 1989, and since its opening, hosts more than 500,000 guests annually. It is Saskatchewan's number one venue for large-scale musical productions, as well as one of the Canada's busiest entertainment and sports venues. Seating capacity is about 13,000 for concerts and 15,100 for sporting events. SaskTel Centre is the home of the Saskatoon Blades Hockey Club of the Western Hockey League and the Saskatchewan Rush, the 2018 National Lacrosse League Champions.

SaskTel Centre, under the direction of its Board of Directors and management, continues to attract many of the world's largest touring acts and major international and national events. It also owns and operates Taste of Saskatchewan and Rock the River Classic Rock Festival each year.

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. It is also home to 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 venue's box office operates both an Audience View and Ticketmaster ticketing distribution system that sells tickets not only for TCU Place, but also SaskTel 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 Management and Control

Corporate Planning Process

City Council's 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 proceed over which time frame. Long-term capital planning (through the five-year plan) and reserve policies strive to match funds to required projects.

The Operating Budget allocates resources guided by the principle of delivering services at existing levels. It also recommends changes for specific programs based on usage, demand, ability to pay, growth, legislative change, business case, etc. Issues raised by the public or civic administration are brought before City Council.

Annual Financial Reports

Annual financial reports are submitted to City Council for its information and review. These include reports for capital project status, benchmarking and performance measurement and public accounts.

The annual financial report includes consolidated financial statements 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

City Council resolved in 2017, that Commercial property is taxed at 1.59 times the residential rate and that the effective tax rate among residential, condominium and multi-family residential classes be equalized.

Investment Policy

City portfolios are invested primarily to preserve capital, to maintain enough liquidity to meet ongoing financial needs, 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

Reserves are established through bylaws to fund capital projects and through policy to provide funds to stabilize user-pay programs and ups and downs in general revenue.

Most capital work by the City is funded through dedicated reserves. Purpose, funding source and withdrawal criteria are defined within bylaws and City Council approval is required for all withdrawals. Remaining reserves are defined in policy; a majority are used to stabilize programs either funded through user fees (e.g. golf courses), dependent upon weather (e.g. snow and ice management), or used to fund overall operations against variations in revenue (e.g. interest earnings).

Debt Management Policies

The City of Saskatoon operates under a "pay-as-you-go" philosophy, where its facilities and infrastructure are built based on current and projected reserves.

Policy for capital projects dictates that borrowing is allowed only if funds are not available from existing reserves or through external sources, if funds will be recovered from future operating revenues or savings, or it makes sense to use financing to spread the cost of major initiatives across present and future users.

FINANCIAL DISCUSSION AND ANALYSIS

December 31, 2018

Financial Discussion and Analysis

December 31, 2018

The City of Saskatoon's 2018 Annual Financial Report contains the audited Consolidated Financial Statements prepared in accordance with principles and standards established by the Public Section 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 discussion and analysis has been prepared in order to provide a narrative explanation, through the eyes of management, of how the City of Saskatoon (City) has performed in the past, its financial conditions and its future prospects.

Financial Highlights

The Consolidated Financial Statements combine the financial results of the civic departments with the financial results of the agencies that are accountable to and controlled or owned by the City. These include:

- Board of Police Commissioners
- Saskatoon Light & Power
- Water, Wastewater and Storm Water Management Utilities
- Remai Modern Art Gallery of Saskatchewan (operating as Remai Modern)
- Centennial Auditorium (operating as TCU Place)
- Saskatchewan Place (operating as SaskTel Centre)
- Saskatoon Public Library

Revenues and Expenses

The City had consolidated operating revenues of \$1.06 billion in 2018, including \$171.9 million in capital contributions. Significant revenue sources included:

- \$442.3 million in user charges;
- \$254.2 million in taxation; and
- \$63.8 million in government transfers.

These revenues were used to deliver various civic programs and utility services as recognized by

\$804.0 million worth of consolidated expenses in 2018, which resulted in a net surplus of revenues over expenses of \$258.9 million. Overall, the City has increased its accumulated surplus to \$4.3 billion, an increase of 6.37% over the prior year.

Consolidated Financial Position

The City's total net financial debt decreased from a balance of \$114.3 million in 2017 to \$29.5 million in 2018. This improvement was attributed to a \$102.8 million reduction in accounts payable that was largely due to the substantial completion payment for the North Commuter Parkway and Traffic Bridge Project which was previously recorded as accounts payable of \$106.8 million.

	Category	2018	2017	Change
A	Financial Assets	\$ 619.3	\$ 631.0	(\$ 11.7)
B	Liabilities	\$ 648.8	\$ 745.2	(\$ 96.4)
C	Net Financial Debt (A minus B)	(\$ 29.5)	(\$ 114.2)	(\$ 84.8)
D	Non-Financial Assets	\$ 4,354.4	\$ 4,180.3	\$ 174.1
E	Accumulated Surplus (C plus D)	\$ 4,324.9	\$ 4,066.0	\$ 258.9

As at December 31 in thousands of dollars

As seen above, the City's accumulated surplus increased by \$258.9 million largely due to the net increase in tangible capital assets (purchased and donated) of \$172.3 million.

The term debt component of liabilities increased to \$358.9 million in 2018 from the 2017 balance of \$349.2 million. This includes \$205.1 million (\$169.8 million in 2017) in third-party debt in relation to the Civic Operations Centre and North Commuter Parkway and Traffic Bridge Project.

The City's long-term debt rating was affirmed at "AAA"/Stable by S&P Global in fall 2018.

Tax Based Operations

Schedule 4 of the Financial Statements are the results of the City's tax-supported operations. These figures are prior to consolidation and reflect actual results for tax-supported operations as outlined by the approved budget and requirements of *The Cities Act*.

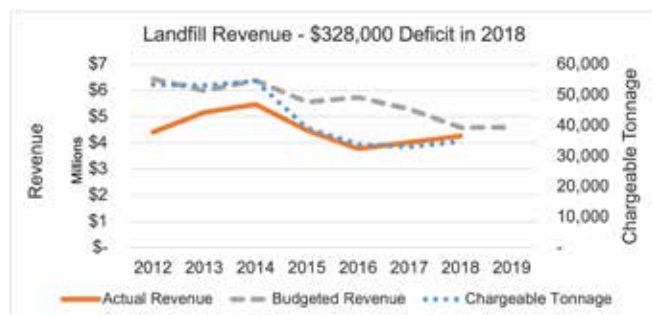
	2018 Budget	2018 Actuals	Variance	Per cent
Revenues	\$ 490,627	\$ 490,151	\$ 476	(0.01%)
Expenses	\$ 490,627	\$ 493,171	\$ 2,544	0.52%
Preliminary Surplus (Deficit)	\$ -	(\$ 3,020)	(\$ 3,020)	(0.62%)

In thousands of dollars

The City's year-end deficit for tax-based operations prior to transfers to reserve in 2018 was \$3.0 million, which is equivalent to a 0.62% variance from the approved budget. This deficit was largely due to shortfalls in various operating revenues. The following sections provide an overview of the largest operating revenue challenges the City faced in 2018.

Waste Handling Services

Overall, Waste Handling Services experienced a \$1.4 million, or 17.1%, negative variance. The Landfill's revenue shortfall continues to improve with a \$328,000 deficit compared to a \$1.28 million deficit in 2017, due to adjustments to base budgets and increased tonnages. Cost pressures remain relatively unchanged year-over-year and experienced an approximate \$1.0 million deficit.



The over expenditures in the Waste Handling Service Line are consistent with the ongoing waste reports and base budget challenges that have been discussed at length with City Council over the past year. The biggest drivers behind the over expenditures in this area include ongoing subsidization to the Waste Utility program, mainly the Compost (\$501,400 overspent) and Leaves and Grass (\$150,400 overspent) programs.

Other expenditure pressures include additional staffing costs (\$254,800 overspent) for overtime, temporary resources to address operational and regulatory requirements, and equipment rentals and maintenance (\$184,700 overspent) due to higher maintenance costs than originally anticipated.

Parking Ticket Revenue

Revenue from parking tickets experienced a \$1.37 million deficit, or 24.2% variance, compared to a \$1.66 million deficit in 2017. This deficit is largely related to the effectiveness of the new metered parking system and the implementation of the parking app which provided increased compliance.



As a result of increased compliance, metered parking revenue experienced a surplus of \$450,000. However, this excess is dedicated to payments to the vendor who installed the parking terminals until mid-2019.

A deficit in parking revenues is expected to occur again in 2019. However, this deficit should be significantly reduced as revenues continue to trend upwards. In addition, the 2019 Budget reduced budgeted revenue by \$500,000. Capital payments for the parking terminals using incremental revenues are projected to be completed in 2019, which may allow for a redirection of this revenue to alleviate the pressure on the parking violation revenue budget.

Transit

Transit ridership and revenue both increased from 2017 as ridership grew from 8.7 million to 9.4 million (electronic method) and \$14.4 million in revenue compared to \$14.1 million. However, as shown in the following graph, this revenue increase is still behind the budgeted revenue of \$15.1 million which created a Transit revenue deficit of \$691,200 million in 2018.



In addition, Transit experienced nearly a \$500,000 over expenditure in fuel largely due to higher diesel prices than originally projected.

With continued ridership growth and a \$334,500 base budget adjustment to Transit revenues in 2019, the Administration is confident that the Transit revenue deficit is well-positioned to be fully corrected by 2020. On the expenditure side, the 2019 fuel budget has been adjusted for anticipated higher prices, and depending on fuel price volatility the expenditure deficit will likely be reduced or eliminated in the short term.

Facilities Management

Facilities Management has undergone some uncertainty over the past several years as the City opened new buildings with unique characteristics, such as the Remai Modern. 2018 was the first full year of operation of the new art gallery and costs to operate this state-of-the-art facility were not well known and as such, actual costs in 2018 were \$500,000 more than the allocated budget.

A new call-out program was also implemented during the year to provide improvements to emergency situations by reducing response times. This program resulted in higher staff costs than originally budgeted. This change is being reviewed to make the necessary adjustments to minimize costs.

In addition, there were other civic facility operating variances in the areas of snow removal, corporate security and graffiti management. Trending of Facilities Management's financial performance is shown in the following graph.



Facilities Management is currently undergoing an internal review of all costs in order to align actual expenditures with budgets in future years. In addition, service level agreements are currently being developed for all areas to align operations and customer expectations with the approved budget.

Traffic Violations

Traffic violation revenue was approximately \$750,000 higher than originally budgeted and \$1.3 million higher than 2017. This increase in traffic violation revenue was mostly due to increases in fine rates which were adjusted by the provincial government on May 1, 2018, including a \$30 increase to the base price of speeding tickets and doubling of the per-kilometer penalties.

Reserve Transfers

The overall deficit of \$3.1 million was offset by transfers from the following reserves:

Fuel Stabilization Reserve

The Fuel Stabilization Reserve was established to offset potential over expenditures in the tax-supported fuel budget attributable to variations in fuel pricing.

Fuel expenditures were \$970,600 over budget due to higher fuel prices than estimated. A transfer from the Fuel Stabilization Reserve, which had a balance of \$1.3 million, was made to offset this deficit, leaving a balance in the reserve of \$354,400.

Civic Buildings Comprehensive Maintenance (CBCM) Reserve

The purpose of the CBCM Reserve is to finance the cost of repairs to the City's buildings and structures. This reserve receives approximately \$8.5 million in annual funding. However, due to the over expenditure in Facilities Management, a transfer of \$800,000 was made from the reserve to offset this deficit in light of the significant balance of unspent capital projects funded by the reserve.

Golf Course Operations

Civic golf courses experienced a \$352,810 operating deficit largely due to unfavourable weather conditions. The 2018 season opened 2½ weeks later than in the past, and September brought unseasonably cold and wet conditions which impacted volumes.

Civic golf courses are designed to be self-funded and not rely on the property tax for funding. While the golf courses have a stabilization reserve, it has been depleted in past years to offset the impact on revenues due to the renovations at the Holiday Park Golf Course. Therefore, in order to maintain the self-balancing of the program, the contribution to its capital fund was adjusted by \$352,810 to offset the operating deficit. Including this adjustment, the Golf Course Capital Reserve had \$59,860 as at year end.

The civic golf courses' current operating structure and future capital plans are currently under review in order to mitigate the need for these types of adjustments in the future.

Snow & Ice Management Reserve

The Snow & Ice operating program posted a \$397,777 surplus in 2018.

The program also budgets an annual contribution to the Snow & Ice Management Reserve which is used to stabilize the program in fiscal years where deficits occur. However, due to the health of the reserve and overall corporate deficit, the budgeted contribution of \$488,500 was not transferred still leaving a \$3.1 million balance in the reserve at year end.

Fiscal Stabilization Reserve

The Fiscal Stabilization Reserve was established to mitigate impacts from fluctuations in operating results from year to year and had a balance of \$5.0 million at the end of 2017.

In order to balance the operating results, a transfer of \$760,466 from this reserve was required and is shown as follows:

Operating Deficit	\$ 3,019.5
Transfer from Fuel Stabilization Reserve	(\$ 970.6)
Reduction of CBCM Transfer	(\$ 800.0)
Elimination of Snow & Ice Transfer	(\$ 488.5)
Remaining Deficit	\$ 760.4

In thousands of dollars

The remaining balance in the Fiscal Stabilization Reserve was \$4.2 million as at December 31, 2018.

Cash Flow

The City's cash and cash equivalents decreased by \$21.2 million over 2017 to a balance of \$38.3 million. A significant reason was due to the increase in investment holdings of \$35.0 million that helped bring the investments' year-end balance to \$453.3 million. The changes in cash holdings are due to normal operating fluctuations as seen below.

Changes in City's Cash Holdings	Amount
January 1, 2018 Cash Balance	\$ 59,446
Cash from Operating Activities	\$ 284,016
Increase in Investment Holdings	(\$ 35,032)
New Debt Issued Net of Repayments	\$ 9,830
Acquisitions of Capital Assets	(\$ 279,983)
December 31, 2018 Cash Balance	\$ 38,277

In thousands of dollars

Cash from Operating Activities

Cash provided by operating activities in 2018 was \$284.0 million compared to \$299.3 million in 2017. In addition to the annual surplus (\$258.8 million), the increase was largely driven by \$141.6 million in non-cash amortization and other normal changes in operating activities such as accounts payable and receivable fluctuations.

Cash from Investments and Financing

Cash provided by investment activities was negative \$35.0 million as cash balances were transferred into investment holdings.

In addition, financing activities provided an increase of \$9.8 million due to continued progress of the North Commuter Parkway and Traffic Bridge Project and associated third-party proceeds from debt, which is offset by \$29.0 million in annual debt repayments.

Cash Used for Capital Acquisitions

In 2018, \$279.9 million was used for the acquisition of capital assets. Some of the notable capital projects under construction or completed in 2018 are:

- North Commuter Parkway and Traffic Bridge;
- Boychuk Drive and Highway 16 interchange;
- McOrmond Drive and College Drive interchange; and
- various roadway maintenance and rehabilitation projects.

Financial Analysis – Revenues – Budget to Actual and Prior Year Comparison

Revenues (in millions of dollars)	2018 Budget	2018 Actual	2018 Budget to 2018 Actuals Variance	2017 Actual	2018 Actuals to 2017 Actuals Variance
Taxation	\$ 254.8	\$ 254.2	(\$ 0.6)	\$ 242.9	\$ 11.3
Grants-in-Lieu of Taxes	\$ 4.3	\$ 4.2	(\$ 0.1)	\$ 6.2	(\$ 2.0)
User Charges	\$ 439.9	\$ 442.3	\$ 2.4	\$ 414.5	\$ 27.8
Government Transfers – Operating	\$ 62.2	\$ 63.8	\$ 1.6	\$ 53.5	\$ 10.3
Government Transfers – Capital	\$ 97.4	\$ 97.4	\$ -	\$ 71.2	\$ 26.2
Investment Income	\$ 12.3	\$ 13.5	\$ 1.2	\$ 11.9	\$ 1.6
Contributions from Developers – Operating	\$ 74.4	\$ 74.4	\$ -	\$ 65.1	\$ 9.3
Contributions from Developers – Capital	\$ 74.5	\$ 74.5	\$ -	\$ 55.9	\$ 18.6
Franchise Fees	\$ 14.1	\$ 16.1	\$ 2.0	\$ 15.8	\$ 0.3
Other	\$ 21.6	\$ 22.5	\$ 0.9	\$ 20.4	\$ 2.1
TOTAL	\$1,055.5	\$1,062.9	\$ 7.4	\$ 957.4	\$ 105.5

Consolidated revenue for 2018 was \$1.0 billion compared to \$957.4 million in 2017. The main reason for this year-over-year increase is due to the following:

Taxation Revenue was approximately 4.4% higher than 2017 revenue, primarily due to an increase in the tax rate of 3.79 % and growth in the assessment base as the city's physical inventory of houses and commercial properties continue to grow.

The property tax increase of 3.79% in 2018 was allocated as shown in the following graph.



On November 28, 2017, City Council originally approved the 2018 budget with a \$10.3 million increase for property taxes (or 4.70% property tax increase). However, the 2017-2018 Provincial Budget included a reduction of \$6.1 million in funding from the elimination of grants-in-lieu from SaskPower and SaskEnergy. This reduction was originally backfilled by a property tax increase, user fee and service level adjustments equivalent to a 2.78% property tax increase.

Subsequently, the 2018-2019 Provincial Budget announced the reinstatement of the SaskEnergy grant-in-lieu. Of which, \$1.9 million was returned to tax payers in 2018, equivalent to the amount originally added to property taxes to offset the reduction in funding. The net result and property tax requirement was an increase of \$8.3 million, or 3.79%, to property taxes.

User Charges Revenue increased to a balance of \$442.3 million, up 6.3% or \$27.8 million, from 2017. This increase was largely due to increased rates and increased consumption from a growing city and population. City-owned utilities saw the following increases in user fee revenues:

- Saskatoon Water Utility increased by \$4.0 million to a total of \$80.5 million.
- Saskatoon Wastewater Utility increased by \$8.2 million to total user fee revenue of \$77.1 million.
- Saskatoon Storm Water Management user fee revenue increased by \$300,000 to a total of \$6.5 million.
- Saskatoon Light & Power realized increased user fee revenue of \$4.9 million to a total of \$168.8 million.

Government Transfers – Operating Revenues

increased to \$63.8 million, up \$10.3 million from 2017. This increase is due to revenue recognized during the year for Federal Gas Tax payments on completed eligible projects that were originally deferred in 2017.

Government Transfers – Capital Revenues

increased to \$97.4 million, up \$26.2 million from 2017. This increase is due to the implementation of several federal funding programs such as the Public Transit Infrastructure Fund (PTIF) and Clean Water Wastewater Fund (CWWF). In addition, the City received funding from the provincial government relating to the North Commuter and Traffic Bridge Project, as well as the Boychuk and Highway 16 interchange. Details surrounding capital contributions are included in Schedule 2 of the Financial Statements.

Contributions from Developers – Capital increased to \$74.5 million from \$55.9 million in 2017. This revenue stream used for capital improvements relates to contributions from developers for levies for lift stations, interchanges and trunk sewers. These contributions are directly linked to growth in the economy and city. As this growth improved in 2018, so did the contributions being received from developers.

Financial Analysis – Expenses – Budget to Actual and Prior Year Comparison

Expenses*	2018 Budget	2018 Actual	2018 Budget to 2018 Actuals Variance	2017 Actual	2018 Actuals to 2017 Actuals Variance
Arts, Culture & Events Venues	\$ 10.5	\$ 10.5	-	\$ 12.0	\$ 1.5
Community Support	\$ 17.9	\$ 17.7	\$ 0.2	\$ 17.2	(\$ 0.5)
Corporate Asset Management	\$ 2.6	\$ 5.7	(\$ 3.1)	(\$ 7.9)	(\$ 13.6)
Corporate Governance & Finance	\$ 45.7	\$ 48.8	(\$ 3.1)	\$ 38.4	(\$ 10.4)
Debt Servicing Costs	\$ 12.0	\$ 12.1	(\$ 0.1)	\$ 14.1	\$ 2.0
Environmental Health	\$ 53.5	\$ 54.6	(\$ 1.1)	\$ 52.6	(\$ 2.0)
Fire	\$ 49.9	\$ 50.0	(\$ 0.1)	\$ 47.7	(\$ 2.3)
Land Development	\$ 11.0	\$ 8.0	\$ 3.0	\$ 26.1	\$ 18.1
Libraries	\$ 19.0	\$ 23.5	(\$ 4.5)	\$ 23.0	(\$ 0.5)
Police	\$ 103.3	\$ 104.6	(\$ 1.3)	\$ 102.2	(\$ 2.4)
Recreation & Culture	\$ 70.5	\$ 69.1	\$ 1.4	\$ 65.6	(\$ 3.5)
Taxation & General Revenues	\$ 6.6	\$ 7.0	(\$ 0.4)	\$ 6.7	(\$ 0.3)
Transportation	\$ 180.2	\$ 179.9	\$ 0.3	\$ 159.8	(\$ 20.1)
Urban Planning & Development	\$ 28.0	\$ 26.7	\$ 1.3	\$ 24.3	(\$ 2.4)
Utilities	\$ 209.1	\$ 185.8	\$ 23.3	\$ 184.9	(\$ 0.9)
TOTAL	\$ 819.8	\$ 804.0	(\$ 15.8)	\$ 766.7	(\$ 37.3)

*In millions of dollars

Overall, consolidated expenses for the year ended December 31, 2018 totaled \$804.0 million, up by \$37.3 million from 2017 which totaled \$766.7 million. The main reason for the increase in expenses is due to the City's Approved 2018 Business Plan and Budget which included over \$46.5 million in new expenses.

This budget included growth and inflation allocations in order to continue providing the same service level over an expanding service network and contractual increases. In addition, included in the 2018 Operating Budget was \$2.6 million for increased service levels. The largest service level expenditure increases in 2018 were increases of

\$640,900 to the Snow & Ice Management, Road Maintenance and Street Sweeping programs, and \$849,900 for Saskatoon Police Service's service level changes primarily funded by the provincial and federal governments.

Financial Analysis – Expenditures Compared to Prior Year

Corporate Asset Management expenses were \$13.6 million higher than 2017 due to:

- Facilities Management had a \$1.0 million increase mainly due to 2018 being the first full year of operations at the Remai Modern and associated maintenance, utility and staffing costs to operate the facility.
- Amortization expense increased by \$1.9 million in 2018, mainly from fleet additions and an increase in upgrades to civic facilities.
- Expenditures that were originally approved for capital projects in the City's budget were reclassified as operating, as required by Public Sector Accounting Standards (PSAS), which resulted in a difference of \$9.0 million.

Corporate Governance & Finance expenses were \$10.4 million higher than 2017 mainly due to:

- Corporate Support had \$1.0 million higher in wages due to the creation of new positions such as a Truth and Reconciliation Coordinator, Community Engagement Consultant and Human Resource Consultants, as well as inflationary increases to Collective Bargaining Agreements (CBA) and associated increased payroll costs.
- General Services had an increase of \$5.8 million in payroll expenses due to a \$1.2 million payment for deficits in Police and Fire Pension Plans by the City, \$2.6 million for increased rates for Workers' Compensation Board, Canada Pension Plan, Employment Insurance, dental and medical benefits, \$1.2 million for CBA contingencies and \$770,000 in union severance costs.
- Expenditures that were originally approved for capital projects in the City's budget were reclassified as operating, as required by PSAS, which resulted in a difference of \$3.6 million.

Land Development expenses were \$18.1 million lower than 2017 due to:

- There was a change in how land proceeds were accounted for in 2018. A \$1.7 million "transfer to other operating" was introduced, which transferred the revenues from the Land Program to other operating income. This transfer was created as part of Saskatoon Land's efforts to be more transparent regarding its activities and the impact it has to the City of Saskatoon.
- Expenditures that were originally approved as capital in the City's budget were reclassified as operating, as required by PSAS, which resulted in a difference of \$16.4 million.

Transportation expenses were \$20.1 million higher than 2017 mainly due to:

- Access Transit expenses were \$348,285 higher due to an increase in salary, fuel, office and telephone expenses related to hiring an additional driver and purchasing of a new bus.
- Transit operations and road maintenance expenses increased by \$495,377 due to higher fuel and maintenance costs.
- An additional \$6.6 million related to ongoing payments for the City's P3 projects, including the North Commuter and Traffic Bridge Project and Civic Operations Centre for debt, operations and maintenance.
- Amortization increased by \$5.0 million due to roadway projects and the North Commuter Parkway and Traffic Bridge being put into active use.
- Expenditures that were originally approved as capital in the City's budget were reclassified as operating, as required by PSAS, which resulted in a difference of \$5.6 million.

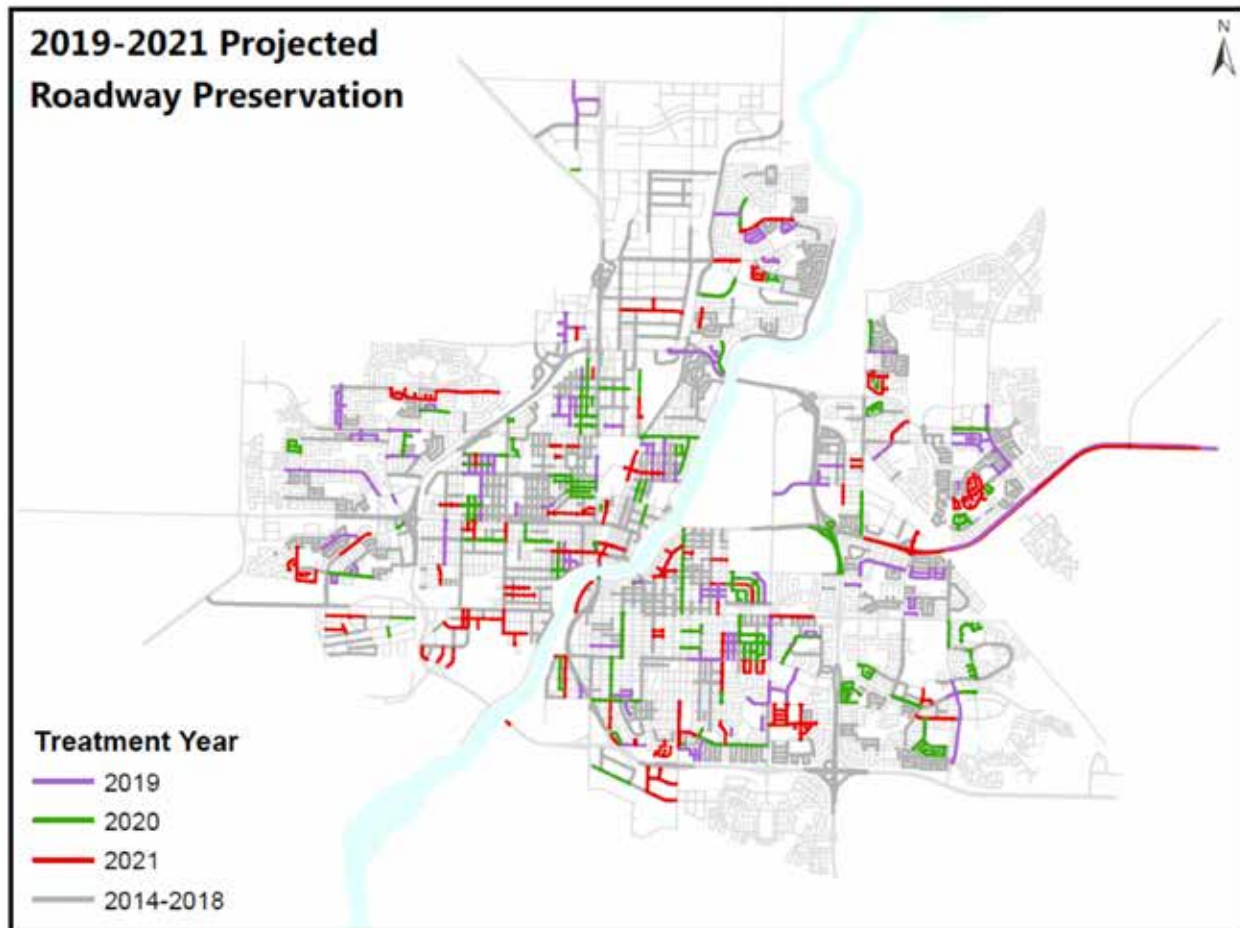
Financial Analysis – Expenditures Compared to Budget

Utilities had a \$23.3 million favourable variance on a consolidated basis compared to budget, which is related to lower expenditures on bulk power purchases, salaries and general maintenance than originally anticipated. Appendices 3 to 7 provide a detailed breakdown of the operations of the City's utilities.

Building Better Roads

The Building Better Roads program began in 2012 in order to allocate more resources to the City's road network and related services, including snow and ice clearing and street sweeping. In order to accomplish the objectives of the program, approximately \$61.2 million was spent in 2018, which is an increase of nearly \$3.0 million from 2017 and \$37.0 million from 2011.

The results and projected future progress of the program are illustrated in the following map.



Liquidity and Debt

The City's financial position as at December 31, 2018 is as follows:

Financial Assets	Actual 2018	Actual 2017	Actual 2016
Cash	\$ 38,277	\$ 59,446	\$ 68,483
Receivables	\$ 117,475	\$ 140,235	\$ 138,209
Land Inventory for Resale	\$ 8,132	\$ 8,617	\$ 8,172
Other Assets	\$ 2,151	\$ 4,454	\$ 1,614
Investments	\$ 453,285	\$ 418,253	\$ 364,149
Accrued Pension Asset	-	-	\$ 7,076
Total Financial Assets	\$ 619,320	\$ 631,005	\$ 587,703

Financial Liabilities	Actual 2018	Actual 2017	Actual 2016
Accounts Payable and Accrued Liabilities	\$ 147,264	\$ 250,130	\$ 278,995
Deferred Revenue	\$ 85,560	\$ 85,191	\$ 73,577
Term Debt	\$ 358,983	\$ 349,153	\$ 318,771
Accrued Pension Liability	\$ 14,231	\$ 17,190	-
Employee Benefits Payable	\$ 42,763	\$ 43,605	\$ 41,466
Total Financial Liabilities	\$ 648,801	\$ 745,269	\$ 712,809
Total Net Financial Debt	(\$ 29,481)	(\$ 114,264)	(\$ 125,106)

In millions of dollars

In 2018, net financial debt decreased by approximately \$84.8 million primarily attributed to a \$102.8 million reduction in accounts payable mainly as a result of the substantial completion payment for the North Commuter Parkway and Traffic Bridge Project, which was previously recorded as accounts payable of \$106.8 million. The improvement was also due to a \$35.0 million increase in the City's investment balances from increased reserve balances and unspent capital funds. This increase was offset by a \$9.8 million increase in the City's term debt, primarily due to the progress on the North Commuter Parkway and Traffic Bridge Project and associated debt.

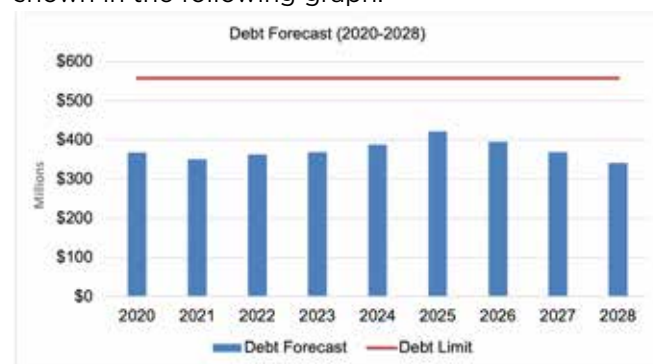
Term Debt

Changes in net financial debt are included as part of the City's Long-Term Financial Plan and funding models. In January 2019, S&P Global affirmed the City's "AAA"/Stable longer term issuer credit and senior unsecured debt ratings.

S&P Global stated, "We have updated our base-case scenario for Saskatoon and extended our forecast horizon through 2021. The city, which is the economic engine of Saskatchewan, has a diverse economy and prudent management. This will assist Saskatoon to maintain robust budgetary performance and healthy liquidity, allowing it to manage its capital plan with limited additional debt issuance. We also believe that Saskatoon will continue to benefit from a supportive institutional."

The City utilizes debt to finance certain capital projects on the premise that the cost of these projects should be borne by the taxpayer and utility users who will benefit from the projects. Debt financing reduces the impact on annual property tax rates while providing appropriate infrastructure to meet citizens' needs.

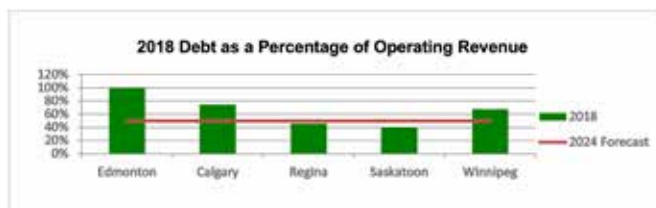
The current debt level of \$358.9 million is well within the City's approved debt limit of \$558.0 million as authorized by the Saskatchewan Municipal Board. Although subject to significant change, the current debt forecast is expected to peak in 2025 at approximately \$421.6 million as shown in the following graph.



This forecast includes future borrowing for:

- requirements for a Bus Rapid Transit system; and
- various utility projects which will be recovered through user fees.

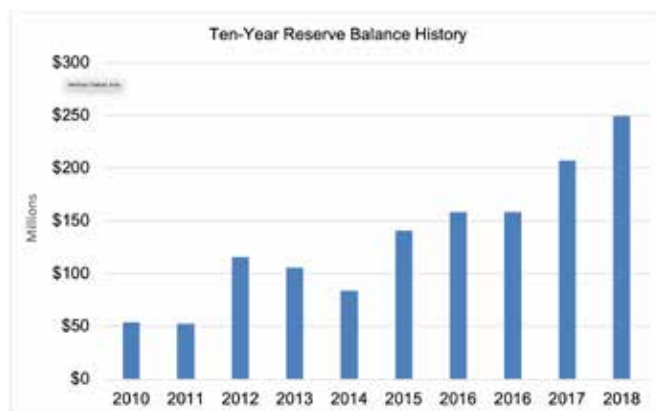
Although debt is expected to increase over the next ten years, it is still expected that Saskatoon will have one of the lowest debt burdens in the country as a percentage of annual operating revenue.



Source: 2018 Municipal Annual Reports

Reserves

The City maintains a City Council-approved Reserve for Future Expenditures Policy and Capital Reserve Bylaw which directs the establishment and processes with respect to reserves. Initial establishment of reserves as well as transfers to and from reserves require City Council approval. In 2018, reserve balances increased by \$42.2 million to a year-end balance of \$249.5 million.



The increases in reserve balances were mainly due to the following two factors:

1. Included in these balances are several land development reserves which vary considerably from year to year based on market conditions and stages of development. Reserves such as Prepaid Services, Land Bank and Property Realized improved by \$43.2 million over 2017 as development levies continue to be collected.
2. The Landfill Replacement Reserve and Water and Sewer Replacement Reserve continue on their repayment schedule as their deficit position improved by \$5.8 million over 2017. The Landfill Replacement Reserve now has a \$1.2 million surplus, while the Water and Sewer Replacement Reserve improved to a surplus

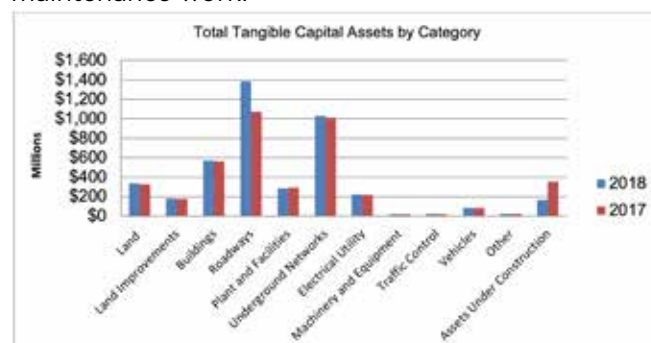
position of \$5.3 million. Both of these reserves were approved by City Council to enter a deficit position in prior years.

Overall, the reserve balances continue to rebound significantly from 2009-2011 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 to participate in these programs by taking advantage of available funds from other orders of government to build the necessary infrastructure. The plan to repay the reserves with future years' operating budget allocations was achieved in 2012 when the reserve balance was \$115.7 million up from the five-year low of \$53.8 million in 2010. Since 2012, reserve balances have continued to increase as the City is well-positioned to address future capital requirements.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which include all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost less estimated salvage value of the tangible capital assets is amortized on a straight-line basis over the assets estimated useful lives, ranging from 5 to 75 years.

The City's total net book value of tangible capital assets rose by \$172.3 million in 2018. The largest increase was seen in roadways which had an additional \$313.7 million in assets. This increase was largely due to ongoing development and maintenance work.



Roadways continue to be the largest asset category with a net book value of \$1.3 billion, followed by the underground network, such as water, sewer and storm water infrastructure at \$1.0 billion.

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.

Strong Management and Fiscal Responsibility is one of the City's Leadership Commitments that drives the corporation throughout the daily activities and the manner in which it works towards the Strategic Goals. This commitment, along with the other Leadership Commitments, enables the practice of strong financial controls and accountability that helps the City maintain its "AAA"/stable credit rating.

Outlook

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.

The City's Growth Plan was approved by City Council in April 2016 and is a key initiative that guides investments to accommodate growth to half a million people. 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 the community benefits. One of the most significant pillars of the Growth Plan is the establishment of the Bus Rapid Transit (BRT) system. Public Transit funding from the Federal Government is crucial to making this system a reality. In 2019, City Council will move forward on the project by formalizing the corridors and main bus routes as well as the downtown sections of the active transportation network.

As part of the City's Strategic Goal of Asset and Financial Sustainability, the continued investment in the improvement of the condition of the City's assets is a focus of recent budgets. The largest component is the City's roadways. 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. All major asset categories have been reviewed and reported on, with the exception of buildings and facilities, with funding gaps identified and potential funding plans to address. The buildings asset category is expected to be completed in 2019.

As stated previously, in January 2019 the City once again had its "AAA"/Stable credit rating affirmed by S&P Global. The rating was based on the 2017 financial results that reflected "exceptional" 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.

Kerry Tarasoff, FCPA, FCMA

Chief Financial Officer, City of Saskatoon



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**City of Saskatoon
Saskatchewan**

For its Annual
Financial Report
for the Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

CONSOLIDATED FINANCIAL STATEMENTS

City of Saskatoon, Saskatchewan, Canada

Year Ended December 31, 2018

Management's 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 public sector accounting standards (PSAS). 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 Standing Policy Committee on Finance of the City of Saskatoon comprises six 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 Professional Accountants, the City's appointed external auditors, have audited the Consolidated Financial Statements. Their report to His Worship 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 "Jeff Jorgenson".

Jeff Jorgenson
City Manager

A handwritten signature in black ink, appearing to read "Kerry Tarasoff".

Kerry Tarasoff, FCPA, FCMA
Chief Financial Officer

June 4, 2019

Independent Auditor's Report

To His Worship the Mayor and City Council: City of Saskatoon Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of City of Saskatoon and its subsidiaries (the "City"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, changes in net financial debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2018, and the results of its operations, changes in net financial debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Supplementary Information

We draw attention to the fact that the supplementary information included in all schedules and appendices following the financial statement notes does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Independent Auditor's Report (Continued)**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Saskatoon, Saskatchewan

June 4, 2019

Consolidated Statement of Financial Position

As at December 31, 2018

(in thousands of dollars)

	2018	2017
Financial Assets		
Cash and Cash Equivalents	\$ 38,277	\$ 59,446
Taxes Receivable (Note 2)	15,731	13,899
Accounts Receivable and User Charges (Note 3)	100,547	124,578
Loans Receivable (Note 4)	1,197	1,758
Land Inventory for Resale	8,132	8,617
Other Assets (Note 5)	2,151	4,454
Investments (Note 6)	453,285	418,253
Total Financial Assets	619,320	631,005
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	147,264	250,130
Deferred Revenue (Note 10)	85,560	85,191
Term Debt (Note 11)	358,983	349,153
Accrued Pension Liability (Note 8)	14,231	17,190
Employee Benefits Payable (Note 13)	42,763	43,605
Total Financial Liabilities	648,801	745,269
Total Net Financial Debt	(29,481)	(114,264)
Non-Financial Assets		
Prepaid Expenses	12,127	11,446
Tangible Capital Assets (Note 18)	4,326,264	4,154,000
Inventory of Materials and Supplies	16,049	14,887
Total Non-Financial Assets	4,354,440	4,180,333
Accumulated Surplus (Note 19)	\$ 4,324,959	\$ 4,066,069

Consolidated Statement of Operations

For the Year Ended December 31, 2018

(in thousands of dollars)

	2018 Budget	2018	2017
Revenues			
Taxation (Note 7)	\$ 254,842	\$ 254,221	\$ 242,886
Grants-in-Lieu of Taxes (Note 7)	4,260	4,167	6,183
User Charges	439,909	442,347	414,509
Government Transfers - Operating (Note 12)	62,190	63,773	53,500
Government Transfers - Capital (Note 12)	97,404	97,404	71,241
Investment Income	12,255	13,537	11,913
Contribution from Developers & Others - Operating	74,386	74,386	65,122
Contribution from Developers & Others - Capital	74,542	74,542	55,915
Franchise Fees	14,121	16,055	15,818
Other	21,647	22,474	20,361
Total Revenue	1,055,556	1,062,906	957,448
Expenses			
Arts, Culture & Events Venues	10,523	10,454	11,959
Community Support	17,931	17,706	17,154
Corporate Asset Management	2,559	5,672	(7,902)
Corporate Governance & Finance	45,726	48,791	38,429
Debt Servicing Costs	11,973	12,127	14,132
Environmental Health	53,532	54,553	52,581
Fire	49,873	49,972	47,737
Land Development	10,996	8,006	26,060
Libraries	19,016	23,521	23,035
Police	103,276	104,558	102,199
Recreation & Culture	70,487	69,142	65,598
Taxation & General Revenues	6,598	7,040	6,697
Transportation	180,229	179,942	159,823
Urban Planning & Development	28,017	26,706	24,345
Utilities	209,106	185,826	184,892
Total Expenses	819,842	804,016	766,739
Surplus of Revenues Over Expenses	235,714	258,890	190,709
Accumulated Surplus, Beginning of Year	-	4,066,069	3,875,360
Accumulated Surplus, End of Year (Note 19)		\$ 4,324,959	\$ 4,066,069

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2018

(in thousands of dollars)

	2018	2017
Operating Activities:		
Surplus of Revenues over Expenses	\$ 258,890	\$ 190,709
Net Change In Non-Cash Working Capital Items:		
Taxes Receivable	(1,832)	(294)
Accounts Receivable and User Charges	24,031	(2,270)
Loans Receivable	561	538
Land Inventory for Resale	485	(445)
Other Assets	2,303	(2,840)
Prepaid Expenses	(681)	665
Inventory of Materials and Supplies	(1,162)	(2,036)
Accounts Payable and Accrued Liabilities	(102,866)	(28,865)
Deferred Revenue	369	11,614
Accrued Pension Liability	(2,959)	24,266
Employee Benefits Payable	(842)	2,139
Amortization	141,617	133,991
Revenue from Contributed Tangible Capital Assets	(33,898)	(27,789)
	284,016	299,383
Investing Activities:		
Purchase of Investments	(35,032)	(54,104)
Financing Activities:		
Proceeds From Term Debt	38,815	57,778
Term Debt Repaid	(28,985)	(27,396)
	9,830	30,382
Capital Activities:		
Acquisition of Tangible Capital Assets	(279,983)	(284,698)
Decrease in Cash and Cash Equivalents	(21,169)	(9,037)
Cash and Cash Equivalents at Beginning of Year	59,446	68,483
Cash and Cash Equivalents at End of Year	\$ 38,277	\$ 59,446

Consolidated Statement of Changes in Net Financial Debt

For the Year Ended December 31, 2018

(in thousands of dollars)

	2018 Budget	2018	2017
Surplus of Revenues over Expenses	\$ 235,714	\$ 258,890	\$ 190,709
Net Acquisition of Tangible Capital Assets	-	(279,983)	(284,698)
Contributed Assets	-	(33,898)	(27,789)
Amortization	-	141,617	133,991
Deficit from Capital Transactions	-	(172,264)	(178,496)
Net Change in Prepaid Expenses	-	(681)	665
Net Change in Inventory of Materials and Supplies	-	(1,162)	(2,036)
Deficit from other Non-financial Expenses	-	(1,843)	(1,371)
Increase in Net Financial Debt	235,714	84,783	10,842
Net Financial Debt, Beginning of Year	(114,264)	(114,264)	(125,106)
Net Financial Debt, End of Year	\$ 121,450	\$ (29,481)	\$ (114,264)

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies

a. Nature of the Organization

The City of Saskatoon ("the City") is a municipality in the Province of Saskatchewan, incorporated in 1901 as a village and 1906 as a city and operates under the provisions of *The Cities Act* effective January 1, 2003.

The consolidated financial statements of 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"). The consolidated financial statements were prepared by the City's Finance Division. Significant aspects of the accounting policies adopted by the City are as follows:

b. Basis of Consolidation

i. Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenses 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 (Operating as "Remai Modern Art Gallery")
- ◆ Centennial Auditorium (Operating as "TCU Place")
- ◆ Saskatchewan Place (Operating as "SaskTel Centre")
- ◆ Saskatoon Public Library ("Library")
- ◆ Saskatchewan Information and Library Services Consortium Inc. ("SILS")
- ◆ Reserve Funds

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies (continued)

b. Basis of Consolidation (continued)

i. Reporting Entity (continued)

All interfund amounts have been eliminated through the consolidation. Schedule 4, and supporting Appendices 1 to 8, include only those revenues and expenses 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 Remai Modern Art Gallery, TCU Place, SaskTel Centre, Library, and the Sinking Fund.

The Library has an interest in the 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, expenses, 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 and accrued liabilities/accounts receivable.

c. Basis of Accounting

i. 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 accrued pension liabilities, contingent liabilities and commitments, provision for doubtful accounts, employee benefits payable, landfill liability, contaminated sites remediation, the amortization of tangible capital assets, and the allocation of costs associated with land development, including contributions from developers.

ii. Financial and Non-financial Assets and Liabilities

Financial assets and financial liabilities have been presented separately from the non-financial assets of the City on the Consolidated Statement of Financial Position. A financial asset is defined as an asset that can be used to discharge existing liabilities or finance future operations and is not for consumption in the normal course of operations. A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. Non-financial assets are those that are normally employed to provide future services and have useful lives extending beyond the current year.

iii. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and short-term highly liquid investments with original maturities of 90 days or less at the date of acquisition and which are subject to an insignificant risk of change in value. Cash and cash equivalents are recorded at cost.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies (continued)

c. Basis of Accounting (continued)

iv Loans Receivable

Loans receivable are recorded at cost less allowance for doubtful accounts. Allowance for doubtful accounts is recognized when collection is in doubt. Loans receivable and interest revenue recognized on loans receivable are recorded at lower of cost and net recoverable value.

v. 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 replacement cost. 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 and it is reasonably anticipated that the sale will be completed within one year.

vi. 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.

vii. Provision for Landfill Closure and Post Closure

The Environmental Management and Protection Act of Saskatchewan sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of landfill sites. This requirement is being provided for over the estimated remaining life of the landfill sites based on usage, and is funded through tipping fees. The annual provision is reported as an expense in Environmental Health and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies (continued)

c. Basis of Accounting (continued)

viii. 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
♦ Furniture and Fixtures	20 years
♦ Information and Communication	15 years

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 not 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.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies (continued)

c. Basis of Accounting (continued)

ix. Inventories of Materials and Supplies

Inventories of materials and supplies are valued at the lower of cost and replacement cost. Cost is determined using an average cost basis.

x. Revenues and Expenses

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 purpose specified. Gross revenues for the 2018 fiscal year are \$1,062,906. Expenses are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due. Gross expenses for the 2018 fiscal year are \$804,016. Budget information is presented on a basis consistent with that used for actual results. The budget was approved by City Council on November 28, 2017. Any Council-approved changes made to capital budgets throughout the fiscal year have been excluded from the 2018 budgeted amounts. Amounts for contributions from developers are not specifically budgeted for and as a result, the comparison between actual and budgeted amounts on the Statement of Operations is hindered. Readers are encouraged to review Schedule 4 which includes a comparison of the City's operating budget to actual results.

xi. 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, 2018.

xii. 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. 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 expenses as identified in the funding agreements. Authorization and approval are required before the funds can be expended. Government transfers, where funding has been received, that have not met the criteria to be recognized as revenue are recorded as deferred revenue in the Statement of Financial Position.

xiii. Pension Amounts

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

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies (continued)

d. Accounting Standards Effective Beginning On Or After April 1, 2017

Effective January 1, 2018, the City implemented the following accounting standards required for government organizations which are effective beginning on or after April 1, 2017. Adoption of these standards require all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgement to comply with the disclosure requirements of each standard.

a) Assets

PS 3210, Assets provides additional guidance on the definition of assets and new disclosure requirements for those assets not recognized in the government's financial statements. The new standard did not have any significant impact on the financial statements.

b) Contingent Assets

PS 3320, Contingent Assets defines and establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. The existence of a contingent asset must be disclosed when the occurrence of the confirming future event is likely. The new standard did not have any significant impact on the financial statements.

c) Contractual Rights

PS 3380, Contractual Rights defines and establishes standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. The new standard did not have any significant impact on the financial statements.

d) Inter-Entity Transactions

PS 3420, Inter-Entity Transactions specifically addresses the reporting of transactions between entities controlled by a government that comprise the government's reporting entity from both a provider and recipient perspective. The new standard did not have any significant impact on the financial statements.

e) Related Party Transactions

PS 2200, Related Party Disclosures define a related party and identifies disclosures for related parties and related party transactions.

Parties are considered related when one party has the ability to exercise control or shared control over the other. Related parties include key management personnel and close family members, through their relationship with the key management personnel, as they have the ability to influence and impact the City's policies, operations and strategic decisions. Key management personnel of the City have been identified as the Mayor, City Councillors, City Manager and General Managers as well as their close family members including their spouse and any dependents.

An external entity becomes a related party to the City when key management personnel and/or their close family member have the ability to influence and impact the policies, operations and strategic decisions of the external entities.

For the year ended December 31, 2018 there were no material transactions to disclose that occurred between related parties at a value other than or terms different than which would have been arrived at if the parties were unrelated.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies (continued)

e. Accounting Standards Effective Beginning On Or After April 1, 2018

a) Restructuring Transactions

PS 3430, Restructuring Transactions establishes how to record and report restructuring transactions, for both transferors and recipients, the transfer of assets and/or liabilities together with related programs or operation responsibilities.

f. Accounting Standards Effective Beginning On Or After April 1, 2021

a) Financial Statement Presentation

PS 1201 Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. With the introduction of PS2601 and PS3450 the new statements will include the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships.

b) Foreign Currency Translation

PS 2601 Foreign Currency Translation requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

c) Portfolio Investments

PS 3041 Portfolio Investments has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments will no longer apply.

d) Financial Instruments

PS 3450 Financial Instruments establish recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

e) Asset Retirement Obligation

PS 3280, Asset Retirement Obligations establish guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 1. Accounting Policies (continued)

g. Accounting Standards Effective Beginning On Or After April 1, 2022

a) Revenue

PS 3400, Revenue establishes standards on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payor.

The City continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

h. Public-Private Partnerships

A public-private partnership ("P3s") is a contractual agreement between a public authority and a private entity for the provision of infrastructure and/or services.

The City's P3s are assessed based on the substance of the underlying agreement and are accounted as follows:

- ◆ Costs incurred during construction or acquisition are recognized in the work-in-progress and liability balances based on the estimated percentage complete.
- ◆ Construction costs, as well as the combined total of future payments, are recognized as a tangible capital asset and amortized over the useful life once the asset is in-service.
- ◆ Sources of funds used to finance the tangible capital asset and future payments will be classified based on the nature of the funds, such as debt, grants, and/or reserves.

i. Provision for Contaminated Sites

The Environmental Management and Protection Act of Saskatchewan sets out the regulatory requirements in regards to contamination. Under this Act, there is a requirement for the persons responsible to address the contamination that is causing or has caused an adverse effect. A provision in PS 3260 is provided for sites where contamination exists that exceeds an environmental standard. The City is legally responsible or has accepted responsibility for the contamination, future economic benefits are expected to be given up and a reasonable estimate for the provision can be made.

j. Accumulated Surplus/Deficit

Accumulated surplus/deficit represents the City's net economic resources. It is an amount by which all assets (financial and non-financial) exceed liabilities. An accumulated surplus indicates that the City has net resources (financial and non-financial) that can be used to provide future services. An accumulated deficit means that liabilities are greater than assets.

k. Comparative Information

Comparative information has been restated to match the current year presentation.

Note 2. Taxes Receivable

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 \$0 (2017 - \$0) for uncollectable taxes is included in the balance of Taxes Receivable.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 3. Accounts Receivable and User Charges

Accounts receivable consist of the following:

	2018	2017
Trade and other receivable	\$ 63,747	\$ 86,433
Utility receivable	31,059	32,152
Government transfers receivable	5,741	5,993
Total	\$ 100,547	\$ 124,578

The City also calculates an allowance for uncollectable accounts relating to Utility billings. At December 31, 2018 this amount is \$50 (2017 - \$50) and is included in Accounts Receivable and User Charges.

Note 4. Loans 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, 2018 are \$1,197 (2017 - \$1,758).

Note 5. Other Assets

	2018	2017
Deferred Charges	\$ 1,701	\$ 4,014
Other Inventory for Resale	450	440
Total	\$ 2,151	\$ 4,454

Note 6. Investments

	Cost		Market	
	2018	2017	2018	2017
Investments	\$ 453,285	\$ 418,253	\$ 422,888	\$ 416,623

Investments consist primarily of corporate and government bonds. Maturities are between 2018 - 2027 with effective interest rates of 1.14 percent to 5.25 percent (2017 - 1.14 percent to 5.25 percent).

2018 Investments contain \$4,716 (2017 - \$3,706) in restricted funds related to sinking funds accumulated to retire debt.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 7. Net Taxes Available For Municipal Purposes

	2018	2017
Gross Taxation Revenue Collected	\$ 427,498	\$ 415,436
Taxes collected on Behalf of Others:		
Saskatoon School Division No. 13	(122,936)	(120,534)
St. Paul's Roman Catholic Separate School Division No. 20	(44,992)	(44,689)
Business Improvement Districts	(1,182)	(1,144)
Net Taxes Available For Municipal Purposes	\$ 258,388	\$ 249,069
Comprised of:		
Municipal	254,221	242,886
Grants-in-Lieu	4,167	6,183
	\$ 258,388	\$ 249,069

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 Expenses, nor are the Assets, Liabilities, and Fund Balances of these Boards included in the consolidated financial statements.

Note 8. Accrued Pension Liability

The City administers six employee pension plans - the General Superannuation Plan ("General Plan"), the Saskatoon Police Pension Plan, the Police Superannuation Plan ("Police Plan"), the Saskatoon Firefighters' Pension 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 Saskatoon Police Pension Plan and the Saskatoon Firefighters' Pension Plan are contributory target 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).

The accrued pension obligation relates to the five main plans – the Retirement Plan for Employees of the City of Saskatoon Board of Police Commissioners, the Saskatoon Police Pension Plan, the Retirement Plan for Employees of the Fire and Protective Services Department of the City of Saskatoon, the Saskatoon Firefighters' Pension Plan 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 plan surpluses. The latest increase for eligible retired members of the Fire Plan was granted January 1, 2008 and the latest increase for retired members of the Police Plan was granted July 1, 2010. In accordance with the latest filed valuation reports, the average age of the 3,565 employees accruing service under the Plans is 41.92 years. At present, the Plans provide benefits for 2,001 retirees and surviving spouses; benefit payments were \$70,314 in 2018.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 8. Accrued Pension Liability (continued)

Employees make contributions in accordance with the following: General Plan 8.1 percent of salary below the year's maximum pensionable earnings (YMPE) and 9.7 percent above the YMPE; Fire Plan 10.9 percent of salary; Saskatoon Firefighters' Pension Plan 9 percent of salary; Police Plan 9 percent of salary; and Saskatoon Police Pension Plan 9 percent of salary while the City contributes an equal amount. In 2018, employee contributions for current and past service were \$25,583 (2017 - \$25,260), and the City's contributions were \$28,064 (2017 - \$27,452). 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 pension obligation at December 31 includes the following components:

	2018	2017
Accrued Benefit Obligation	\$ (1,371,397)	\$ (1,348,433)
Pension Fund Assets		
Marketable Securities	1,420,322	1,354,112
	48,925	5,679
Unamortized Actuarial Losses	(36,075)	(5,453)
Accrued Benefit Asset	12,850	226
Valuation allowance*	(27,081)	(17,416)
Net Carrying Value of Accrued Benefit Liability	\$ (14,231)	\$ (17,190)

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, 2018 for the General Plan, December 31, 2015 for the Fire Plan, January 1, 2016 for the Saskatoon Fire Fighters' Pension Plan, December 31, 2015 for the Police Plan and January 1, 2016 for the Saskatoon Police Pension Plan. The unamortized actuarial loss is amortized on a straight-line basis over the expected average remaining service life of the related employee groups applicable to each of the Plans which is 13 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 2.25 percent for the five Plans. The discount rate used to determine the accrued benefit obligation is 6.5 percent for the General Plan, 6 percent for the Police Plan, 6.25 percent for the Saskatoon Police Pension Plan, 5.95 percent for the Fire Plan and 6.20 percent for the Saskatoon Fire Fighters' Pension Plan. The earnings increase rate is 3.25 percent for the General Plan, 3.25 percent for the Police Plan, 3.25 percent for the Saskatoon Police Pension Plan, 3.25 percent for the Fire Plan and 3.25 percent for the Saskatoon Fire Fighters' Pension Plan.

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 6.25 percent, on Police Plan assets is 6 percent, on Saskatoon Police Pension Plan assets is 6.25 percent, on Fire Plan assets is 5.95 percent and on Saskatoon Fire Fighters' Pension Plan assets is 6.20 percent. The actual rate of return on Plan assets in 2018 was 6.13 percent. The market value of assets at December 31, 2018 was \$1,372,546 (2017 - \$1,398,898).

Effective January 1, 2016, the Saskatoon Fire and Protective Services Department Superannuation and Saskatoon Police Superannuation plans were amended to close the plans to new entrants, freeze pensionable service, cease

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 8. Accrued Pension Liability (continued)

employee contributions and change the cost sharing arrangement in the plan such that the City assumes full responsibility for all past and future deficits in the plan.

The City's contributions to the defined contribution pension plan for Seasonal and Non-permanent Part-time Employees were \$362 in 2018 (2017 - \$599).

*The valuation allowance is comprised of \$19,324 for the General Plan, \$3,498 for the Fire Plan, and \$4,259 for the Police Plan.

The total expenditures related to pensions in 2018 include the following components:

	2018	2017
Current Period Benefit Cost	\$ 40,548	\$ 39,058
Less: Employee Contributions	(25,583)	(25,260)
Amortization of Actuarial Loss	1,280	3,973
Increase in valuation allowance	9,665	14,880
Pension Expense Excluding Interest	25,910	32,651
Interest Cost On The Average Accrued Benefit Obligation	82,025	78,626
Expected Return On Average Pension Plan Assets	(82,830)	(77,121)
Pension Interest Expense	(805)	1,505
Total Pension Expense	\$ 25,105	\$ 34,156

Note 9. Accounts Payable And Accrued Liabilities

Included in accrued liabilities is \$8,571 (2017 - \$7,357) for the estimated total landfill closure and post closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2018, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. The change in calculation resulted in \$1,214 (2017 - \$1,440) of liability being recognized in 2018. Estimated total expenditures represented by 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 3.50 percent is \$20,645 (2017 - \$16,925).

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 post-closure period using the best information available to management. Future events may result in significant changes to the estimated total expenses, 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 57 percent - 6,718,347 cubic meters (2017 - 58 percent - 6,311,947 cubic meterse) of its total estimated capacity of 15,457,242 cubic meters and its estimated remaining life is 53 years (2017 - 49 years). The period for post closure care is estimated to be 35 years (2017 - 35 years).

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 9. Accounts Payable And Accrued Liabilities (continued)

The expected lifespan for the landfill has been estimated on the basis of waste diversion rates rising slowly. With the introduction of residential curbside recycling in 2013 and the beginning of multi-unit recycling in 2014, the 2018 diversion rate is 22.75%. The expected tonnes of total recyclable material captured is lower than originally anticipated because the increase in curbside and multi-unit collection was accompanied by a decrease in recycling depot tonnage. The optimization strategy for the landfill is based on the existing facility footprint.

The unfunded liability for the landfill will be paid for per the annual approved budget where capital expenses will be funded from the Landfill Reserve. At December 31, 2018, the balance of the Landfill Reserve is \$1,281 (2017 - (\$544)).

Note 10. Deferred Revenue

	2017	Externally Restricted Contributions Received	Revenue Recognized	2018
Development Charges	\$ 49,566	\$ -	\$ 3,047	\$ 46,519
Federal Government Transfers	17,191	13,576	7,750	23,017
Ticket Sales and Other	18,434	-	2,410	16,024
Total	\$ 85,191	\$ 13,576	\$ 13,207	\$ 85,560

Development charges are fees levied on new development to help pay for the infrastructure required to service new growth. Deposits are received for various capital projects from land developers. These are included in the development charges listed above. In addition, deferred Federal Government transfers are externally restricted amounts that are recognized in revenue when the conditions of use are satisfied. Ticket sales and other amounts are a result of the City and its controlled enterprises receiving cash upfront for services they are to perform in the future.

Note 11. Term Debt

	2018	2017
Water Utility	\$ 23,290	\$ 30,328
Wastewater Utility	9,956	11,941
Gas Tax	9,975	16,628
Operating fund	110,699	120,456
Public Private Partnership ("P3") Term Debt	205,063	169,800
Total Term Debt	358,983	349,153
Sinking Funds Accumulated to Retire Debt	(4,716)	(3,706)
Net Term Debt	\$ 354,267	\$ 345,447

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 11. Term Debt (continued)

Debentures bear interest at rates ranging between 2.68 percent - 4.67 percent, with maturity dates ranging between 2020-2043 and have semi-annual repayment terms.

Banker's acceptance and interest rate swap loans bear interest at rates ranging between 2.29 percent - 3.08 percent, with maturity dates ranging between 2025-2032 and have quarterly repayment terms.

Canada Mortgage and Housing Corporation (CMHC) loans bear interest at rates ranging between 3.29 percent - 3.98 percent, with maturity dates ranging between 2019-2024 and have annual repayment terms.

Federation of Canadian Municipalities (FCM) loans bear interest at rates ranging between 1.81 percent - 1.97 percent, with a maturity date of 2019 and have semi-annual repayment terms.

The long-term debt is repayable as follows:

2019	\$	27,570
2020		24,446
2021		19,047
2022		19,709
2023-2043		268,211
Total	\$	358,983

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 \$558,000 (2017 - \$558,000) as approved by the SMB. The total interest paid by the City for debt in 2018 was \$12,126 (2017 - \$14,210).

P3 Term Debt

During construction of the North Commuter Parkway and Traffic Bridge ("NCPTB") and the Civic Operations Centre ("COC"), the City recorded a portion of the project costs as assets under construction, using the construction costs to date and an equivalent liability to Graham Commuter Partners ("GCP") and Integrated Team Solutions ("ITS") respectively. The term debt represented the deferred capital payment portion of the project costs based on the terms of the agreement. The NCPTB project was completed during 2018; the City is now amortizing the accumulated costs of the completed project over its useful life, expensing the annual interest cost and settling the long-term liability over the term of the project agreements. The City has \$205,063 (2017 - \$169,800) to be repaid by monthly interest and principal payments over 25 years at an interest rate of 4.5%. Principal is due 2041.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 12. Government Transfers

The following transfers have been included in revenues:

	2018	2017
Operating Transfers		
Federal	\$ 8,554	\$ (4,443)
Provincial	55,219	57,943
	63,773	53,500
Capital Transfers		
Federal	67,511	32,005
Provincial	29,893	39,236
	97,404	71,241
Total	\$ 161,177	\$ 124,741

Note 13. 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, 2018 to December 31, 2018 would normally be available to employees after April 1, 2019. The vacation payable balance as at December 31, 2018 is \$23,876 (2017 - \$23,067) and is included in employee benefits payable in the Statement of Financial Position.

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 agreement. The employee benefits were based on medical and dental health care trends assumptions. The assumptions used represent the City's best estimates. The expected medical care trend rate is 8.85% and dental care trend rate is 6.75%.

The total of vacation payable and accrued benefit obligation for the year ended December 31, 2018 amounts to \$42,763 (2017 - \$43,605).

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:

	2018	2017
Accrued benefit obligation, beginning of year	\$ 20,538	\$ 19,214
Current period benefit cost	1,595	1,545
Interest on accrued benefit obligation	401	378
Less Benefits Paid	(871)	(599)
Actuarial gain	(2,776)	-
Accrued benefit obligation, end of year	\$ 18,887	\$ 20,538

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 14. Commitments And Contingent Liabilities

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 other claims will not materially affect the financial position of the City.

b. Contaminated Sites

A provision for remediation of known contaminated sites has been accrued in Accounts Payable and Accrued Liabilities in the amount of \$10,227 (2017 - \$12,306). The provision is based on expenses expected to be incurred over the next 10 years discounted using rates ranging from .75 percent to 1.42 percent. The liability reflects the City's best estimate as at December 31, 2018, of the amount that is required to remediate sites back to current environmental standards. Where possible, provisions for remediation are based on environmental assessments completed on a site. For sites where no assessment has been completed, estimates of the remediation are completed using the best information available for the site.

The liability for contaminated sites include sites associated with former industrial operations. The nature of contamination includes chemicals, heavy metals, salt and other organic and in-organic contaminants. The sources of the contamination include underground fuel storage tanks, hazardous materials storage and other industrial activities. Sites often have multiple sources of contamination.

c. NCPTB

The North Commuter Parkway Traffic Bridge (NCPTB) qualified for P3 funding from the Government of Canada and Province of Saskatchewan. On September 8, 2015 City Council announced that Graham Commuter Partners (GCP) has been chosen to design, build, finance, operate and maintain the NCPTB. The project was completed in 2018. GCP will operate and maintain the North Commuter Parkway and adjacent roadways until 2048 and will maintain the Traffic Bridge until 2048.

d. COC

On October 27, 2014, City Council announced that Integrated Team Solutions (ITS) will design, build, finance and maintain the Transit Operations Facility and a permanent Snow Management Facility both located at Civic Operations Centre (COC) Phase 1. Construction of Phase 1 was substantially complete late 2016 with move in early 2017. ITS will operate the new facility until fall 2041.

Note 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, 2018, the gross value of the Property Realized Reserve is estimated to be \$179,186 (2017 - \$154,089) itemized as follows:

	2018	2017
Gross Value of Reserve, December 31	\$ 179,186	\$ 154,089
Advances Repayable from Future Revenue Fund Provisions	(3,351)	(4,109)
Property Purchased from Reserve and not yet re-sold (at estimated cost)	(135,101)	(119,079)
Net Balance of Reserve, December 31	\$ 40,734	\$ 30,901

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 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 \$5,079 (2017 - \$4,828) and \$1,391 (2017 - \$1,344), respectively.

Note 17. Expenses By Object

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

	2018	2017
Wages and Benefits	\$ 331,350	\$ 327,544
Contracted and General Services	159,645	149,564
Heating, Lighting, Power, Water and Telephone	109,870	106,737
Materials, Goods and Supplies	27,200	24,019
Finance Charges	24,266	14,132
Donations, Grants and Subsidies	10,068	10,752
Amortization	141,617	133,991
Total	\$ 804,016	\$ 766,739

Note 18. Tangible Capital Assets

	Net Book Value	
	2018	2017
Land	\$ 335,341	\$ 325,233
Land Improvements	178,851	176,719
Buildings	573,168	563,422
Roadways	1,387,499	1,073,831
Plant and Facilities	283,648	291,490
Underground Networks	1,030,574	1,009,466
Electrical Utility	220,593	215,479
Machinery and Equipment	19,356	18,408
Traffic Control	21,732	19,041
Vehicles	87,216	83,624
Other	22,550	22,133
	4,160,528	3,798,846
Assets under Construction	165,736	355,154
	\$ 4,326,264	\$ 4,154,000

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 18. Tangible Capital Assets (continued)

For additional information, see note 21 Consolidated Statement of Tangible Capital Assets. Contributed assets totaled \$33,898 (2017 - \$27,789) and were capitalized at their fair value at the time of receipt. Assets contributed during the year consisted primarily of infrastructure components, including sanitary sewer mains, storm water mains, water mains, grading, sidewalks, roadways and street lights.

Note 19. Accumulated Surplus

	2018	2017
Fund Balances		
Funds to offset taxation or user charges in future years (Schedule 1)	\$ 106,459	\$ 93,961
Unexpended capital financing (Schedule 2)	(194,483)	(57,106)
Reserves (Schedule 3)	250,508	207,305
	162,484	244,160
Net Investment in Tangible Capital Assets		
Tangible Capital Assets	4,326,264	4,154,000
Capital outlay financed by long-term liabilities to be recovered in future years	(130,160)	(294,916)
Capital outlay financed by internal investments	(33,629)	(37,175)
	4,162,475	3,821,909
Total Accumulated Surplus	\$ 4,324,959	\$ 4,066,069

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 20. Segmented Information

The Consolidated Schedule of Segmented Disclosures - Note 20 has been prepared in accordance with PS2700 Segmented Disclosures. Segmented Disclosures are intended to enable users to better understand the government reporting entity as well as the major expense and revenue activities of the City. For each reported segment, revenues and expenses represent amounts directly or reasonably attributable to the segment.

The segments have been selected based on a presentation similar to that adopted for the municipal planning and budgeting processes.

Segments include:

i. Arts, Culture & Events Venues

Provides opportunities for citizens to participate in and enjoy the benefits of arts, culture and events.

ii. Community Support

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

iii. Corporate Asset Management

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

iv. Corporate Governance & Finance

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

v. Environmental Health

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

vi. Fire 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.

vii. Land Development

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

viii. Police

Works in partnership with the community to develop collaborative strategies to reduce crime and victimization. In partnership with City Council and the community, continues enforcement with proactive prevention, education, and early intervention strategies.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 20. Segmented Information (continued)

ix. Recreation & Culture

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

x. Taxation & General Revenues

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. Other corporate revenues, including the Municipal Operating Grant, are applied to the general fund and are included in this business line.

xi. Transportation

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

xii. Urban Planning & Development

A proactive approach to addressing future opportunities and pressures on our community that accommodates growth and change (e.g. population, diversity of public services and amenities, broader scope of education, research, business), while balancing long-term economic, environmental, and social needs and achieving the desired quality of life expressed by our citizens.

xiii. Utilities

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

xiv. Saskatoon Public Library

Provides library and programming services to citizens of all ages in a downtown branch as well as local branches in communities throughout the City.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 20. Segmented Information (continued)

b. Surplus (Deficit) of Revenues over Expenses

i. 2018							
	Arts, Culture & Events Venue	Community Support	Corporate Asset Management	Corporate Governance & Finance	Environmental Health	Fire	Police
Revenues							
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Grants-in-Lieu	-	-	-	-	-	-	-
User Charges	-	-	-	445	941	594	2,210
Government Transfers	596	459	75	6,819	102	-	9,026
Investment Income	-	-	-	13,537	-	-	-
Contribution from Developers	2,469	-	-	-	-	-	61
Other	-	795	3,085	619	6	512	94
Total Revenues	3,065	1,254	3,160	21,420	1,049	1,106	11,391
Expenses							
Wages and Benefits	8,846	3,210	2,930	33,304	9,990	43,908	81,653
Contracted and General Services	4,423	5,775	581	9,417	18,893	3,924	14,071
Donations, Grants and Subsidies	-	8,178	44	-	205	-	12
Heating, Lighting, Power, Water and Telephone	1,445	143	158	70	64	72	593
Materials, Goods and Supplies	1,315	305	89	236	835	3,925	3,471
Finance Charges	964	-	71	2,013	104	-	30
Amortization	153	90	7,840	914	21,970	1,260	3,504
Total Expenses	17,146	17,701	11,713	45,954	52,061	53,089	103,334
Surplus (Deficit) of Revenues over Expenses	\$ (14,081)	\$ (16,447)	\$ (8,553)	\$ (24,534)	\$ (51,012)	\$ (51,983)	\$ (91,943)

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 20. Segmented Information (continued)

b. Surplus (Deficit) of Revenues over Expenses (continued)

i. 2018 (continued)							
Recreation & Culture	Tax & General Revenues	Transportation	Urban Planning & Design	Land	Library	Utilities	Total
\$ -	\$ 231,148	\$ -	\$ -	\$ -	\$ 23,073	\$ -	254,221
-	-	-	-	1,261	-	2,906	4,167
31,021	-	19,770	50	2,905	566	383,845	442,347
703	43,382	93,422	2,535	-	670	3,388	161,177
-	-	-	-	-	-	-	13,537
49,459	-	11	-	93,499	-	3,429	148,928
27	5,058	5,824	6,454	-	-	16,055	38,529
81,210	279,588	119,027	9,039	97,665	24,309	409,623	1,062,906
27,631	215	53,061	9,649	1,714	12,548	42,691	331,350
21,327	4,466	27,424	4,013	888	3,726	40,717	159,645
(200)	1,646	-	122	-	61	-	10,068
6,138	3	7,304	65	23	1,448	92,344	109,870
2,205	-	6,584	63	(339)	1,986	6,525	27,200
546	-	9,638	13	-	7	10,880	24,266
7,427	-	71,125	7,102	7,307	100	12,825	141,617
65,074	6,330	175,136	21,027	9,593	19,876	205,982	804,016
\$ 16,136	\$ 273,258	\$ (56,109)	\$ (11,988)	\$ 88,072	\$ 4,433	\$ 203,641	\$ 258,890

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 20. Segmented Information (continued)

b. Surplus (Deficit) of Revenues over Expenses (continued)

ii. 2017

	Arts, Culture & Events Venue	Community Support	Corporate Asset Management	Corporate Governance & Finance	Environmental Health	Fire	Police
Revenues							
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Grants-in-Lieu	-	-	-	-	-	-	-
User Charges	-	-	-	-	4,582	512	2,409
Government Transfers	627	112	-	92	-	-	8,476
Investment Income	-	-	-	11,913	-	-	-
Contribution from Developers	10,652	-	-	-	-	-	151
Other	-	3,922	3,089	260	-	13	48
Total Revenues	<u>11,279</u>	<u>4,034</u>	<u>3,089</u>	<u>12,265</u>	<u>4,582</u>	<u>525</u>	<u>11,084</u>
Expenses							
Wages and Benefits	9,083	3,192	7,274	27,838	10,095	42,260	78,422
Contracted and General Services	2,125	4,845	10,165	7,332	21,212	3,777	12,823
Donations, Grants and Subsidies	-	8,589	47	-	187	-	12
Heating, Lighting, Power, Water and Telephone	1,336	125	233	153	87	62	599
Materials, Goods and Supplies	5,064	298	(1,710)	289	664	178	3,318
Finance Charges	989	-	71	275	678	-	28
Amortization	67	76	5,985	898	21,908	1,295	3,332
Total Expenses	<u>18,664</u>	<u>17,125</u>	<u>22,065</u>	<u>36,785</u>	<u>54,831</u>	<u>47,572</u>	<u>98,534</u>
Surplus (Deficit) of Revenues over Expenses	\$ <u>(7,385)</u>	\$ <u>(13,091)</u>	\$ <u>(18,976)</u>	\$ <u>(24,520)</u>	\$ <u>(50,249)</u>	\$ <u>(47,047)</u>	\$ <u>(87,450)</u>

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

Note 20. Segmented Information (continued)

b. Surplus (Deficit) of Revenues over Expenses (continued)

ii. 2017 (continued)

Recreation & Culture	Tax & General Revenues	Transportation	Urban Planning & Design	Land	Library	Utilities	Total
\$ -	\$ 220,086	\$ -	\$ -	\$ -	22,800	\$ -	242,886
-	-	-	-	1,027	-	5,156	6,183
24,670	-	13,501	509	2,414	248	365,664	414,509
629	46,427	48,004	2,831	-	691	16,852	124,741
-	-	-	-	-	-	-	11,913
33,898	-	-	722	40,696	34	34,884	121,037
7,751	2,926	2,352	-	-	-	15,818	36,179
<u>66,948</u>	<u>269,439</u>	<u>63,857</u>	<u>4,062</u>	<u>44,137</u>	<u>23,773</u>	<u>438,374</u>	<u>957,448</u>
26,404	237	54,628	9,348	2,287	11,855	44,621	327,544
19,323	3,941	25,649	2,881	867	3,739	30,885	149,564
305	1,460	-	69	-	83	-	10,752
6,151	3	6,776	59	22	1,369	89,762	106,737
1,853	-	7,495	61	(390)	1,542	5,357	24,019
454	-	(271)	14	-	5	11,889	14,132
8,365	-	66,112	7,934	5,546	80	12,393	133,991
<u>62,855</u>	<u>5,641</u>	<u>160,389</u>	<u>20,366</u>	<u>8,332</u>	<u>18,673</u>	<u>194,907</u>	<u>766,739</u>
\$ <u>4,093</u>	\$ <u>263,798</u>	\$ <u>(96,532)</u>	\$ <u>(16,304)</u>	\$ <u>35,805</u>	\$ <u>5,100</u>	\$ <u>243,467</u>	\$ <u>190,709</u>

Note 21. Consolidated Schedule of Tangible Capital Assets**For the Year Ended December 31, 2018****(in thousands of dollars)**

	Cost				Accumulated Amortization				Net Book Value	
	Opening Balance	Additions	Disposals	Balance End of Year	Accumulated Amortization Beginning of Year	Accumulated Amortization on Disposals	Amortization	Accumulated Amortization End of Year	Tangible Capital Assets End of Year	
									2018	2017
Land	\$ 325,233	\$ 10,108	\$ -	\$ 335,341	\$ -	\$ -	\$ -	\$ -	335,341	\$ 325,233
Land Improvements	330,402	12,696	-	343,098	153,683	-	10,564	164,247	178,851	176,719
Buildings	703,024	23,824	-	726,848	139,602	-	14,078	153,680	573,168	563,422
Roadways	1,806,664	373,568	(838)	2,179,394	732,833	76	59,138	791,895	1,387,499	1,073,831
Plant and Facilities	410,619	3,561	-	414,180	119,129	-	11,403	130,532	283,648	291,490
Underground Networks	1,352,267	41,282	(1,767)	1,391,782	342,801	71	18,478	361,208	1,030,574	1,009,466
Electrical Utility	390,906	16,724	(2,373)	405,257	175,427	1,170	10,407	184,664	220,593	215,479
Machinery and Equipment	37,589	3,644	-	41,233	19,181	-	2,696	21,877	19,356	18,408
Traffic Control	32,365	3,857	-	36,222	13,324	-	1,166	14,490	21,732	19,041
Vehicles	162,828	14,791	(6,457)	171,162	79,204	5,800	10,542	83,946	87,216	83,624
Other Property, Plant and Equipment	100,804	3,682	(219)	104,267	78,671	99	3,145	81,717	22,550	22,133
Assets under Construction	355,154	-	(189,418)	165,736	-	-	-	-	165,736	355,154
Total	\$ 6,007,855	\$ 507,737	\$ (201,072)	\$ 6,314,520	\$ 1,853,855	\$ 7,216	\$ 141,617	\$ 1,988,256	\$ 4,326,264	\$ 4,154,000

Schedule 1 - Schedule of Funds to Offset Taxation or User Charges in Future Years**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018	2017
Balance, Beginning of Year	\$ 93,961	\$ 83,123
Transfer from (to) Revenue Stabilization Reserve	3,100	(653)
Decrease (increase) in Employee Benefit Payable	842	(2,139)
Increase in Landfill Closure/Post Closure Care Liability	(1,214)	(1,439)
Increase in Accrued Debt Principal	9,830	30,382
Decrease (Increase) in Accrued Pension Liability	2,959	(12,213)
Deficit for the Year (Schedule 4)	(3,019)	(3,100)
Balance, End of Year	\$ 106,459	\$ 93,961

Schedule 2 - Schedule of Capital Operations

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Source of funds			
Province of Saskatchewan	\$ -	\$ 26,456	\$ 32,106
Federal Gas Tax Program	-	649	199
Government of Canada	-	2,701	14,087
Transport Canada	-	55,492	3,179
Federal Transit Funding Program	-	4,908	9,513
Building Canada Fund (FED)	15,000	3,749	5,027
Building Canada Fund (PROV)	-	3,570	4,628
Federation of Canadian Municipalities	80	150	-
Taxation	230	2,249	82
Utility Contribution	1,360	7,766	7,011
Contributions from Developers	45,466	38,097	24,251
Appropriations			
Reserves	232,691	190,906	156,978
Library Capital Reserve	200	-	-
	295,027	336,693	257,061
Expenses			
Community Support	315	412	625
Corporate Asset Management	29,036	18,398	118,042
Corporate Governance & Finance	17,130	3,633	2,068
Environmental Health	28,838	5,173	3,123
Fire	678	2,256	5,561
Library	200	-	-
Police	12,202	2,333	2,672
Recreation & Culture	28,232	39,900	15,229
Saskatoon Land	49,677	29,054	42,237
Transportation	44,393	304,238	97,489
Urban Planning & Development	3,065	5,707	2,996
Utilities	87,828	62,966	76,229
	301,594	474,070	366,271
Decrease in Unexpended Capital Financing	(6,567)	(137,377)	(109,210)
Unexpended Capital Financing, Beginning of Year	-	(57,106)	52,104
Unexpended Capital Financing, End of Year	\$ (6,567)	\$ (194,483)	\$ (57,106)

Schedule 3 - Schedule of Reserves**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018	2017
Replacement		
Albert Community Centre	\$ 50	\$ 25
Automated Garbage Containers	(29)	7
Access Transit	542	22
Boards:		
TCU Place	4,614	4,388
Saskatoon Public Library	6,572	5,783
SaskTel Centre	599	664
Buildings and Grounds Equipment	134	118
Bus Replacement	1,495	1,061
Civic Radio Reserve	20	10
Civic Vehicles and Equipment	5,829	3,559
Computer Equipment	1	25
Fire Apparatus	1,047	982
Fire Equipment	667	451
Grounds Maintenance Equipment Acquisition	2	27
Infrastructure Replacement:		
Parks	552	(168)
Storm Water Management	1,857	2,008
Surface Improvements	(133)	305
Water and Sewer Replacement	5,257	1,255
Landfill	1,282	(544)
Leisure Service Equipment	1,164	969
Paved Roadways Infrastructure	87	1,098
Photocopy Machine	226	206
Police - Vehicle/Radio	243	275
Radio Trunking	103	241
Saskatoon Light & Power	7,741	8,650
Wastewater Collection/Treatment	1,209	1,828
Water Utility	1,967	1,842
Weigh Scales	1	181
Balance, End of Year	\$ 43,099	\$ 35,268

Schedule 3 - Schedule of Reserves**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018	2017
Future Expenses		
Animal Services	\$ 47	\$ 127
Animal Trading - Zoo	-	59
Active Transportation Reserve	14	14
Affordable Housing - Operating	29	497
Arbor Creek Parks	31	39
Boards:		
TCU Place	6,331	5,427
Saskatoon Public Library	31,070	27,609
Rimai Modern Art Gallery	7,646	8,737
SaskTel Centre	9,630	6,886
Bridge Major Repairs	16,164	10,314
Building Permits/Inspections	6,269	7,620
Campsite	135	139
Business Licensing Stabilization	286	142
Cemetery	670	580
Civic Buildings Comprehensive Maintenance	(259)	821
Civic Hospitality	215	199
Community Support Grant	99	112
Corporate Capital	239	1,133
Corporate Information Systems Development	10	39
Cosmo Stabilization	30	30
Cultural Capital	185	86
Dedicated Lands	725	1,922
Dedicated Roadways	968	689
Downtown Housing	1,128	1,293
Errors and Omissions	442	442
Facade Conservation and Enhancement	89	126
Fire Department Uniforms	127	231
Fiscal Stabilization	4,262	5,022
Forestry Farm	66	108
Fuel Stabilization	354	1,325
General Voting	454	289
Golf Course Capital	60	525
Heritage Fund	131	141
Holiday Park Golf Course Development	209	158
Idylwyld Drive Maintenance	28	27

Schedule 3 - Schedule of Reserves**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018	2017
Insurance Deductible	\$ 1,373	\$ 1,809
Interest Stabilization	1,416	1,926
Lakeridge Ponding	57	57
Land Bank	(21,741)	(13,759)
Land Operations	3,673	3,626
Neighbourhood Park Enhancement	325	473
Parking Facilities	361	297
Parks Grounds Maintenance Stabilization	-	140
Pest Control	1	68
Police Equipment	(178)	(116)
Police Facilities Major Repair	96	381
Planning Levy	47	68
Prepaid Services	57,251	16,825
Property Realized	40,734	30,901
Public Works Building	193	154
Recycling Utility Stabilization	729	472
Reserve for Capital Expenditures	2,068	2,260
River Landing Capital	446	373
Saskatoon Minor Football Field Stabilization	20	33
Saskatoon Light & Power Distribution Extension	582	417
Saskatoon Light & Power Revenue Stabilization	2,614	2,496
Saskatoon Soccer Capital	1,577	1,326
Sign Shop Equipment Acquisition	134	205
Snow & Ice Contingency	3,122	3,113
Snow & Ice Equipment Acquisition	282	17
Special Events	1,502	1,750
Sports Participation	131	115
Storm Water Management Utility Stabilization	2,056	1,753
Streetscape	2,655	1,887
Street Cleaning/Sweeping Acquisition	211	185
Sundry	5,392	5,854
Traffic Noise Attenuation	271	1
Traffic Safety	30	242
Transportation Infrastructure Expansion	(32)	236
Transit Capital	889	214
Vehicle & Equipment	500	4,010
Warranty	2,184	2,135
Waste Minimization	362	205

Schedule 3 - Schedule of Reserves**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018	2017
Wastewater Collection/Treatment Capital	\$ 989	\$ 3,627
Water & Wastewater Utility Stabilization	5,648	9,935
Water Capital Projects	1,555	3,418
Balance, End of Year	207,409	172,037
Total Reserves, End of Year	\$ 250,508	\$ 207,305

Schedule 4 - Schedule of Revenues and Expenditures**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018 Budget	2018	2017
Revenues			
Taxation	\$ 231,689	\$ 231,149	\$ 220,086
Grants-in-Lieu of Taxes	41,532	41,439	38,744
General Revenues	96,388	99,307	93,963
User Fees	55,300	52,847	51,968
Transfers from Other Government (Grants)	61,539	62,505	64,813
Land Administration Fee	4,179	2,905	2,415
Total Revenues for the Year (Appendix 1)	490,627	490,152	471,989
Expenses			
Arts, Culture & Events Venues	7,727	7,657	7,183
Community Support	17,798	17,569	18,027
Corporate Asset Management	11,303	14,240	11,751
Corporate Governance & Finance	45,265	48,189	40,230
Debt Servicing Costs	28,982	29,135	29,461
Environmental Health	19,531	20,552	18,566
Fire	49,112	49,209	47,478
Land Development	4,180	1,188	2,415
Police	99,354	100,635	96,927
Recreation & Culture	53,658	52,310	51,069
Taxation & General Revenues	7,323	7,766	7,605
Transportation	132,651	132,357	131,555
Urban Planning & Development	13,743	12,364	12,822
Total Expenses for the Year (Appendix 2)	490,627	493,171	475,089
Deficit	\$ -	\$ (3,019)	\$ (3,100)

Appendix 1 - Schedule of Revenues

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Taxation			
Property Levy	\$ 231,240	\$ 230,669	\$ 219,617
Municipal Services Agreement	281	316	298
Trailer Occupancy	97	95	103
Amusement	71	69	68
	231,689	231,149	220,086
Gants-in-Lieu of Taxes			
Senior Governments and Agencies	6,200	6,823	6,195
Own Utilites - Saskatoon Light & Power	34,432	22,693	22,035
Own Utilities-Water	-	5,935	5,491
Own Utilites-Wastewater	-	4,727	3,996
Land Bank Program	900	1,261	1,027
	41,532	41,439	38,744
General Revenues			
R.M. of Corman Park	180	461	246
Licence and Permits	8,294	7,204	8,223
Fines and Penalties	12,472	12,719	10,462
Automated Enforcement Fines	2,500	2,028	2,145
Property Rentals	2,845	3,086	3,089
Franchise Fees	14,120	16,055	15,818
Interest Earnings	11,496	12,171	10,402
Tax Penalties	2,050	2,504	2,267
Other Revenue	466	1,114	521
Utility Return on Investment	32,510	32,510	31,335
Administration Recovery	9,455	9,455	9,455
	96,388	99,307	93,963
User Fees			
Legal Fees	325	292	315
Tax Searches and Enforcement	215	153	169
Police	1,789	2,210	2,409
Fire	783	594	512
Engineering	367	365	323
Parking	6,210	6,698	6,613
Solid Waste Management	5,180	4,803	4,577
Environmental Protection	-	3	6

Appendix 1 - Schedule of Revenues**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018 Budget	2018	2017
Transportation	\$ 230	\$ 246	\$ 235
Cemetery	1,319	1,161	1,314
Planning	308	244	186
Gordon Howe Campsite	637	542	596
Forestry Farm Park	1,026	1,171	1,088
PotashCorp. (now Nutrien) Playland	586	413	469
Albert Community Centre	157	195	191
Marr Residence	1	-	-
Outdoor Swimming Pools	482	464	461
Golf Courses	4,045	3,263	3,298
Skating Rinks	2,278	2,236	2,269
Leisure Centres - Rentals	6,537	6,488	6,234
Leisure Centres - Programming	6,645	6,075	6,054
Outdoor Sports Fields	641	737	695
Transit	14,274	13,523	13,266
River Landing	1,265	971	688
	55,300	52,847	51,968
Transfers From Other Government (Grants)	61,539	62,505	64,813
Land Administration Fee	4,179	2,905	2,415
Total Revenues	\$ 490,627	\$ 490,152	\$ 471,988

Appendix 2 - Schedule of Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Land Development			
Saskatoon Land	\$ 4,180	\$ 1,188	\$ 2,415
Arts, Culture & Events Venues			
Remai Modern	5,475	5,475	5,079
SaskTel Center	548	478	444
TCU Place	1,704	1,704	1,660
	7,727	7,657	7,183
Community Support			
Cemeteries	1,544	1,547	1,587
Animal Services	1,348	1,351	1,323
Community Development	3,698	3,702	3,540
Community Investments & Supports	11,208	10,969	11,577
	17,798	17,569	18,027
Corporate Asset Management			
City-Owned Property - Land	2,343	3,930	2,353
Facilities Management	8,960	10,336	9,398
Fleet Services	-	(26)	-
	11,303	14,240	11,751
Debt Servicing Costs			
Debt Charges	28,982	29,135	29,461
Corporate Governance & Finance			
Assessment & Taxation	3,543	3,174	3,060
City Clerk's Office	2,690	2,619	2,503
City Manager's Office	680	678	650
City Solicitor's Office	2,331	2,472	2,025
Corporate Support	19,898	20,188	18,769
Financial Services	3,586	3,569	3,595
General Services	8,108	11,458	5,638
Legislative	1,586	1,446	1,382
Revenue Services	2,106	1,853	1,909
Service Saskatoon	737	732	699
	45,265	48,189	40,230

Appendix 2 - Schedule of Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Environmental Health			
Waste Handling Services	\$ 13,357	\$ 14,378	\$ 12,655
Waste Reduction & Resource Recovery	1,058	1,073	1,083
Pest Management	991	984	903
Environmental Program	492	496	492
Urban Forestry	3,633	3,621	3,433
	19,531	20,552	18,566
Fire			
Emergency Measures	424	425	345
Fire Services	48,688	48,784	47,133
	49,112	49,209	47,478
Police			
Saskatoon Police Services	99,354	100,635	96,927
Recreation & Culture			
Marketing Services	635	633	610
Forestry Farm Park	2,676	2,905	2,717
Playground & Recreation Areas	857	893	874
PotashCorp. (now Nutrien) Playland	587	412	468
Albert Community Centre	239	193	201
Marr Residence	23	31	35
Outdoor Pools	1,373	1,283	1,205
Golf Courses	4,045	3,263	3,299
Indoor Rinks	2,499	2,517	2,528
Leisure Centers - Rentals	10,838	10,511	10,241
Leisure Centers - Program	11,203	11,278	10,864
Spectator Ballfields	163	158	158
Outdoor Sports Fields	1,160	1,138	1,058
Parks Maintenance & Design	14,182	14,315	14,290
River Landing	1,266	971	689
Targetted Programming	598	573	564
Gordon Howe Campsite	636	541	596
Community Partnerships	438	464	447
Program Research & Design	240	231	225
	53,658	52,310	51,069

Appendix 2 - Schedule of Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Taxation & General Revenues			
Fines and Penalties	\$ 5,934	\$ 6,627	\$ 5,722
General Revenues	(511)	(511)	(103)
Other Levies	1,235	1,004	1,340
Property Levy	665	646	646
	7,323	7,766	7,605
Transportation			
Transit Operations	41,197	41,730	41,424
Access Transit	5,440	5,566	5,217
Transportation Services	7,302	6,795	6,979
Road Maintenance	43,510	43,010	42,822
Snow & Ice Management	13,235	12,836	13,053
Street Cleaning/Sweeping	4,239	4,287	4,521
Bridges, Subways, Overpasses	6,142	6,007	6,069
Street Lighting	7,085	6,819	6,477
Parking	3,371	4,143	3,958
Engineering	762	774	658
Impound Lot	368	390	377
	132,651	132,357	131,555
Urban Planning & Development			
Attainable Housing	423	424	287
Business Improvement Districts	108	108	108
Development Review	1,244	1,215	1,159
Regional Planning	446	445	343
Bylaw Compliance	765	666	668
Long-Range Planning	219	217	181
Neighborhood Planning	741	599	507
Research & Mapping	466	453	419
Urban Design	2,485	2,469	2,470
Building and Plumbing Permits & Standards	5,688	4,682	5,651
Business License	1,158	1,086	1,029
	13,743	12,364	12,822
Total Expenses	\$ 490,627	\$ 493,171	\$ 475,089

Appendix 3 - Water Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Metered	\$ 65,946	\$ 64,251	\$ 60,413
Infrastructure Levy	15,217	15,105	14,864
Miscellaneous	260	299	319
Fire Protection Charge	715	715	715
Late Payment Penalties	160	177	185
	82,298	80,547	76,496
Expenses			
General	10,542	10,439	10,042
Laboratory	671	540	464
Treatment and Pumping	12,810	12,238	10,690
Buildings and Grounds	914	748	737
Meters	1,805	1,669	1,600
Watermains	8,642	9,383	9,115
Hydrants	1,321	1,377	1,600
Services	3,381	3,638	2,842
Contribution to Capital Reserves	24,381	24,177	22,741
Debt Charges	13,278	13,198	11,923
	77,745	77,407	71,754
Surplus Before Transfer from Reserve	4,553	3,140	4,742
Transfer to Stabilization Reserve	(4,553)	(3,140)	(4,742)
Surplus	\$ -	\$ -	-

Appendix 4 - Wastewater Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Metered	\$ 52,523	\$ 50,317	\$ 42,881
Infrastructure Levy	25,013	24,835	24,452
Late Payment Penalties	108	118	123
Miscellaneous	1,215	1,524	1,444
Flood Protection Levy	170	278	-
	79,029	77,072	68,900
Expenses			
General	8,339	8,085	7,406
Heavy Grit Facility	394	291	133
Laboratory	680	593	556
Lift Stations	1,954	1,824	1,586
Pollution Control Plant	7,907	7,984	6,718
Sludge Handling & Disposal	2,031	1,462	1,443
Sewer Engineering	479	434	429
Sewer Inspections	692	438	533
Sewer Maintenance	5,017	4,701	4,296
Sewer Connections	2,235	2,126	1,699
Debt Charges	6,370	6,370	6,084
Contribution to Capital Reserves	39,634	39,450	33,048
	75,732	73,758	63,931
Surplus Before Transfer from Reserve	3,297	3,314	4,969
Transfer to Stabilization Reserve	(3,297)	(3,314)	(4,969)
Surplus	\$ -	\$ -	-

Appendix 5 - Storm Water Management Utility Statement of Revenues and Expenses**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018 Budget	2018	2017
Revenues			
Metered	\$ 6,360	\$ 6,534	\$ 6,208
Late Payment Penalties	12	12	13
	6,372	6,546	6,221
Expenses			
General	225	220	234
Storm Sewers Engineering	452	313	304
Storm Sewer Maintenance	2,017	2,305	1,934
Drainage	950	692	760
Operating Utility-Transfer to Reserves	2,728	2,728	2,696
	6,372	6,258	5,928
Surplus Before Transfer from Reserve	-	288	293
Transfer to Stabilization Reserve	-	(288)	(293)
Surplus	\$ -	\$ -	\$ -

Appendix 6 - Saskatoon Light & Power Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Metered	\$ 158,424	\$ 151,233	\$ 146,863
Municipal Surcharge	15,842	15,146	14,686
Service Connection Fee	425	418	398
Miscellaneous	681	813	691
Landfill Gas Generation	1,296	938	919
Tax Collection Commission	-	-	2
Late Payment Penalties	300	295	309
	176,968	168,843	163,868
Expenses			
General	5,468	5,046	27,233
Equipment	-	75	(105)
Custom Work	17	11	33
Power Purchased	94,300	88,661	86,473
Buildings and Grounds	792	699	542
Poles, Lines, and Feeders	6,006	5,437	5,408
Substations	1,245	978	1,063
Street Lighting	1,740	1,592	1,464
Meters	1,429	1,069	1,047
System Operations	172	106	146
Landfill Gas Generation	1,296	937	920
Provision for Capital Extension	6,250	6,250	5,816
Provision for Capital Replacement	9,826	9,826	7,694
	128,541	120,687	137,734
Surplus Before Transfer from Reserve	48,427	48,156	26,134
Transfer to Stabilization Reserve	(24,660)	(25,459)	(1,474)
Surplus	\$ 23,767	\$ 22,697	\$ 24,660

Appendix 7 - Waste Services Utility Statement of Revenues and Expenses**For the Year Ended December 31, 2018****(in thousands of dollars)****(unaudited)**

	2018 Budget	2018	2017
Revenues			
Residential Recycling	\$ 4,622	\$ 4,646	\$ 4,482
Compost	26	94	903
Multi Unit Recycling	2,567	2,580	2,599
Leaves and Grass	412	479	409
	7,627	7,799	8,393
Expenses			
General	438	722	1,546
Contractor Services	6,849	6,662	6,415
Contribution to Capital Reserve	-	157	172
	7,287	7,541	8,133
Surplus Before Transfer from Reserve	340	258	260
Transfer to Stabilization Reserve	(340)	(258)	(260)
Surplus	\$ -	\$ -	-

Appendix 8 - Land Operations Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Land Sale Revenue			
Single, Multi-Family & Commercial	\$ 63,862	\$ 29,735	\$ 33,540
Industrial/Suburban Centre	7,500	19,253	7,143
	71,362	48,988	40,683
Cost of Land Sold			
Single, Multi-Family & Commercial	42,420	18,070	21,522
Industrial/Surburban Centre	4,224	11,439	4,666
	46,644	29,509	26,188
Net Sales	24,718	19,479	14,495
Other Revenue			
Rock Sales	-	-	104
Cost Recoveries	-	6	198
Property Lease	2,278	2,647	2,561
Interest	32	324	343
Total Other Revenue	2,310	2,977	3,206
Other Expenses			
Salaries & Benefits	1,815	1,535	1,448
Operating Expenses	714	575	642
Grants-in-Lieu of Taxes	925	1,303	1,075
Maintenance	266	236	242
Interest	883	850	978
Marketing	1,183	1,192	894
Contribution to Reserves	1,769	961	748
Total Other Expenses	7,555	6,652	6,027
Surplus	\$ 19,473	\$ 15,804	\$ 11,674

Consolidated Revenues and Expenses

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Revenues					
Taxation	\$ 254,221	\$ 242,886	\$ 227,493	\$ 213,232	\$ 196,367
Grants-in-Lieu of Taxes	4,167	6,183	5,275	4,986	4,328
User Charges	442,347	414,509	392,543	379,082	360,813
Government Transfers	161,177	137,373	115,722	91,949	81,253
Investment Income	13,537	11,913	13,025	13,708	13,475
Contribution from Developers	148,928	121,037	94,051	196,143	168,324
Franchise Fees	16,055	15,818	21,701	21,616	15,250
Other	22,324	7,729	22,610	25,109	29,451
Federation of Canadian Municipalities	150	-	-	80	-
Total Revenues	1,062,906	957,448	892,420	945,905	869,261
Expenses					
Arts, Culture & Events Venues	10,454	11,959	6,226	5,661	4,878
Community Support	17,706	17,154	21,328	17,553	15,085
Corporate Asset Management	5,672	(7,902)	(5,792)	(7,867)	(7,058)
Corporate Governance & Finance	48,791	38,429	56,818	47,526	30,424
Debt Servicing Costs	12,127	14,132	16,465	14,795	19,200
Environmental Health	54,553	52,581	38,754	51,235	31,649
Fire	49,972	47,737	47,841	45,831	44,486
Land Development	8,006	26,060	1,972	1,974	1,729
Library	23,521	23,035	18,159	19,100	21,868
Police	104,558	102,199	99,926	104,043	90,334
Recreation & Culture	69,142	65,598	75,940	76,084	75,543
Taxation & General Revenues	7,040	6,697	3,672	4,681	3,491
Transportation	179,942	159,823	142,924	136,226	136,826
Urban Planning & Development	26,706	24,345	19,601	20,293	22,044
Utilities	185,826	184,892	161,732	198,376	177,195
Total Expenses	804,016	766,739	705,566	735,511	667,694
Surplus of Revenues over Expenses	\$ 258,890	\$ 190,709	\$ 186,854	\$ 210,394	\$ 201,567

Summary of Operating Revenues

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Taxation	\$ 231,149	\$ 220,086	\$ 206,562	\$ 193,806	\$ 178,318
Grants-in-Lieu of Taxes	41,439	38,744	36,524	34,708	33,135
General Revenues	99,307	93,963	95,163	91,357	83,977
User Fees	52,847	51,968	50,005	49,328	48,847
Transfers from Other Governments	62,505	64,813	66,546	65,318	62,949
Land Development	2,905	2,415	2,086	3,590	7,024
	\$ 490,152	\$ 471,989	\$ 456,886	\$ 438,107	\$ 414,250

Summary of Operating Expenses

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Land Development	\$ 1,188	\$ 2,415	\$ 2,086	\$ 3,590	\$ 7,024
Arts, Culture & Events Venues	7,657	7,183	7,206	5,841	4,703
Community Support	17,569	18,027	16,001	15,944	14,388
Corporate Asset Management	14,240	11,751	11,725	10,010	10,799
Debt Servicing Costs	29,135	29,461	27,787	26,884	29,355
Corporate Governance & Finance	48,189	40,230	38,152	37,421	33,026
Environmental Health	20,552	18,566	19,127	18,622	18,456
Fire	49,209	47,478	47,120	45,955	43,944
Police	100,635	96,927	93,280	89,949	85,779
Recreation & Culture	52,310	51,069	49,623	47,930	45,881
Taxation & General Revenues	7,766	7,605	7,809	6,840	5,872
Transportation	132,357	131,555	123,242	112,497	99,992
Urban Planning & Development	12,364	12,822	13,075	14,565	14,405
	\$ 493,171	\$ 475,089	\$ 456,233	\$ 436,048	\$ 413,624

Summary of Capital Operations

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Sources of Funds					
Province of Saskatchewan	\$ 26,456	\$ 32,106	\$ 1,830	\$ 8,040	\$ 165
Federal Gas Tax Program	649	199	-	-	-
Provincial Building Communities Program	-	-	921	-	2,274
Urban Highway Connector Program	-	-	226	678	473
Government of Canada	2,701	14,087	46	57	16
Transport Canada	55,492	3,179	38,582	-	-
Federal Transit Funding Program	4,908	9,513	11	2,380	3,510
Federal Gateway and Border Crossings	-	-	-	2,056	2,961
Building Canada Fund (FED)	3,749	5,027	2,599	3,965	6,673
Building Canada Fund (PROV)	3,570	4,628	2,599	4,136	529
Federation of Canadian Municipalities	150	-	-	-	-
FCM Green Fund Grant	-	-	-	-	28
Western Economic Diversification	-	-	-	-	130
Taxation	2,249	82	4,145	3,932	4,543
Utility Contribution	7,766	7,011	6,045	5,809	8,061
Contributions from Developers Benefiting Property Owners and Other Users	38,097	24,251	29,468	60,532	41,432
Appropriations					
Reserves	190,906	156,978	178,361	170,628	251,083
	336,693	257,061	264,833	262,213	321,878
Application of Funds					
Community Support	412	625	366	326	(519)
Corporate Asset Management	18,398	118,042	55,170	24,499	16,200
Corporate Governance & Finance	3,633	2,068	1,035	1,532	2,238
Environmental Health	5,173	3,123	2,942	2,351	4,580
Fire	2,256	5,561	1,797	1,492	93
Police	2,333	2,672	2,885	3,255	4,814
Recreation & Culture	39,900	15,229	24,539	60,172	46,210
Transportation	304,238	97,489	60,875	70,363	44,897
Urban Planning & Development	5,707	2,996	13,629	12,027	11,685
Saskatoon Land	29,054	42,237	58,842	98,297	114,123
Utilities	62,966	76,229	52,634	55,999	62,225
	474,070	366,271	274,714	330,313	306,546
Increase (Decrease) in Unexpended Capital Financing	(137,377)	(109,210)	(9,881)	(68,100)	15,332
Unexpended Capital Financing, Beginning of Year	(57,106)	52,104	61,985	130,085	114,753
Unexpended Capital Financing, End of Year	\$ (194,483)	\$ (57,106)	\$ 52,104	\$ 61,985	\$ 130,085

Summary of Public Utilities Operating Results

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Net surplus after deducting operating expenses, debt charges and contributions to reserves:					
Saskatoon Light & Power	\$ 22,697	\$ 24,660	\$ 23,063	\$ 21,319	\$ 23,408
Net Surplus	22,697	24,660	23,063	21,319	23,408
Amount contributed by Utilities to Revenue as Return on Investment	\$ 22,697	\$ 24,660	\$ 23,063	\$ 21,319	\$ 23,408

Summary of Reserves and Surplus

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Reserves					
Property Realized	\$ 40,734	\$ 30,901	\$ 21,717	\$ 27,792	\$ 28,955
Replacement	43,099	35,268	26,881	18,092	(20)
Future Expenses	169,694	141,136	109,765	93,009	55,135
Surplus (Deficit)	(3,019)	(3,100)	653	2,058	553
	\$ 250,508	\$ 204,205	\$ 159,016	\$ 140,951	\$ 84,623

Summary of Term Debt and Required Sinking Fund Consolidation of All Obligations

As at December 31, 2018 to 2014

(unaudited)

	2018	2017	2016	2015	2014
Total Term Debt	\$ 358,983,525	\$ 349,153,177	\$ 318,771,454	\$ 263,051,368	\$ 238,103,885
Population Estimate at July 31 (1)	278,500	273,010	266,064	262,900	257,300
Gross Debt Per Capita	\$ 1,289	\$ 1,278	\$ 1,198	\$ 1,001	\$ 925
Net Debt Per Capita	\$ 1,272	\$ 1,265	\$ 1,188	\$ 994	\$ 922
Mill Rate Supported Debt	\$ 397	\$ 441	\$ 488	\$ 529	\$ 514
Legal Debt Limit	\$ 558,000,000	\$ 558,000,000	\$ 558,000,000	\$ 558,000,000	\$ 558,000,000
Debt servicing costs as a percentage of total expenses	1.53 %	1.86 %	1.72 %	1.46 %	1.07 %

(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 Years Ended December 31, 2018 to 2014

(unaudited)

	2018	2017	2016	2015	2014
Waterworks Utility	\$ 23,290,018	\$ 30,327,183	\$ 37,170,298	\$ 43,853,933	\$ 49,786,148
Wastewater Utility	\$ 9,955,420	\$ 11,941,150	\$ 13,886,890	\$ 15,798,560	\$ 20,665,619
Gas Tax	\$ 9,974,638	\$ 16,627,895	\$ 23,065,231	\$ 29,284,796	\$ 35,297,088
P3	\$ 205,064,241	\$ 169,800,486	\$ 114,721,990	\$ 35,000,000	\$ -
Total Debt Not Supported by Civic Mill Rate	\$ 248,284,317	\$ 228,696,714	\$ 188,844,409	\$ 123,937,289	\$ 105,748,855
Total Civic Mill Rate Debt	\$ 110,699,208	\$ 120,456,463	\$ 129,927,045	\$ 139,114,079	\$ 132,355,030
Total Term Debt	\$ 358,983,525	\$ 349,153,177	\$ 318,771,454	\$ 263,051,368	\$ 238,103,885
Sinking Funds Accumulated to Retire Debt	\$ (4,715,417)	\$ (3,706,357)	\$ (2,685,616)	\$ (1,780,650)	\$ (871,935)
Net Debt	\$ 354,268,108	\$ 345,446,820	\$ 316,085,838	\$ 261,270,718	\$ 237,231,950
Population Estimate at Dec. 31 (2)	278,500	273,010	266,064	262,900	257,300
Gross Debt Per Capita	\$ 1,289	\$ 1,278	\$ 1,198	\$ 1,001	\$ 925
Net Debt Per Capita	\$ 1,272	\$ 1,265	\$ 1,188	\$ 994	\$ 922
Mill Rate Supported Debt	\$ 397	\$ 441	\$ 488	\$ 529	\$ 514

(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, 2018

(unaudited)

Year	Long-Term Debt Maturing	Percentage Yearly	Percentage Reduction Accumulated
2019	\$ 27,569,873	14.46 %	14.46 %
2020	24,445,654	12.27 %	26.73 %
2021	19,047,460	8.52 %	35.25 %
2022	19,708,554	8.77 %	44.02 %
2023	15,488,065	5.85 %	49.86 %
2024	14,296,339	4.88 %	54.74 %
2025	9,977,125	2.48 %	57.22 %
2026	8,961,424	2.00 %	59.22 %
2027	9,278,425	2.06 %	61.28 %
2028	9,650,604	2.12 %	63.41 %
2029	10,041,427	2.19 %	65.60 %
2030	10,451,047	2.25 %	67.85 %
2031	10,452,169	2.32 %	70.17 %
2032	8,101,886	0.59 %	70.76 %
2043	161,513,473	29.24 %	100.00 %
Total Debt	358,983,525	100.00 %	
Sinking funds accumulated to retire debt	(4,715,417)	-	-
Net Debt	\$ 354,268,108	- %	

Summary of Property Assessment and Tax Levy

For the Years Ended December 31, 2018 to 2014

(unaudited)

	2018	2017*	2016	2015	2014
Gross Assessments	\$ 45,895,563,135	\$45,959,955,680	\$33,857,081,395	\$33,140,448,115	\$ 32,187,650,200
Exemptions	10,430,652,235	10,066,975,145	7,600,970,280	7,549,330,626	7,394,587,326
Assessed Value for Taxation	\$ 35,464,910,900	\$35,892,980,535	\$26,256,111,115	\$25,591,117,489	\$ 24,793,062,874
	Mills	Mills	Mills	Mills	Mills
Tax Rate:					
General	6.54	6.29	7.92	7.63	7.26
Library	0.65	0.65	0.80	0.77	0.74
Education:					
Public/Separate Board	4.12	4.13	5.03	5.03	5.03
Total	11.31	11.07	13.75	13.43	13.03
Property Roll Collections:					
Current	\$ 422,067,470	\$ 406,646,405	\$ 380,850,825	\$ 362,771,314	\$ 340,692,675
Arrears	10,188,342	10,484,884	8,470,615	8,709,950	8,041,664
Total Collected	\$ 432,255,812	\$ 417,131,289	\$ 389,321,440	\$ 371,481,264	\$ 348,734,339
Percentage of Levy Collected:					
Current	96.98 %	95.74 %	95.65 %	95.84 %	96.44 %
Current and Arrears	96.84 %	95.96 %	95.39 %	95.67 %	96.05 %
Taxes Outstanding:					
Current	\$ 10,497,249	\$ 9,513,185	\$ 10,448,938	\$ 7,820,928	\$ 7,647,150
Arrears	3,448,714	2,919,214	2,387,274	2,164,633	2,136,065
	\$ 13,945,963	\$ 12,432,399	\$ 12,836,212	\$ 9,985,561	\$ 9,783,215

* Reassessment Year

Saskatoon Economic Statistics

For the Years Ended December 31, 2018 to 2014

(unaudited)

	2018	2017	2016	2015	2014
Saskatoon population (December 31)*:	268,188	273,010	266,064	262,900	257,300
Annual change	0.80 %	1.90 %	1.20 %	1.90 %	6.19 %
Saskatoon inflation rate - annual change	1.80 %	1.80 %	1.20 %	- %	1.90 %
Saskatoon unemployment rate - annual average	6.98 %	7.85 %	6.78 %	5.80 %	3.58 %
Number of Persons Employed in Saskatoon	174,043	170,770	168,233	169,625	169,100
Saskatoon Building Permits					
Total Number	3,566	3,998	3,950	4,327	4,996
Total Value	\$ 642,595	\$ 762,082	\$ 727,597	\$ 1,020,394	\$ 878,238
Annual Change	(9.72)%	1.11 %	(8.71)%	(0.13)%	(0.48)%

* December population estimates are provided by Planning & Development, derived from Statistics Canada annual July estimate data.

Sources of Information: Statistics Canada, City of Saskatoon - Planning Branch, Community Services Department

Major Taxpayers in Saskatoon

2018 Taxable Assessment

(in thousands of dollars)

(unaudited)

Midtown Plaza Inc.	\$ 291,389,700
Boardwalk REIT Properties Holdings Ltd.	223,721,760
Pillar Properties Corp.	151,722,700
Mainstreet Equity Corp.	147,339,680
Calloway REIT Saskatoon South	111,789,200
Saskatoon West Shopping Centres Limited	104,914,400
Centre at Circle & Eighth Property Inc.	102,941,700
959630 Alberta Inc.	102,275,940
CNH Canada Ltd.	85,825,640
Nexus Holdings Inc.	84,778,420
Boulevard Real Estate Equities Ltd.	81,839,260
The Saskatoon Co-operative Association Limited	80,267,400
Deer Lodge Hotels Ltd.	75,198,700
101042414 Saskatchewan Ltd.	72,323,900
Dundeal Canada (GP) Inc.	72,130,900

Summary of Accumulated Surplus and Net Financial Assets (Debt)

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Accumulated Surplus	\$ 4,324,959	\$ 4,066,069	\$ 3,875,360	\$ 3,688,506	\$ 3,455,899
Net Financial Assets (Debt)	\$ (29,481)	\$ (114,264)	\$ (125,106)	\$ (57,943)	\$ 68,633

Summary of Expenses by Object

For the Years Ended December 31, 2018 to 2014

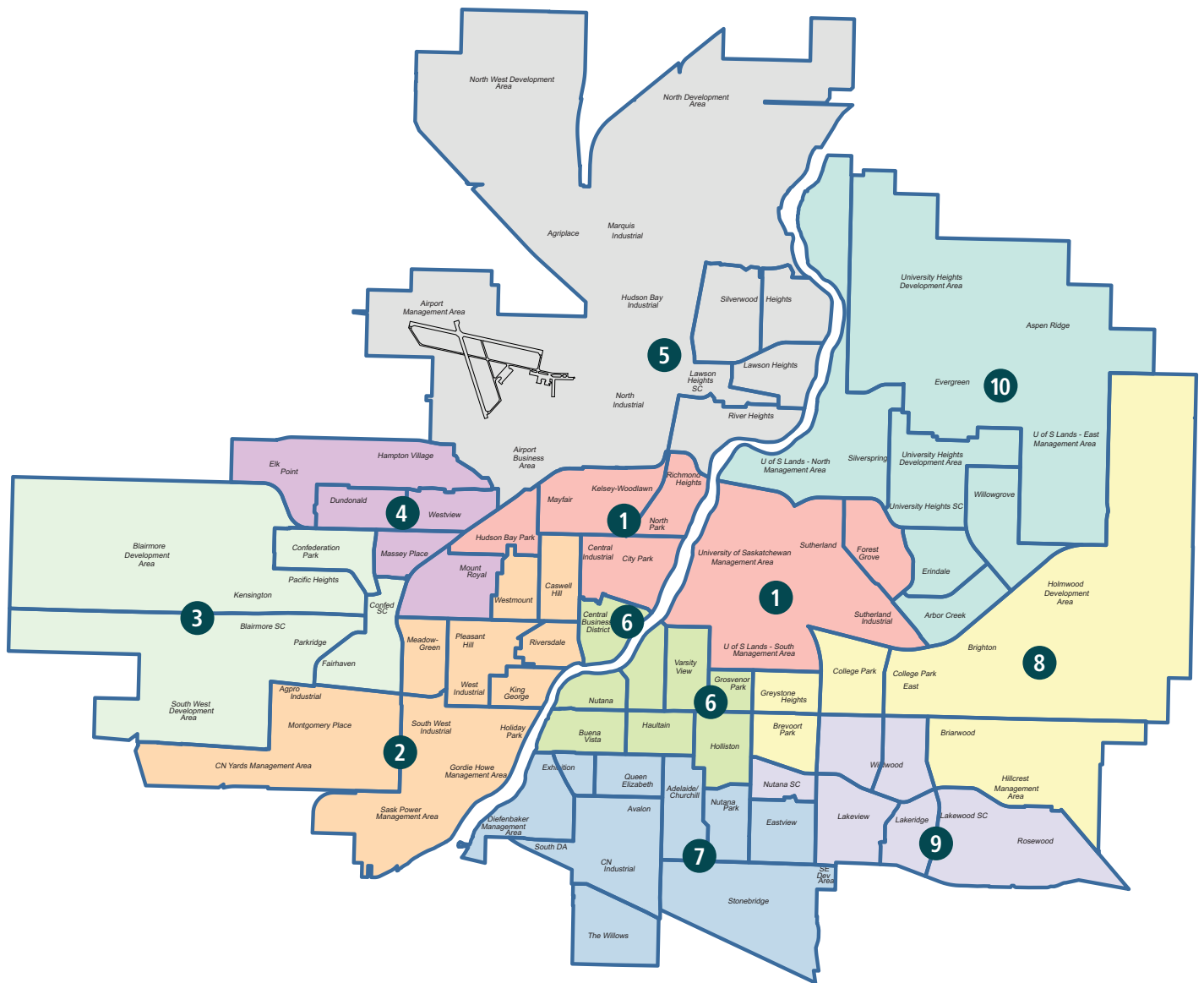
(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
Wages and Benefits	\$ 331,350	\$ 327,544	\$ 280,655	\$ 282,741	\$ 266,776
Contracted and General Services	159,645	149,564	161,007	188,684	158,191
Heating, Lighting, Power, Water and Telephone	109,870	106,737	97,683	99,809	96,332
Materials, Goods and Supplies	27,200	24,019	16,635	23,353	51,101
Finance Charges	24,266	14,132	16,465	12,098	6,493
Donations, Grants and Subsidies	10,068	10,752	9,888	11,679	8,835
Amortization	141,617	133,991	123,233	116,898	109,966
	\$ 804,016	\$ 766,739	\$ 705,566	\$ 735,262	\$ 697,694

CITY OF SASKATOON WARD MAP

2018



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, and those who demonstrate these commitments in their roles, are key to achieving our vision and mission. They shape our approach to operating, planning and decision-making every day:

RELIABLE AND RESPONSIVE SERVICE

STRONG MANAGEMENT AND FISCAL RESPONSIBILITY

EFFECTIVE COMMUNICATION, OPENNESS AND ACCOUNTABILITY

INNOVATION AND CREATIVITY



SASKATOON.CA