



REVISED AGENDA PUBLIC MEETING

Wednesday, July 22, 2015, 9:00 a.m.
Council Chamber, City Hall

Pages

1. **CALL TO ORDER**

2. **CONFIRMATION OF AGENDA**

Recommendation

1. That the attached communication from the City Manager be added as Urgent Business, Item 9.1; and
2. That the Agenda be confirmed as amended.

3. **DECLARATION OF PECUNIARY INTEREST**

4. **ADOPTION OF MINUTES**

Recommendation

That the minutes of the Public Meeting of Executive Committee held on June 15, 2015 at 12:00 p.m. and the Special Public Meeting of Executive Committee held on June 15, 2015 at 7:00 p.m., be approved.

5. **UNFINISHED BUSINESS**

5.1 Meeting of Executive Committee with Board of Police Commissioners

At the meeting of Executive Committee held on June 15, 2015, the Committee resolved that Executive Committee (City Councillors) identify any concerns to be discussed in advance of its meeting with the Board of Police Commissioners scheduled for July 22, 2015.

The City Clerk has not received any formal submissions. The Chief of Police and members of The Board of Police Commissioners will be in attendance.

Recommendation

That the information be received.

6. COMMUNICATIONS (requiring the direction of the Committee)

6.1 Delegated Authority Matters

6.2 Matters Requiring Direction

- 6.2.1 Annual Report - Saskatoon Centennial Auditorium and Convention Center (File No. CK. 175-28) 6 - 11**

Recommendation

That the report be forwarded to City Council as Information.

- 6.2.2 Sasktel Centre - Request to change Saskatchewan Place Association's Bylaw No. 1. (File No. CK. 175-31) 12 - 13**

Recommendation

That a report be forwarded to City Council recommending:

1. That the Saskatchewan Place Association Board be permanently expanded to include up to two additional directors; and
2. That His Worship the Mayor, as the City's representative, or his nominee, sign a resolution of the Member (the City), as prepared by the City Solicitor.

- 6.2.3 Appointment - Board of Trustees - Defined Contribution Plan for Seasonal & Non-Permanent Part-Time Employees - Management Representative (File No. CK. 175-40) 14 - 14**

Memo dated June 15, 2015 from City Manager attached.

Recommendation

That a report be forwarded to City Council recommending that Jason Turnbull be appointed as Management's Representative to the Board of Trustees of the Defined Contribution Plan for Seasonal and Non-Permanent Part-Time Employees.

6.3 Requests to Speak (new matters)

7. REPORTS FROM ADMINISTRATION

7.1 Delegated Authority Matters

7.2 Matters Requiring Direction

7.2.1 2016 Business Plan & Budget Process (File No. CK. 430-72 x 1700-1)

7.2.1.1 Civic Facilities Funding Plan (File No. CK. 600-1 x 1700-1) 15 - 19

Recommendation

That the Executive Committee recommend to City Council:

1. That the updated Civic Facilities Funding Plan as presented be approved in principle; and
2. That an updated Civic Facilities Funding Plan be referred to the Annual Corporate Business Plan and Budget deliberations for approval.

7.2.1.2 Major Transportation Infrastructure Funding Plan (File No. CK. 6330-1 x 1860-1 x 1700-1) 20 - 26

Recommendation

That the Executive Committee recommend to City Council:

1. That the proposed Major Transportation Infrastructure Funding Plan be approved in principle; and
2. That an updated Major Transportation Infrastructure Fund Plan be referred to the Annual Corporate Business Plan and Budget deliberations for approval.

7.2.1.3 Gas Tax Allocation Plan (File No. CK. 1860-1 x 1700-1) 27 - 31

Recommendation

That the Executive Committee recommend to City Council:

1. That the proposed use of the Federal Gas Tax be approved as presented in the Gas Tax Allocation Plan within this report; and
2. That an updated Gas Tax Allocation Plan be referred to the Annual Corporate Business Plan and Budget deliberations for approval.

7.2.1.4	Operating Mill Rate Impact from Forecasted Debt (File No. CK. 1500-1 x 1702-1 x 1905-3)	32 - 39
	Recommendation	
	That the information be received.	
7.2.1.5	2015 Civic Services Survey (File No. CK. 365-1)	40 - 101
	Recommendation	
	That the report of the General Manager, Corporate Performance Department dated July 22, 2015, be forwarded to City Council for information.	
7.2.1.6	Service Level Issues and Options (File No. CK. 430-72 x 1700-1)	102 - 136
	Recommendation	
	That the Executive Committee:	
	1. Direct the Administration to include the service level adjustments for Customer Service improvements into the 2016 Business Plan and Budget; and	
	2. Direct the Administration to include the remaining service level adjustments, totalling \$110,000 into the 2016 Business Plan and Budget.	
7.2.1.7	Request for Funding - Community Greenhouse Gas Emissions Inventory (File No. CK. 375-4 x 430-72)	137 - 137
	Recommendation	
	That the information be received and considered with the 2016 Business Plan and Budget review.	

8. LEGISLATIVE REPORTS

8.1 Delegated Authority Matters

8.2 Matters Requiring Direction

9. URGENT BUSINESS

9.1 *Remain Modern - Financial and Donor Fundraising Matters (File No. CK. 175-27)* 138 - 139

10. IN CAMERA AGENDA ITEMS

Recommendation

That the Committee move *In Camera* to consider the following items:

10.1 Board Resignation (File No. CK. 175-58)

[In Camera - Personal Information]

10.2 Board Appointment (File No. CK. 175-28)

[In Camera - Personal Information]

10.3 Board Term Extension (File No. CK. 175-28)

[In Camera - Personal Information]

10.4 Labour/Personnel Matter (File No. CK. 115-1)

[In Camera - Labour/Personnel Matters]

10.5 Verbal Updates

10.5.1 Council Members

10.5.1.1 His Worship the Mayor

10.5.1.2 FCM/SUMA

10.5.1.3 Boards and Commissions

10.5.2 Administration

10.5.2.1 City Manager

[Sections 13, 14(1), 15(1), 16(1), 17(1), 18(1), 19, 20, and 21 - LAFOIPP]

11. ADJOURNMENT

RECEIVED

JUN 16 2015

CITY CLERK'S OFFICE
SASKATOON

**Annual Disclosure Report
From
Saskatoon Centennial Auditorium and Convention Center
Year Ending December 31st 2014**

1. Introduction

This report is being prepared in accordance with Article 5.6 of The Board Governance Manual; City Council Disclosure Requirements, and is intended to provide the City of Saskatoon with salient information regarding the operation of TCU Place during 2014.

2. Board of Directors

a. Membership As at December 31st 2014

Paul Jaspar – President*
 Kirk Cherry – Vice President*
 Deborah Fortosky - Treasurer*
 Christine Hrudka – Secretary*
 Peggie Koenig – Past President*
 Don Atchison – Mayor
 Murray Totland – City Manager
 Tiffany Paulsen – Councillor
 Ann Iwanchuk - Councillor
 Lorne Mysko - Director
 Om Kochar – Director
 Sultan Ali Sadat - Director

* Member, Executive Committee

b. Mandate

The Board is accountable to City Council and its mandate is to:

- provide stewardship of TCU Place on behalf of the City of Saskatoon
- to supervise and evaluate the management of the Auditorium's business and affairs
- to maintain the corporation's financial strength
- to oversee the Auditorium's strategic direction
- to oversee its organizational structure and the succession planning of senior management

The Board's key responsibilities are:

- Strategic Planning
- Risk Assessment/Management
- Internal Controls
- Management & Evaluation
- Stakeholder Strategies/Communications

The Board carries out its mandate through the Chief Executive Officer (CEO) using the following directives:

- Approving Board Policies
- Conducting an annual review of the Corporation's strategic plan
- Conducting an annual performance review of the CEO
- Approving the annual budget
- Monitoring the Organization's financial performance

c. Governance Structure, Policies and Practices

During the 2014 fiscal year, the Board used five Board Committees and four Working Groups to assist in fulfilling its mandate.

Board Committees

- **Executive Committee**
This is an advisory committee appointed by and accountable to the Board. It acts on important issues, if and when required between regular meetings.
- **Audit & Finance Committee**
The committee is appointed by the Board and is responsible for the policies and practices relating to internal controls and financial reporting. During the year, the Audit Committee reviewed both the monthly and audited financial statements with management and the external auditors. Based on these discussions, the Audit Committee agreed that the company's financial statements were fairly presented and conformed to Generally Accepted Accounting Principles.
- **Nomination Committee**
The Nominating Committee, chaired by the Past President, presented a slate of officers to the Board at the Annual General Meeting.
- **Chief Executive Officer Performance Evaluation Committee**
The committee consisting of four members was appointed by the Board to complete the annual performance review of the Chief Executive Officer. A 360 degree evaluation tool was used.
- **Governance Committee**
This committee consisted of four Board members and considered updates to the Governance Manual with respect to reporting procedures for the City of Saskatoon. A strong emphasis was placed on the governance of the Corporation to the point of moving this mandate from a Working Group to a Committee in 2013.

- **Board Working Groups**

- **TCU Place Futures Working Group - Co Chairs – Lorne Mysko and Bob Korol**

The Committee met with Ms. Jeanna South from the City of Saskatoon Planning Department to guide discussions relating to the many potential changes that will be occurring around the TCU Place property. TCU Place also met with City of Saskatoon Executive Committee to outline plans for the future expansion of the facility. Changes in transportation corridors, potential new private development in our neighbourhood, the opening of the Cactus Club Restaurant and the new hotel across the street all impacted on our future planning and operation.

The enhancement of the TCU experience remains high on the Futures Committee agenda. The opening of the link to Midtown Plaza has been a tremendous success.

Upgrades to the furniture in the lobby, Jim & Lisa Green Room (\$30K) and the new signage both inside and outside of the building (\$600K) were completed in 2014. Funding for these projects was provided by both TCU Place and Infrastructure Services.

- **Board Self Evaluation Working Group - Chair – Sultan Ali Sadat**

The working group administered a survey that was completed by all Board members. The comments from this process were very positive.

- **Strategic Planning - Chair - Christine Hrudka**

Management at the request of the Board participated in a half day strategic planning session. Discussions focused on TCU's strategic direction in the context of City of Saskatoon's new Cultural Plan and the City's wider Strategic Plan. The core values to the strategic plan remained unchanged with all strategic goals populated with measureable outcomes.

3. Senior Management

a. Management Team

Bob Korol – Chief Executive Officer

Pam Kilgour - Director of Finance

Rhonda Chelack – Director of Events

Suzanne Decker - Director of Sales

Tammy Watt – Director of Operations

b. Departments (See Organization Chart – Appendix A)

○ **SALES**

The department consists of CEO, Director of Sales, Sales Manager, three Sales Coordinators, Communications Clerk and a Sales Clerk. This department is responsible for booking Theatre Events – Ballet/Dance, Concerts, Family Shows, Live Theatre, Movies/Film, and the Symphony, and Non Theatre Events – Banquets, Cabarets, Conventions, Graduations, Meetings, Trade Shows, Weddings, Self-Created Events, and Outside Events.

○ **EVENTS**

The events department consists of Director of Events and three Events Coordinators. The Events Department is responsible coordinating the details of booked events from start to finish including catering, AV, room setup and any other services required to stage the event.

○ **THEATRE**

The Theatre department consists of Stage Carpenter, Audio Technician, Lighting Technician and IATSE crews. This department is responsible for setting up and restoring the Stage for theatre events, and lighting and sound production.

○ **BOX OFFICE**

This department consists of a Box Office Supervisor, Client Services Sales Coordinator, Client Services Technician and Client Services attendants. This department is responsible for providing customer service and ticket sales utilizing TCU's Audience View ticketing system.

○ **GUEST SERVICES/INVENTORY**

Guest Services: This department consists of Theatre Sales Manager, Event Captains, Head Hostess and Guest Services Attendants. This department is responsible for providing Bartender, Greeter, Coat Check and Ticket Taker services to guests.

Inventory: This department consists of Inventory Control Clerk. This department is responsible for the inventory of liquor and bar services.

○ **TECHNICAL SERVICES**

This department consists of Technical Services Manager and Facility Technicians. Responsibility includes Audio Visual, lighting and technical requirements for events.

- **SECURITY SERVICES**
This department consists of the Security Services Supervisor and Stage Door Attendants. This service is responsible for security at events and stage door, shipping and receiving.
- **EVENT SERVICES**
This department consists of an Event Services Supervisor, Lead Event Attendants, and Event Attendants. Responsibility includes building cleaning and the setup of rooms for events.
- **BUILDING OPERATIONS**
This department consists of a Resident Building Operator and Building Operators. This department is responsible for building operations 24 hours per day 7 days per week - maintenance of building and equipment and building temperature control.
- **ADMINISTRATION**
This department consists of CEO, Director of Finance, Director of Operations, Accounting Clerks and a Receptionist. Responsibilities include the management, financial management and all office and computer systems maintained and operating for TCU Place. This area also produces financial and operational reports for/to staff and stakeholders, identify strengths and weaknesses in the operations, and maintain its assets and operations. It also implements the strategic plan and represents TCU Place as a key venue to the community and its members. This department ensures that TCU Place grows to its full potential in the direction identified by the Board.

4. Key Performance Indicators

Management has developed key indicators to measure the performance of the Corporation. Examples include the number of, attendance and the contribution from each type of event. The Audit and Finance Committee receives and reviews monthly financial statements that show the Corporation's budgeted and actual contribution for the current month, Balance Sheet as well as year to date and presents them to the Board. Also received is a monthly aged trial balance of all accounts receivable together with a report on collection initiatives.

5. Risk Management

The Audit & Finance Committee completed an annual review of our risk management matrix with revisions approved by the Board. This process will continue to be reviewed on an annual basis.

6. Financial Performance and Market Conditions

- The nature of TCU's business goes in cycles and this past twelve months has been a banner year (Annual Surplus – circa \$1.3M) in our overall performance and financial picture. Credit goes to our Board, our CEO Mr. Bob Korol and his leadership team for maintaining revenues and controlling overhead costs.
- TCU Place continues to see increased competition from facilities such as Prairieland Park, the Dakota Dunes Casino and Sasktel Center. TCU Place has benefited from other changes including an increased demand for more choice in entertainment, a growing population and the request for fine dining options in an upscale environment.

7. Infrastructure

- Fire suppression work, which began in 2012, saw the second and third phases of the project complete in 2013 and 2014 respectively. The fourth and final phase has not been tendered at the time of writing. Total cost of all phases thus far is \$2.5M with TCU Place contributing \$400K to the funding of the project.

8. Inside and Outside Signage

- Negotiation for the right to provide signage both inside and outside the building was completed in 2014. The new agreement between the Centennial Auditorium and Canadian Digital Network Limited is for 10 years with TCU Place receiving 20% of all gross revenues.

9. Reserves

- The Board contracted Suncorp Valuations to prepare a reserve fund study to review the reserve fund concepts and major reserve fund items of the Corporation. The study provided current and future replacement reserve estimates as well as recommending various reserve fund actions. TCU Place reserves are currently fully funded.



175-31



July 13, 2015

Executive Committee
City of Saskatoon
222-3rd Avenue North
Saskatoon, SK S7K 0J5

Dear Members of the Executive Committee:

The Board of Directors of Saskatchewan Place Association respectfully requests that the below outlined change to Saskatchewan Place Association's Bylaw No. 1 be approved by the Executive Committee of the City of Saskatoon.

The purpose of this proposed Bylaw change is to better position the Board in its decision making responsibilities. By adding up to an additional two directors, the Board will be able to secure a broader and deeper skill and experience set. This will result in stronger oversight and governance.

Our current Bylaw No. 1 sets the number of directors at 10 with the ability for the member to temporarily appoint up to two additional directors for terms of up to two years each. This is set out in section 3.01 of the current Bylaws, below:

3.01 Number of Directors

a) Until changed in accordance with the Act, the Corporation shall have 10 Directors, provided that the members, on a temporary basis, may appoint up to two additional Directors for a term of up to two years each as the members deem advisable. Unless the members by special resolution resolve otherwise, the 10 Directors shall be chosen as follows:

- a) The Mayor of the City of Saskatoon shall be a Director;
- b) Two Councillors of the City of Saskatoon shall be Directors; and
- c) Seven residents of the City of Saskatoon who are not Councillors of the City of Saskatoon shall be Directors;

The Board of Directors of Saskatchewan Place Association is recommending to the Executive Committee that the Saskatchewan Place Association Board be permanently expanded to include up to two additional directors. This requires an amendment to section 3.01 of Bylaw No. 1. The Board of Directors of Saskatchewan Place Association is recommending the following revision, with the input of the City Solicitor's Office, to section 3.01 of Bylaw No. 1:

3.01 Number of Directors

a) Until changed in accordance with the Act, the Corporation shall have no more than 12 Directors. Unless the members by special resolution resolve otherwise, the Directors shall be chosen as follows:

- a) The Mayor of the City of Saskatoon shall be a Director;
- b) Two Councillors of the City of Saskatoon shall be Directors; and
- c) No more than nine residents of the City of Saskatoon who are not Councillors of the City of Saskatoon shall be Directors.

We thank you in advance for considering this request. Should you have any questions, please feel free to contact us at any time.

Sincerely,



Adele Buettner
Board Chair

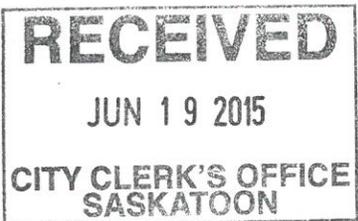


Gary Gullickson
Chair Governance Committee

CITY OF SASKATOON

Office of the City Manager

To: Joanne Sproule
City Clerk



Date: June 18, 2015
Phone:
Our File: CC 175-1

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

Your File:

Re: Resignation – Board of Trustees – Defined Contribution Plan for Seasonal and Non-Permanent Part-Time Employees

In response to your memorandum dated April 20, 2015, I am recommending Jason Turnbull as the replacement for the management representative on the Board of Trustees of the Defined Contribution Plan for Seasonal and Non-Permanent Part-Time Employees.

MT:blm

Copy Kerry Tarasoff, General Manager/CFO, Asset and Financial Management

Civic Facilities Funding Plan Update

Recommendation

That the Executive Committee recommend to City Council:

1. That the updated Civic Facilities Funding Plan as presented be approved in principle; and
2. That an updated Civic Facilities Funding Plan be referred to the Annual Corporate Business Plan and Budget deliberations for approval.

Topic and Purpose

The purpose of this report is to provide an updated Civic Facilities Funding Plan based on the most recent information and estimates available.

Report Highlights

1. The updated Civic Facilities Funding Plan includes future and current major projects such as the Civic Operations Centre Phase 1 and Phase 2, and completed projects such as the new Police Headquarters and Trunked Radio System.

Strategic Goal

The Civic Facilities Funding Plan supports the four-year priority of developing funding strategies for expenses related to new capital expenditures including core services such as fire halls, roadways and underground services, under the Strategic Goal of Asset and Financial Sustainability.

Background

The purpose of the Civic Facilities Funding Plan is to fund a number of major civic facilities over the next ten years. The following projects are included in the Plan, as previously approved by City Council:

- New Police Headquarters
- Trunked Radio System Infrastructure
- Relocation of two Fire Halls (land, design, construction)
- Civic Operations Centre – Transit Relocation and Development of Snow Storage Facility (construction and operation)
- Civic Operations Centre – City Yards Relocation (construction and operation)
- Remai Modern Art Gallery of Saskatchewan (additional capital requirement – 2015 Capital Budget)
- Civic Office Space Renovations/Expansion

In addition, the intent is to have an ongoing source of funding to create a Major Civic Facilities Reserve with an increasing contribution of \$500,000 per year after 2025

funded by the dedication of tax revenues resulting from annual assessment growth. Consistent with this intent, on December 20, 2010, City Council resolved that a Major Civic Facilities Reserve be established and that the source of funding include any under expenditures resulting from the Civic Facilities Funding Plan, plus the allocation of \$500,000 of revenue resulting from annual assessment growth once all borrowing commitments for the Remai Modern Art Gallery are fulfilled.

The Administration was also requested to update City Council as the funding plan evolves.

Report

Attachment 1 is a summary of the projects and funding sources included within the Civic Facilities Funding Plan including the cash flow requirements, up to and including the year 2025, to be approved through the annual budget process.

Updated Civic Facilities Funding Plan Projects

- **New Police Headquarters**
Construction of the new Police Headquarters facility is complete but the final cost analysis for the project is ongoing. It is currently projected to be under budget by \$1M. This provides capacity within the existing plan to fund the additional costs associated with the Remai Modern Art Gallery of Saskatchewan (Remai Modern Art Gallery) that was approved during the 2015 budget review. Any additional under expenditures from the Police Headquarters project will be held as a contingency within the plan.

- **Civic Operations Centre**
On December 16, 2014, the City entered into a contract or Project Agreement (PA) with Integrated Team Solutions SCOC Partnership (ITS or Project Co) for the Civic Operations Centre (COC). There are three main budget components to this Project:
 - capital cost;
 - operating and maintenance costs; and
 - transaction costs.

The procurement for the project was highly competitive resulting in a favourable value for money submission that was even greater than the amount identified in the business case.

- **City Yards Relocation**
The second phase of the Civic Operations Centre is to have the City Yards relocated from its existing location in the North Downtown district. An estimated \$92M is contained within the Plan. The Plan has funding for this starting in 2019 mostly covered through debt.

- Fire Halls

Two fire stations were initially included within the plan. However, the Saskatoon Fire Department is utilizing fire station deployment analysis to identify the most effective strategy for station location for both new and existing stations. Based on this analysis, relocation for two existing fire stations is a key priority for the Fire Department.

This proposed relocation and new construction will see #3 station move to the south end of Clarence Avenue and #5 station move to Preston Avenue at Field House Road. The relocation of #3 station will eliminate the need for the previous proposed station on Melville Street. The proposed fire station for the Elk Point neighbourhood continues to be worked on and is subject to the land development servicing. The funding plan currently includes funding of the land for this third fire hall. The funding plan for this fire hall will be further reported on in the near future and will consider options such as using Building Canada Funds, Gas Tax Funds and other sources of funding.

On August 21, 2014, City Council approved a list of Water and Wastewater Utility projects to be submitted for funding from the 2014 through 2023 Gas Tax Fund. The intent was to reallocate equivalent funding from the affected utilities to other capital projects. In order to diversify the use of Gas Tax funds, the funding of fire halls is to include funds other than those from property taxes. To provide additional capacity to this funding plan, the Administration is recommending that the two fire halls included in this funding plan reflect a one-third share of funding from reallocated Gas Tax funds.

- Remail Modern Art Gallery

The 2015 Budget included a \$6M provision to complete the Remail Modern Art Gallery. Previous budget amounts were included in the Major Recreational and Cultural Facilities Funding Plan. The funding source for that Plan was \$500,000 in property tax revenue resulting from incremental assessment growth. This funding source has now been transferred to the Civic Facilities Funding Plan.

- Other

The remaining items in the Plan include the Trunked Radio project which was completed and funded from 2011 - 2013. Also included is the Corporate Accommodation Project for optimization of civic office and operational space. In total, \$15M is incorporated into the Plan with the allocations of \$2.5M in years 2018 - 2023.

The Accommodation Project timing and budget is certainly open to changes at the discretion of City Council, although some funding will be needed in this time frame to complete the final fit up of Civic Square East as office space demand within the corporation increases. There will also be a requirement for alterations to the existing City Hall to better align to the Service Saskatoon initiative and provide enhanced building security.

Options to the Recommendation

There is an option to discontinue provisions to this funding plan once capital projects that have begun have been fully funded. This includes the new Police Headquarters, the Remai Modern Art Gallery, and the Civic Operations Centre (Transit Relocation and south west Snow Management Facility).

The Administration does not recommend this option as the projects currently included within the Plan have all been identified in the past as priorities. Should no other projects be added to the Plan, the last incremental funding required will be in 2025.

Reductions or elimination of the mill rate contribution to the Plan would not provide the necessary funds for debt repayment and/or direct contributions to projects.

Financial Implications

The financial implications are outlined within the body of this report.

As this Plan is tightly integrated with the Gas Tax Allocation Plan, changes to the Civic Facilities Funding Plan can have implications to the Gas Tax Allocation Plan as well. The specific projects affected within this Plan by the Gas Tax funding include the fire halls and P3 funding for the Civic Operations Centre.

Other Considerations/Implications

There are no policy, environment, privacy or CPTED implications or considerations. Neither public/stakeholder involvement nor a communication plan is required.

Due Date for Follow-up and/or Project Completion

As projects are finalized and updated estimates for future projects are obtained, the plan provisions will be reviewed and updated as required and brought forward to the Executive Committee.

Public Notice

Public Notice will be required at the appropriate time for any projects included in this plan that result in borrowing funds.

Attachment

1. Civic Facilities Funding Plan Summary June 2015

Report Approval

Written by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management
Department

Approved by: Murray Totland, City Manager

**Civic Facilities Funding Plan Summary
as at June 30, 2015**

Purpose:
To fund a number of major civic facilities over the next ten years resulting in a Major Civic Facilities Reserve with an annual contribution of between \$500,000 and \$2,000,000.

Project	Budget	Year	Sources of Funding
Police Facility	122,100,000	2011-2013	Cash
Police Facility estimated under expenditure	(1,000,000)	2014	Operating Budget contribution
Trunked Radio System Infrastructure	3,169,000	2011-2012	Gas Tax Fund - one third of the cost of fire halls
Remal Modern Art Gallery	6,000,000	2015	Federal Transit Funding
Fire Hall Relocations & Land for 3rd Hall	15,056,000	2016-2019	Property Realized Reserve Funds in Excess of \$24M Cap
City Yards Relocation *	92,000,000	2018-2023	Evergreen Neighbourhood Land Development net proceeds
Civic Office Space Renovations/Expansion	15,000,000	2018-2023	City Issued Debenture (Police Facility, Trunked Radio System, City Yards Relocation)*
Contingency	3,000,000	2015-2016	
*Triming of City Yards Relocation and associated debt is subject to affordability			
P3 Canada Funding (applied to Civic Operations Project directly)			
P3 Payment Stream - Civic Operations Centre (Operating & Capital)			
Annual P3 Transit Facility/Snow Storage Facility Debenture Payment 25 yrs			
Annual contribution from Federal Gas Tax Funds 2017 to 2024 \$12M			
Annual contribution from Federal Gas Tax Funds \$1M per year for 25 yrs			
P3 Transit Facility/Snow Storage Facility Operating, Mntnc and Reserve Payment 25 yrs			
Transit CBCM reallocation			
			35,353,000

Notes to Cash flow

Phase in Capital: This is an annual incremental increase to property taxes to support future debenture/P3 payments
Phase-in Operating: It is assumed there will be increased operating and lifecycle costs related to the City Yards Relocation. \$4,0M has been added as a preliminary estimate.
Incremental Revenue Sharing: Revenue Sharing should continue to increase with population growth and increases to the PST base. Dedicating a portion of the funds to this project acknowledges this project relates to growth.
Revenue from Assessment: Tax revenue resulting from annual assessment growth, previously dedicated to the Major Recreational & Cultural Facilities Funding Plan. Future contributions are dedicated to this plan and the resulting Major Civic Facilities Reserve as per City Council resolution dated January 4, 2011

Civic Facilities Funding Plan Summary June2015.xls
June2015

Prior Years	Committed	Phase in Capital	Phase in Operating	Subtotal	Incremental Rev Sharing	Revenue from Assessment	Total
2009	1,000,000			0			1,000,000
2010	750,000	350,000	0	0	150,000	0	750,000
2011	750,000	350,000	0	0	150,000	0	1,100,000
2012	850,000	350,000	0	350,000	150,000	0	1,350,000
2013	850,000	350,000	0	350,000	0	0	1,350,000
2014	850,000	350,000	0	350,000	0	0	1,200,000
2015	850,000	0	0	0	0	0	850,000
2016		350,000	500,000	850,000	250,000	500,000	1,600,000
2017		350,000	500,000	850,000	250,000	500,000	1,600,000
2018		350,000	500,000	850,000	250,000	500,000	1,600,000
2019		350,000	500,000	850,000	250,000	500,000	1,700,000
2020		350,000	500,000	850,000	350,000	500,000	1,700,000
2021		350,000	500,000	850,000	350,000	500,000	1,700,000
2022		350,000	500,000	850,000	350,000	500,000	1,700,000
2023		350,000	500,000	850,000	350,000	500,000	1,700,000
2024		0	0	0	350,000	500,000	1,700,000
2025		0	0	0	350,000	500,000	850,000

Cash Flow
In addition to the above-noted sources of funding, phased-in operating budget increases are also required. These increases include the previously committed funding for the Police Facility, mill rate increases, and dedicated amounts from Revenue Sharing and revenue from assessment growth.

Major Transportation Infrastructure Funding Plan

Recommendation

That the Executive Committee recommend to City Council:

1. That the proposed Major Transportation Infrastructure Funding Plan be approved in principle; and
2. That an updated Major Transportation Infrastructure Fund Plan be referred to the Annual Corporate Business Plan and Budget deliberations for approval.

Topic and Purpose

The purpose of this report is to obtain City Council's approval in principle of the overall transportation funding and financing strategy through a new proposed Major Transportation Infrastructure Funding Plan. In addition, this report outlines available funding under the programs in the New Building Canada Plan.

Report Highlights

1. The proposed Major Transportation Infrastructure Funding Plan sets out the funding plan for the North Commuter Parkway and Traffic Bridge, and also includes:
 - Boychuk Drive/Hwy 16 interchange;
 - McOrmond Drive/College Drive interchange;
 - an accelerated transit bus replacement program;
 - contributions towards the proposed Bus Rapid Transit (BRT) initiative;
 - gravel street upgrades; and
 - contributions to the Bridge Major Repair Reserve.
2. The Plan also delivers base funding for a new Transportation Infrastructure Reserve and provides for the operating impact of the new infrastructure.
3. Funding sources include mill rate funding for five years (2018 – 2023) of about 1.3% on average, as well as surpluses from Saskatoon Land (Evergreen and Kensington), Interchange Levy, developer contributions, the Province of Saskatchewan, Gas Tax Fund, Building Canada Fund, and new debt totalling \$46M.

Strategic Goal

The Major Transportation Infrastructure Funding Plan supports the 4-year priority of developing funding strategies for new capital expenditures and the long-term strategy of reducing the gap in the funding required to rehabilitate and maintain the City's infrastructure under the Strategic Goal of Asset and Financial Sustainability.

Major Transportation Infrastructure Funding Plan

Background

There are increasing funding requirements for both new and replacement of major transportation infrastructure. To meet these demands, which include interchanges, a proposed BRT system, and the North Commuter Parkway and Traffic Bridge projects, a long-term funding strategy is needed.

Report

Proposed Funding Plan

The Administration has developed a funding and financing plan that provides/allocates funding for the following projects:

- North Commuter Parkway and Traffic Bridge
- two interchanges;
- contributions to both the Bridge Major Repair Reserve and the Bus Rapid Transit (BRT) initiative;
- an accelerated bus replacement program; and
- gravel street upgrades.

The timing of all of these projects in this Plan is 2015 – 2021 with a total cost of \$459.95M. The projects included in the Plan are listed in Table 1. Those projects identified with a ▼ symbol can be either adjusted or removed from the Plan which frees up funding for other uses. The other projects in the Table are either committed or at a stage that would make it difficult to adjust.

Table 1 – Major Transportation Infrastructure Projects

Project	Cost	Notes
North Commuter Parkway/Traffic Bridge	\$252.6M	P3 Project – Three teams have been shortlisted to build the projects. It is expected to have the Project Agreement in place by October 2015. Construction will take place 2016 – 2018.
▼ Bridge Major Repair Reserve	\$20.0M	Contributions over 2017 - 2020
McOrmond/Hwy 5 Interchange	\$46.6M	2015 - 2017
Boychuk/Hwy 16 Interchange	\$44.55M	2015 - 2017
▼ Transit Corridors/BRT	\$76.8M	Growing Forward, Shaping Saskatoon BRT (2017-2021+). This is a long-term strategy that will have short-term, medium-term and longer term phases.
▼ Bus Replacements (Renewal Strategy)	\$16.4M	2018 - 2021
▼ Gravel Street Upgrades	\$3.0M	Contributions over 2016 - 2021
Total	\$459.95M	

▼ indicates projects or reserves that can be adjusted or removed from this Plan

The funding plan for the projects listed in Table 1 comes from a variety of sources, including surpluses from Saskatoon Land (Evergreen and Kensington), the Interchange

Major Transportation Infrastructure Funding Plan

Levy, Developer contributions, the Province of Saskatchewan, the federal Gas Tax Fund and Building Canada Fund, and new debt totalling \$46M. To service this debt, the City will require mill rate funding for four years (2018 – 2021) of about 1.3% on average based on a borrowing term of 10 years.

The funding sources are listed in Table 2.

Table 2 – Source of Funding For Major Transportation Infrastructure Funding Plan

Source of Funding	Amount	Notes
P3 Canada (NCP/TBR)	\$63.165M	25% of eligible costs.
P3 Debt	\$121.4M	P3 payments for debt funded by Gas Tax as part of the Gas Tax Plan as identified in the Gas Tax Allocation Report.
Property Realized Reserve	\$10.0M	Allocation made and held in 2012 for Traffic Bridge Replacement Project.
Evergreen NLDF* Dividend	\$20.0M	2016
Kensington NLDF* Dividend	\$19.5M	2018
Province of Saskatchewan - NCPP	\$38.0M	Funding is confirmed at \$50M but \$12M expected to be used to finance NCPP payments. Waiting confirmation on the cash flow timing of these funds.
Interchange Levy	\$19.4M	\$4.0M for Boychuk & Hwy 16 interchange and remainder allocated for McOrmond and College Drive Interchange.
Developer Contributions from a Special Levy Collected for Rosewood Flyover	\$11.5M	Reallocated to Boychuk and Hwy 16 interchange.
Building Canada Fund PTIC**	\$29.04M	Federal and Provincial funding for Boychuk and Hwy 16 interchange.
Building Canada Fund NIC***	\$38.4M	Proposed share of funding required for BRT – this is tentative and does not guarantee funding for this initiative.
Developer Contributions	\$21.86M	To McOrmond and College Drive interchange (estimate).
Debt for Funding Plan	\$46.0M	Estimated \$26M in 2019 and \$20M in 2021 – funded by mill rate and Gas Tax as identified in the Gas Tax Allocation Report.
Federal Gas Tax Direct Funding	\$7.98M	From previous years available Gas Tax funds
Major Transportation Infrastructure Reserve	\$13.7M	Proposed new reserve to be funded through mill rate contributions.
Total	\$459.95M	

NLDF* = Neighbourhood Land Development Fund

PTIC** = Provincial/Territorial Infrastructure Component

NIC*** = National Infrastructure Component

Attachment 1 is a summary of the proposed projects to be funded through the Plan.

Major Transportation Infrastructure Funding Plan

In 2013, a guideline for distribution of neighbourhood surpluses from Saskatoon Land was developed. In this guideline, 65% of the total surplus was to fund growth related projects. This plan uses \$20.0M from the Evergreen neighbourhood to fund the NCPP/TBR Project and \$19.5M from the Kensington neighbourhood for the remainder of the plan.

As part of the North Commuter Parkway Project, the P3 debt will be \$121.4M funded through future Gas Tax funds as identified in the Gas Tax Allocation Report. The project is also funded through P3 Canada funding of \$63.165M, Province of Saskatchewan funding of \$50.0M, and \$10.0M of funds held in the Property Realized Reserve.

Under the initial Gas Tax Fund allocation, federal government funding of \$7.98M is being applied to the funding plan of which \$5.0M is to fund the initial costs related to the NCPP/TBR Project. The remaining \$2.98M is being incorporated as a general funding source to the overall Plan. This is the last of the unallocated Gas Tax funds under the old Gas Tax Fund.

As recently reported, the New Building Canada Fund contributions of \$14.52M from the federal government and \$14.52 from the provincial government funding is being allocated to the Boychuk Drive and Highway 16 interchange, as well as \$4.01M from the interchange levy and \$11.5M from the reallocation of funds collected by developers for the Rosewood Flyover which has been cancelled.

Building Canada Plan

In May 2015, the Province of Saskatchewan indicated that the City would receive \$70.2M under the New Building Canada Fund – Provincial/Territorial Infrastructure Component (PTIC). City Council, at its meeting on June 22, 2015, approved the application for funding under the program for the Boychuk Drive and Highway 16 interchange. This would require \$14.52M of federal and \$14.52M of provincial government BCF funds leaving about \$41M to be allocated to future eligible projects. This remaining allocation of these available funds based on City Council's priorities will be presented to City Council in the near future for consideration.

Under the National Infrastructure Component (NIC) of the New Building Canada Plan, projects are funded on a merit basis and as such, there is no pre-determined allocation of these funds. At this time, only one project is being considered under the NIC component, which is for 50% funding of the BRT/Transit Corridors initiative. Other projects will be considered for funding as priorities warrant. Table 3 on the following page outlines the planned allocation of the New Building Canada Funds.

Major Transportation Infrastructure Funding Plan

Table 3 – Plan for the Use of New Building Canada Funds

Project	Amount (2014 - 2020)	Notes
Project Applications		
City of Saskatoon Allocation under NBCF – PTIC is estimated at \$70.2M		
Boychuk/Highway 16 Interchange	\$29.04M	\$14.52M federal government share \$14.52M provincial government share
Remaining BCF Funds = \$41.16M (to be allocated in a future report)		
Projects to be Considered Under the NBCF-NIC		
Transit Corridors/BRT	\$38.4M	Growing Forward, Shaping Saskatoon

Mill Rate Impact

A key element of this Plan is a mill rate impact resulting from the need to build the base budget for a new Major Transportation Infrastructure Reserve, as well as to cover debt payments to fund an expected \$46M in debt. This increase in property taxes would average about 1.3% per year from 2018 – 2023 based on a borrowing term of 10 years. A lower mill rate impact of about 0.35% could be achieved extending the term to 15 years, but this ties up funds for a longer period and requires the City to pay more in interest costs.

By the end of 2023, the proposed new reserve would have an annual contribution of about \$8.8M to fund future transportation infrastructure requirements. Also, funds would be allocated to increase the base contribution to the Bus Replacement Reserve by \$2.7M per year by 2023. Another component of the increase is to fund the operating impact from new interchanges by adding up to \$560,000 per year by 2023.

Options to the Recommendation

There are a number of variations of this Plan where City Council can “turn the dials” on some of the funding sources (e.g. property tax).

An option to increase the borrowing term to 15 years from 10 years on the identified debt would have a 0.35% reduction in the mill rate impact, but would cost nearly \$5 million more in interest costs for the first loan of \$26M.

The option to reduce or eliminate mill rate contributions from the operating budget to this Plan would have the impact of not being able to fund the planned debt repayments and/or provide direct contributions to the projects, the Bridge Reserve and new Major Transportation Infrastructure Reserve.

Projects such as the P3 North Commuter Parkway and Traffic Bridge Replacement Project have little flexibility for funding within this Plan. Other projects that were identified with the ▼ symbol in Table 1 can be adjusted or removed from the Plan which could free up funding for other uses. These total just over \$116M and include:

▼Bridge Major Repair Reserve	\$20.0M
▼Transit Corridors/BRT	\$76.8M
▼Bus Replacements (Renewal Strategy)	\$16.4M
▼Gravel Street Upgrades	\$3.0M

Major Transportation Infrastructure Funding Plan

Any reduction to or elimination of these projects provide the ability to reallocate the funds to other projects or reduce the need for mill rate increases to cover debt payments on debt required to meet the needs of the plan.

Any reduction to, or elimination of, these projects provide the ability to reallocate the funds to other projects or reduce the need for mill rate increases to cover debt payments on debt required to meet the needs of the Plan. For example, by not borrowing the estimated \$46M for the Plan, this would reduce annual debt payments of nearly \$2.6M per year and decrease the impact to the mill rate. This would reduce the need or amount of the proposed average mill rate increase of 1.3% per year for five years to meet the debt requirements and contributions to the proposed reserves.

Other options would be to reallocate project funding for these identified projects to other priority projects.

Financial Implications

The financial implications are outlined within the body of this report.

Other Considerations/Implications

There are no policy, environmental, privacy or CPTED implications or considerations. Neither public and/or stakeholder involvement nor a communication plan is required.

Due Date for Follow-up and/or Project Completion

As projects are finalized and updated estimates for future projects are obtained, the Plan provisions will be reviewed and updated as required and brought forward to the Executive Committee. At a minimum, the status of the Plan would be presented during the annual Business Plan and Budget review.

Public Notice

Public Notice will be required at the appropriate time for any projects included in this Plan that result in borrowing funds.

Attachment

1. Major Transportation Infrastructure Funding Summary – June 30, 2015

Report Approval

Written by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management
Department

Approved by: Murray Totland, City Manager

**Major Transportation Infrastructure Funding Summary
as at June 30, 2015**

Purpose:
To fund a number of major transportation infrastructure projects

Project	Budget	Year	Sources of Funding					
North Communter Parkway/Traffic Bridge	252,600,000	2016-2018	Property Realized Reserve Funds (Traffic Bridge)					10,000,000
Bridge Major Repair Reserve	20,000,000	2017-2020	P3 Canada Funding					63,165,000
Boychuk Drive/Hwy 16 Interchange	44,550,000	2015--2017	Evergreen Neighbourhood Land Development net proceeds					20,000,000
McOrmond/Hwy 5 Interchange	46,600,000	2016--2017	Provincial Funding (\$50M with \$12M held for debt payments)					38,000,000
Transit Corridors (BRT)	76,800,000	2017+	Developer Contributions					33,360,000
Bus Purchases	16,400,000	2018-2021	Federal Building Canada Fund					14,520,000
Gravel Road Upgrades	3,000,000	2016-2021	Provincial Building Canada Fund					14,520,000
			Interchange Levy					19,400,000
			Gas Tax Funding					7,980,000
			Building Canada - National Infrastructure Component (Transit)					38,400,000
			Kensington Neighbourhood Land Development net proceeds					19,500,000
			Major Transportation Infrastructure Reserve					13,700,000
			P3 Debt					121,400,000
			City Debenture					46,000,000
Cash Flow								
In addition to the above-noted sources of funding, phased-in operating budget increases are also required. This will build a base for the Transportation Infrastructure Reserve and Bus Replacement Reserve and debt repayment								
			Gas Tax	Transport	Operating	Bus	Debt	Prop Tax
			Trsfr frm Bus	Infra Res	Interchanges	Replacemt	Payment	% *
Notes to Cash flow								
2018				1,218,000	174,000	348,000	0	1.00%
2019				1,339,800	191,400	382,800	0	1.10%
2020			(1,800,000)	1,282,965	21,540	421,080	2,087,000	1.27%
2021				1,567,218	231,594	463,188	0	1.30%
2022				1,671,740	254,753	509,507	0	1.67%
2023				1,769,315	280,229	560,457	0	1.50%
2024				0	0	0	0	
2025				0	0	0	471,600	0.25%
*Note Property tax increase based on 2015 year								

MajorInfraFundingPlanSummary June2015.xls
June 30, 2015

Gas Tax Allocation Plan

Recommendation

That the Executive Committee recommend to City Council:

1. That the proposed use of the Federal Gas Tax be approved as presented in the Gas Tax Allocation Plan within this report; and
2. That an updated Gas Tax Allocation Plan be referred to the Annual Corporate Business Plan and Budget deliberations for approval.

Topic and Purpose

The purpose of this report is to provide a plan for the use of Federal Gas Tax Funds received by the City of Saskatoon (City) for priority projects.

Report Highlights

1. The proposed Gas Tax Plan is allocating \$114.3M in Gas Tax revenue for the years 2014 - 2022 under the New Building Canada Plan.

Strategic Goal

The Gas Tax Allocation Plan supports the four-year priority of developing funding strategies for expenses related to new capital expenditures including core services such as fire halls, roadways and underground services, under the Strategic Goal of Asset and Financial Sustainability.

Background

In 2005, the City began to receive Gas Tax funds from the federal government under the “New Deal.” Funding was available from 2005 until March 2014 at which time the Gas Tax became permanent under the New Building Canada Plan. There is approximately \$8M in unallocated Gas Tax funds in the Gas Tax account that is being proposed to be allocated to the Major Transportation Infrastructure Funding Plan.

Under the new Gas Tax Plan, the City’s current funding is approximately \$12.6M per year, but will increase to \$13.2M in 2017 and \$13.9M in 2019 based on a formula tied to population. The recommendation is to allocate these funds as outlined in this report.

Report

The Administration’s strategy on Gas Tax funding allocation is to submit eligible projects that do not necessarily require the funding in order to “free up” the funding so that it can be used as a form of “cash” for other identified projects. This is the same principle used in the 2005 - 2013 Gas Tax Program whereby the New Water Intake Facility was submitted as an eligible project but did not require any of the actual funding. The funding was redirected towards the Circle Drive South Project, and as “cash” to the North Commuter Parkway and Traffic Bridge Replacement (NCPPTBR) Project and the Major Transportation Infrastructure Funding Plan.

Gas Tax Allocation Plan

The following table provides a listing of projects that will be submitted for funding under the new Gas Tax (various water projects and the Landfill Cell Relining project), and which funding will then be reallocated to other projects identified in the next table.

Project	Amount (2014 - 2022)	Notes
Project Applications (these eligible projects can be funded by Gas Tax that allows for the reallocation of utility and other funds for other projects identified in the Allocation Table)		
Various Water Projects	\$94.7M	These are capital projects included in the Water Utility Five-Year Capital Plan. By submitting projects through the utilities there would be enough eligible costs to transfer unconditional funding to other projects.
Landfill Cell Relining	\$10.6M	Landfill expansion

The following table is a list of projects that are currently funded by Gas Tax receipts (debt payments for both the Circle Drive Bridge Widening and Circle Drive South) and those that are new projects, including NCPP/TBR payments, a provision to the Major Transportation Infrastructure Funding Plan and bus purchases to meet the needs of the Transit Bus Renewal Strategy. Further explanation around each project is provided within the table.

Plan for Use of Gas Tax Receipts from the New Gas Tax Fund

Project	Amount (2014 - 2022)	Notes
Allocation of Gas Tax (either direct allocation of Gas Tax funds or through the reallocation of funds through the projects identified in the preceding table) Total Gas Tax Available 2015 - 2022 = \$114.3M		
▼ Bus Purchases	\$15.0M	Renewal strategy approved by City Council June 2015. The 2015 and 2016 allocations have been approved at \$5M per year. ▼ The 2017 allocation of \$5M is not committed yet.
▼ Bus Replacement Reserve – Direct Contribution	\$5.4M	This is for the years 2020 - 2022 at \$1.8M per year.
NCPP/TBR P3 Debt	\$21.9M	This amount is for the years 2017 – 2022 of the 30 years of debt payments.
NCPP/TBR Contingency	\$6.0M	Contingency for additional costs that may be required for the project. Total contingency planned is \$8M. An additional contingency of \$2M is planned for 2023 – 2024.

Gas Tax Allocation Plan

Plan for Use of Gas Tax Receipts from the New Gas Tax Fund (con't)		
Project	Amount (2014 - 2022)	Notes
Civic Facilities Funding Plan/ Civic Operations Centre	\$15.0M	Annual payments for the years 2017 - 2022 for funding towards the 25 years of operating costs for the Civic Operations Centre P3 project.
▼ Fire Hall Relocations – Stations #3 and #5	\$4.0M	One third of \$12.15M estimated cost.
Circle Drive South - Debt Payments	\$31.4M	Debt expires in 2020 and planned for reallocation to NCPP. Debt payments began in 2011.
Circle Drive Bridge Widening – Debt Payments	\$8.3M	Debt expires in 2018 and planned for reallocation to NCPP. Debt payments began in 2009.
▼ Debt Payments for Borrowing	\$4.0M	Debt of \$46M as part of the Major Transportation Infrastructure Funding Plan is partially paid from Gas Tax as well as mill rate funds. The amount shown is only the portion for the years 2019 - 2022.
▼ Unallocated Gas Tax	\$3.3M	Used as a general plan contingency.
Total	\$114.3M	

▼ indicates projects or reserves that can be adjusted or removed from this Plan

Attachment 1 shows the allocation of the Federal Gas Tax Fund.

Options to the Recommendation

Allocations to the Civic Operations Centre, and the debt payments for the Circle Drive South Project and Circle Drive Bridge Widening Project are committed. Allocations to the North Commuter Parkway and Traffic Bridge Replacement Project are also committed as a funding source for this major project.

Other allocations for projects that were identified with the ▼ symbol in the table can be adjusted or removed from the Plan which could free up funding for other uses. The projects identified total \$18.4M for the years 2017 - 2022 and include the projects listed as follows:

▼ Bus Purchases – Direct Purchases	\$5.0M	The 2015 and 2016 allocations have been approved. (2015 - 2017) \$5M per year. ▼ The 2017 allocation is not committed yet.
▼ Bus Replacement Reserve – Direct Contribution	\$5.4M	2020 - 2022 (\$1.8M per year).
▼ Fire Hall Relocations – Stations #3 and #5	\$4.0M	One third of \$12.15M estimated cost.

Gas Tax Allocation Plan

▼Debt Payments for Borrowing	\$4.0M	Debt of \$46M as part of the Major Transportation Infrastructure Funding Plan is partially paid from Gas Tax as well as mill rate funds. This amount shown is only the portion for the years 2019 - 2022.
▼Unallocated Gas Tax	\$3.3M	Used as a general plan contingency.

Gas Tax funds cannot be directly used for mill rate purposes. However, reducing debt would reduce the operating impact required for debt payments and free up Gas Tax funds allocated for this purpose.

For example, debt payments of \$4M or \$1M per year could be eliminated from the Gas Tax Plan as well as the mill rate portion of the debt payment. In total, this would be nearly \$2.6M per year of which the mill rate portion is \$1.6M. However, by not borrowing to meet the requirements of the Plan, this would impact the scope or ability to proceed with projects, as well as provide for reserve contributions as identified in the Plan. The Gas Tax funds could then be reallocated to fund other priority projects but could not be directly used for operations and therefore reduce the mill rate. The property tax supported debt component of \$1.6M could be used to reduce the mill rate or allocated to other programs.

Financial Implications

The financial implications are outlined within the body of this report.

Other Considerations/Implications

There are no policy, environment, privacy or CPTED implications or considerations. Neither public/stakeholder involvement nor a communication plan is required.

Due Date for Follow-up and/or Project Completion

As projects are finalized and updated estimates for future projects are obtained, the Plan provisions will be reviewed and updated as required and brought forward to the Executive Committee.

Public Notice

Public Notice will be required at the appropriate time for any projects included in this Plan that result in borrowing funds.

Attachment

1. Gas Tax Allocation Plan - June 2015

Report Approval

Written by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management

Approved by: Murray Totland, City Manager

GAX TAX PLAN	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Gas tax available (2019 to 2022 is an estimate)	6,310,168	12,620,335	12,931,400	13,242,464	13,575,748	13,909,031	13,909,031	13,909,031	13,909,031	114,316,241
Allocation of Gas Tax:										
CD Bridge Widening Debenture payments		1,928,876	1,958,386	1,934,152	2,421,612					8,243,025
Circle Drive South - CMHC Payments		5,234,771	5,234,771	5,234,771	5,234,771	5,234,771	5,234,771			31,408,626
Civic Operations Centre				2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	15,000,000
Debt Payments for Major Transportation Plan							1,000,000	1,000,000	2,000,000	4,000,000
NCPP for Additional works (MT/MB Nov 27/14)				1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
NCP/TBR P3 payment (30 years)				705,524	2,822,097	2,822,097	2,822,097	6,390,097	6,390,097	21,952,009
Fire Hall Relocations (1/3 of \$12.15M)				1,732,500			2,277,000			4,009,500
Direct Allocation:										
Bus Purchases (Transferred from Mill Rate)							1,800,000	1,800,000	1,800,000	5,400,000
Bus Purchases		5,000,000	5,000,000	5,000,000						15,000,000
Contingency										3,303,080
Total Gas Tax required	-	12,163,647	12,193,156	18,106,947	13,978,480	11,556,868	16,633,868	12,690,097	13,690,097	114,316,241
Cumulative Balance	6,310,168	6,766,856	7,505,099	2,640,617	2,237,885	4,590,048	1,865,211	3,084,146	3,303,080	

Operating Mill Rate Impact from Forecasted Debt

Recommendation

That the information be received.

Topic and Purpose

This report provides the Executive Committee with the requested information about the operating mill rate impact from future debt as requested on April 13, 2015 by the Standing Policy Committee on Finance during its deliberations on the Major Project Report – Update 2014.

The Administration is providing this report to Executive Committee as part of the 2016 Business Plan and Budget process.

Report Highlights

1. The total debt at December 31, 2014 was \$238.1M, which is 42.7% of the City of Saskatoon's approved debt limit.
2. Total projected debt payments are expected to increase from \$30M in 2015 to a peak of \$45M in 2022 of which the majority (67%) is for utility debt.
3. Total mill rate funded debt payments are expected to decrease from \$20M in 2015 to \$15M in 2025.
4. As debt retires, the debt payment reductions are being reallocated to fund new debt and potentially to fund future contributions to reserves.

Strategic Goal

This report supports the Strategic Goal of Asset and Financial Sustainability through open, accountable, and transparent reporting of the City's allocation of financial resources.

Background

At its April 13, 2015 meeting, the Standing Policy Committee on Finance requested that the Administration report on the projected operational impact of current debt levels and with respect to the debt retirement plan. This request emerged from the Committee's deliberations on the Major Projects Report – Update 2014, which was presented by the CFO/General Manager, Asset and Financial Management Department.

Report

Existing Total Debt and Debt Forecast

The debt balance of \$238.1M as of December 31, 2014, is at 42.7% of the City's approved debt limit of \$558M. Over the next ten years, the Administration is forecasting that the City's debt level will peak at about \$495M in 2021 and then decline, based on the current capital plan. Of the \$238.1M in debt, 55.6% is mill rate supported debt, while 14.8% is supported by Federal Gas Tax, and the remaining 29.6% is supported by utilities.

Operating Mill Rate Impact from Forecasted Debt

Planned Debt – Mill Rate Supported

<u>Project</u>	<u>Amount</u>	<u>Year</u>
Remai Modern Art Gallery	\$ 15M	2015
Traffic Sound Walls	\$13.9M	2017
Yards Relocation▼	\$ 22M	2020
Yards Relocation▼	\$ 24M	2021
Yards Relocation▼	\$ 30M	2023
Yards Relocation▼	\$17.2M	2024

▼ indicates debt that can be adjusted or removed from the Civic Facilities Funding Plan

Planned Debt – Utility Supported

<u>Project</u>	<u>Amount</u>	<u>Year</u>
Various Projects	\$40.4M	2015
Various Projects	\$ 9.9M	2016
Various Projects	\$16.7M	2017
Various Projects	\$21.8M	2018
Various Projects	\$31.9M	2019
Various Projects	\$60.6M	2021
Various Projects	\$13.5M	2023
Various Projects	\$ 5.2M	2024

The mill rate supported debt has some flexibility, however, the Remai Modern Art Gallery of Saskatchewan (Remai Modern Art Gallery) is currently under construction and the debt for it is fixed. In other words, debt for the Remai Modern Art Gallery has no flexibility. Conversely, borrowing to pay for the traffic sound walls has not been initiated, and thus, has the potential to be adjusted if necessary, although the debt for this project was approved by City Council in previous budgets. The Yards Relocation project, which is Phase 2 of the Civic Operations Centre, could be significantly adjusted. The costs for this project are still uncertain and will be the subject of further reports to confirm scope, cost and timing.

Utility debt is covered through utility rates and is required to fund new construction and rehabilitation to meet demand and water quality standards.

Not included in the planned debt schedule above is borrowing required for the Major Transportation Infrastructure Funding Plan which is subject to City Council approval. \$46M was identified in this Plan over the next seven years to fund projects such as the Bus Rapid Transit initiative, interchanges and contributions to the Bridge Reserve.

Total Projected Debt Payments

Attachment 1 shows charts that illustrate the total forecasted debt payments, including separate charts for mill rate funded debt (including Gas Tax funded debt) and utility debt. In addition, there are charts that breakdown the existing debt payments and forecasted debt payments.

Operating Mill Rate Impact from Forecasted Debt

Total debt payments in 2015 are about \$30M of which the mill rate supported debt payments are \$20M and utilities \$10M. As Chart 1 illustrates, the projected debt payments peak in 2022 at just over \$45M. Of this, only \$15M is mill rate funded debt (Chart 3) while the remaining \$30M is funded by utility rates (Chart 5).

Total Projected Mill Rate Debt Payments

The total projected mill rate debt payments (Charts 3 and 4) will decrease from \$20M in 2015 to \$15M in 2025.

Debt Retirements and Planning for Future Debt and Reserve Contributions

Charts 2, 4 and 6 show how debt retirements (existing debt payments) decrease over time and are replaced by new debt payments.

The future planned mill rate debt servicing costs have been incorporated within the various corporate funding plans by including budgeted phased-in funding over several years. This phased-in approach provides the ability to smooth the mill rate impact of the actual debt payments when they occur. Also, payments from existing debt retirements are used to offset these future debt requirements and potentially fund future reserve contributions.

Attachment 2 is a summary showing how the decreased mill rate debt payments (Chart 3) resulting from debt retirements are planned to be reallocated. Should City Council not reallocate these retired debt payments for new debt, these payments could be redirected to offset mill rate increases or to contributions to reserves such as the Bus Replacement Reserve or Major Bridge Repair Reserve. However, debt payments reallocated to the Civic Operations Centre and North Commuter Parkway/Traffic Bridge Replacement P3 projects are committed and cannot be adjusted.

Financial Implications

The funding plans, including future reserve contributions, have incorporated the planned debt payment retirements as noted above. City Council can choose to reduce the planned reallocations to the Yards Relocation Project which will have a corresponding reduction to the mill rate. However, doing so places pressure on the funding plans to finance this future project. Debt reductions to this project or other projects would ultimately affect the likelihood of the projects proceeding as planned or by reducing project scope and/or timing. It should also be noted that some projects, such as the Public Private Partnership (P3) with the North Commuter Parkway and Traffic Bridge project are committed and cannot be adjusted.

Other Considerations/Implications

There are no policy, environmental, privacy, or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

A due date for follow-up and/or project completion is not required.

Operating Mill Rate Impact from Forecasted Debt

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. Forecasted Debt Servicing Costs 2015 - 2025
2. Reallocation of Decreased Mill Rate Debt Payments from Debt Retirements

Report Approval

Written by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management
Department

Approved by: Murray Totland, City Manager

OperatingImpactDebt.docx

Forecasted Debt Servicing Costs 2015 - 2025

Chart 1 - Total Projected Debt Payments (2015 - 2025)

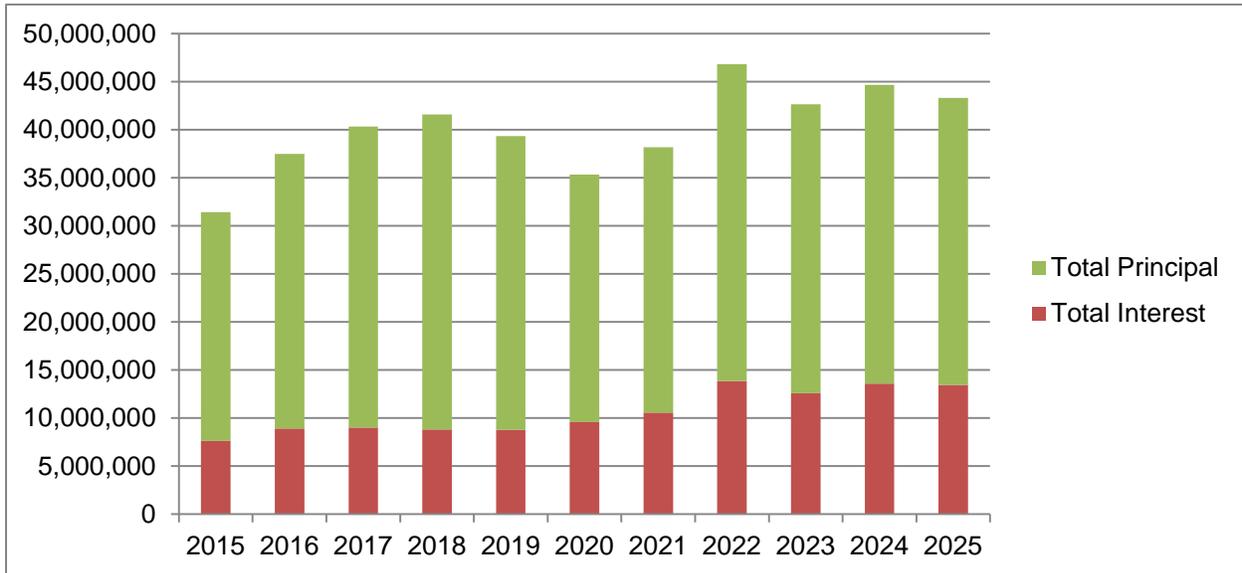


Chart 2 - Projected Total Debt Payments (Existing Debt and New Debt 2015 - 2025)

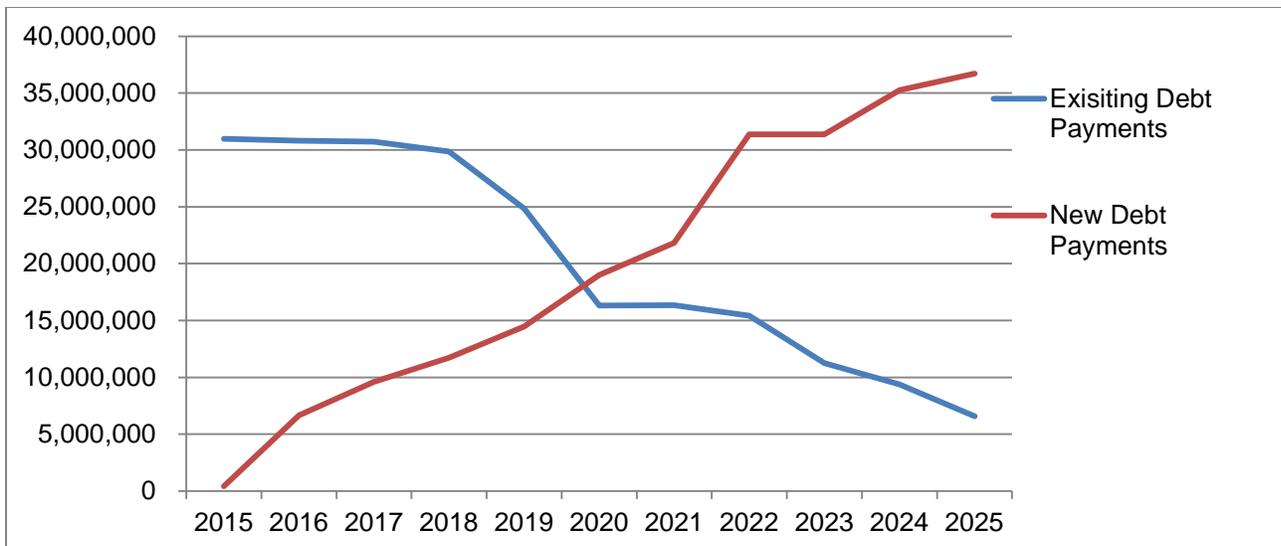


Chart 3 - Total Projected Mill Rate Debt Payments (2015 - 2025)

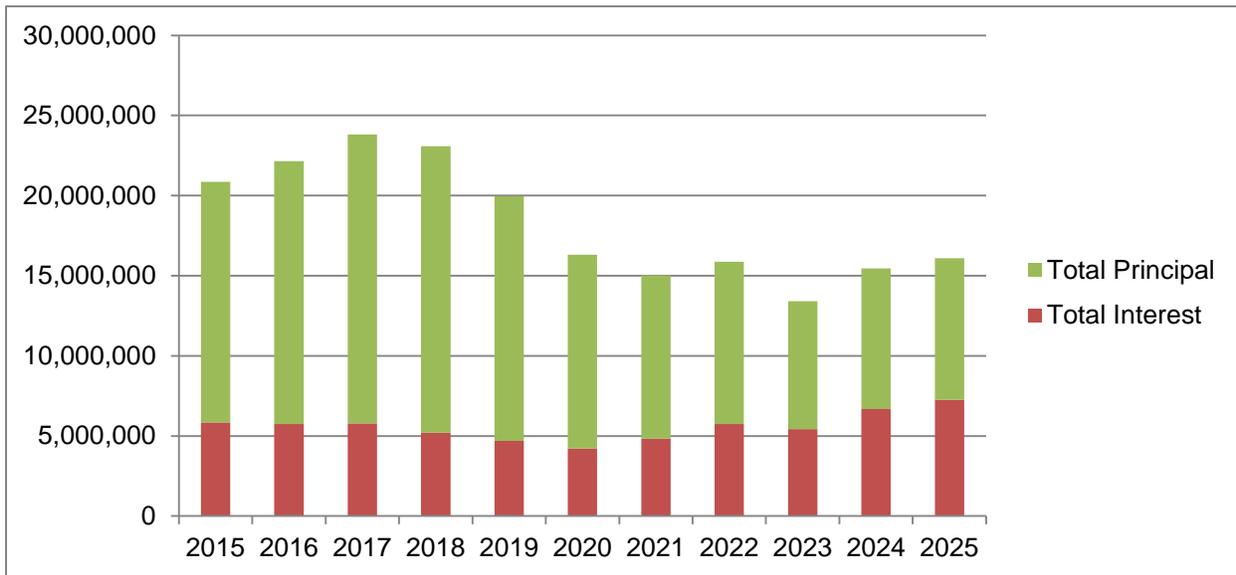


Chart 4 - Projected Mill Rate Debt Payments (Existing and New Debt - 2015 - 2025)

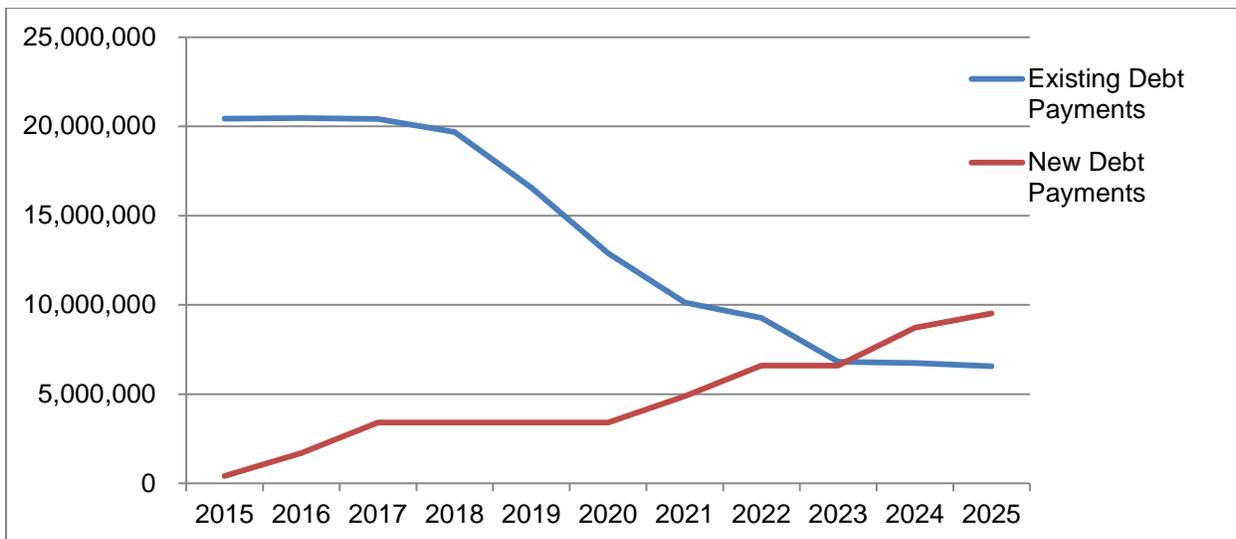


Chart 5 - Total Projected Utility Debt Payments (2015 - 2025)

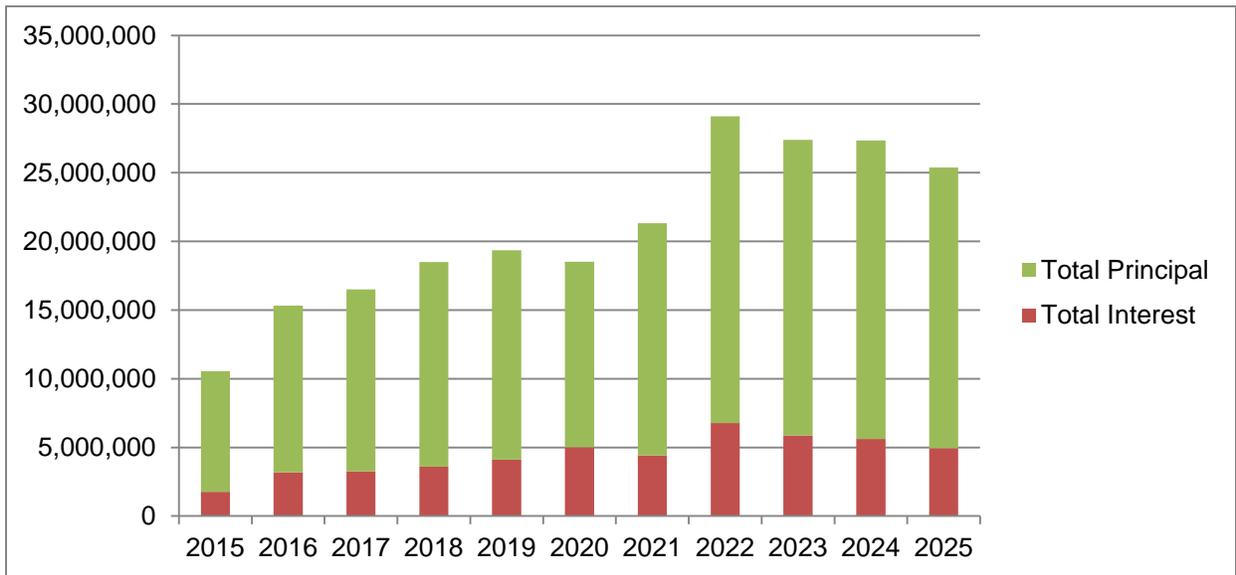
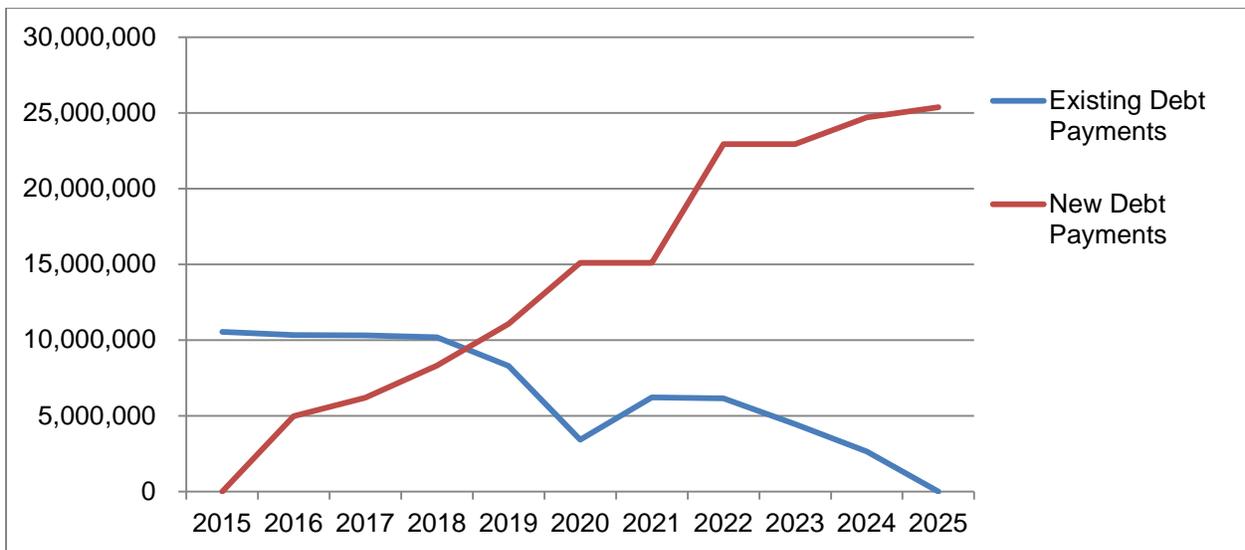


Chart 6 - Projected Utility Debt Payments (Existing and New Debt – 2015-2025)



Reallocation of Decreased Mill Rate Debt Payments from Debt Retirements

Debt Retirement	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	SubTotal
Debt Payment Retirements											
Green and Productivity Impr Loans	(29,500)	(36,900)				(181,000)	(213,700)	(170,200)			(631,300)
Transit Land Debt	(76,700)										(76,700)
Shaw Centre Debt Retirement			(115,400)	(1,865,000)	(346,100)				(241,900)	(725,600)	(3,294,000)
Transit FCM Loan Retirement						(114,200)					(114,200)
Soccer Centre Debt Retirement						(476,100)					(476,100)
Circle Drive South Debt Retirement					(5,234,800)		(2,051,200)				(7,286,000)
Trunked Radio Debt Retirement								(356,100)			(356,100)
Debt Payment Retirement Totals	(106,200)	(36,900)	(115,400)	(1,865,000)	(5,580,900)	(771,300)	(2,264,900)	(526,300)	(241,900)	(725,600)	(12,234,400)
Reallocated to:											
Civic Facilities Funding Plan	76,700		115,400	1,865,000	346,100	476,100			241,900	725,600	3,846,800
Transit Replacement Reserve						114,200					114,200
North Commuter Parkway/Traffic Bridge					5,234,800						5,234,800
Bridge Major Repair Reserve							2,000,000				2,000,000
Trunked Radio Replacement Reserve								356,100			356,100
Reallocation Totals	76,700	0	115,400	1,865,000	5,580,900	590,300	2,000,000	356,100	241,900	725,600	11,551,900
Mill Rate Reduction	(29,500)	(36,900)	0	0	0	(181,000)	(264,900)	(170,200)	0	0	(682,500)

2015 Civic Services Survey

Recommendation

That the report of the General Manager, Corporate Performance Department dated July 22, 2015, be forwarded to City Council for information.

Topic and Purpose

This report provides the results of the 2015 Civic Services Survey (Attachment 1), which is conducted annually to obtain citizen feedback on a variety of civic issues. The results are used as feedback into the annual business plan and budget process, and to provide high quality services to meet the dynamic needs and high expectations of our citizens.

Report Highlights

1. Perceptions about Saskatoon's quality of life remain high in 2015.
2. Satisfaction with the overall level of services provided by the City of Saskatoon (City) remains high and is consistent with the 2014 survey results.
3. Respondents cite road conditions as the most important issue facing the City but the number of mentions has decreased by 4% for both telephone and online respondents from 2014.
4. The quality of drinking water, fire protection, electrical services reliability, repair of water main breaks, treatment of sewage, garbage collection, police services, and recycling are areas of strength for the City.
5. Participants prefer a combination of user fees and property taxes as a way the City could balance its budget.
6. Citizens would like more spending on road maintenance, snow and ice maintenance, street crime and affordable housing, and less spending on funding for arts and cultural groups and community organizations.
7. Citizens continue to prefer to use a mix of sources to receive information about the City's programs and services, but the City's website remains an important source of information.
8. When doing business with the City, residents prefer to use multiple channels including phone, email, in-person visits and the website.

Strategic Goal

The Civic Services Survey supports the Strategic Goal of Continuous Improvement and being the best-managed city in Canada. The goal of the annual survey is to obtain citizen feedback on a variety of civic issues and to measure progress on reaching the performance target of overall satisfaction with civic services of 90% or more.

Background

The City has conducted the Civic Services Survey annually since the early 1990s. The last survey was completed in May 2014.

Report

In March 2014, the City contracted Inshgtrix Inc. (Inshgtrix) to conduct the 2014 and 2015 City of Saskatoon Annual Civic Services Survey. As in previous years, both a telephone and an online survey were utilized. A total of 500 surveys were completed via telephone (in 2015, 25% of telephone respondents were from a cell phone list to reach younger and cell phone only households), and 821 surveys were completed online through an online panel. Results were collected between May 11 and June 2, 2015.

Quality of Life and Satisfaction with Services

- In 2015, the City established that “Perceived Quality of Life” would be an indicator to watch relative to our progress on achieving performance targets. This indicator measures citizen perceptions about well-being in the city.
 - Quality of life in Saskatoon continues to be rated high, with 85% of telephone and 86% of online respondents rating it as either good or very good. This is consistent with the 2014 findings (86% online, 86% telephone).
- In 2015, the City established a performance target of “Overall Satisfaction with Civic Services of 90% or more”.
 - Overall satisfaction with the level of service provided by the City remains high. The majority of telephone respondents (86% in 2015 and 2014) and online respondents (77% in 2015 compared to 79% in 2014) are satisfied.

Most Important Issues Facing the City

- Roads continue to be the dominant issue (33% telephone, 28% online).
- In 2015, crime and policing has risen as one of the most important issues since 2014 among telephone respondents (12% in 2015 and 9% in 2014, and among online respondents 17% in 2015 and 11% in 2014).
- The top ten most frequent issues are generally the same as found in the 2014 Survey.

Importance of Services

- Historically citizens have been asked about the importance of 33 different services. The results of this question does not typically vary greatly year over year so it was not asked in 2015 in order to accommodate additional hot topic questions. In 2014, respondents deemed the following services as most important:
 - Road maintenance
 - Repair of water main breaks
 - Snow and ice maintenance
 - Traffic management
 - Planning for growth and development
 - Quality of drinking water
 - Fire protection
 - Treatment of sewage
 - Police services

Performance in Delivering Services

- Results on the City's performance in delivering services are highly comparable to those found in the 2014 Survey, with the some notable exceptions:
 - Recycling is now a key strength;
 - Snow and ice management moved from a key weaknesses in 2014 to a key strength in 2015; and,
 - The maintenance of city parks moved from a key strength in 2014 to a key weakness in 2015.
- Despite the movement of those services noted above, according to the 2015 Survey, services that receive the highest ratings for performance include:
 - Quality of drinking water
 - Fire protection
 - Electrical services reliability
 - Repair of water main breaks
 - Treatment of sewage
 - Garbage collection
 - Police services
 - Recycling

2015 Hot Topics

- When asked what citizens most prefer for the City to use to balance the budget, respondents prefer a combination of user fee and property tax increases (41% telephone, 29% online). However, a sizable portion of online respondents were unsure as to what was the best tool the City should use to balance the 2016 budget (19% telephone, 33% online).
- Citizens were asked whether they believe the City should spend more, less or the same amount as currently is the case on 33 different services. Items citizens most strongly believe more funding should be allocated to include:
 - Road Maintenance
 - Snow and Ice Maintenance
 - Street Crime
 - Affordable Housing
 - Accessible Infrastructure
 - Planning for Growth and Development
 - Traffic Management
 - Transit
- Areas citizens would like to see less spending on include:
 - Funding for arts and cultural groups and community organizations
 - To a lesser degree, citizens would spend less on renewing the city centre and north downtown and City customer service initiatives.

Communications and Customer Service

- Similar to 2014, citizens prefer to use a mix of sources to receive information about the City's programs and services. Most commonly, the City's website and emails are preferred information sources for both telephone and online respondents. However, a number of other preferences—including the media (telephone and radio news stations), flyers, radio ads, utility bill inserts, and TV ads—are also common.
- Citizens were asked how they would like to be contacted during an unplanned services disruption, such as a water main break or power outage. The majority of

residents prefer being notified by landline or cell phone (53% telephone, 47% online), followed by email and text message.

- Respondents were asked to indicate their preferred method of conducting business with the City or contacting the City with a question or inquiry. Citizens prefer to use multiple channels including the phone, email, in person, and on the website.

Communication Plan

A variety of tools will be used to update the media and public on the results of the 2015 Civic Services Survey, including a News Release and social media updates on Twitter and Facebook. The information will be shared at future “Shaping our Financial Future” engagement events. A full copy of the 2015 Survey will be available on the website.

Financial Implications

Funding for the cost for the 2015 Civic Services Survey is included in the existing annual operating budget. The cost for the 2015 Survey is \$27,420 (excluding taxes) an increase of approximately \$2,700 over the 2014 Survey (\$24,680). The cost increase for the 2015 Survey is primarily due to including cell phone numbers to capture younger participants and cell phone only households. Including these groups in the 2015 Survey better captures the changing demographics of the city and improves the reliability of the Survey results.

Other Considerations/Implications

There are no policy, environmental, privacy or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

The results of the “Shaping our Financial Future” June 2015 engagement activities (open house and intercept and online surveys) will be presented at the August 19, 2015 Executive Committee meeting. The next Civic Services Survey will take place in May 2016.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. City of Saskatoon Annual Civic Services Survey, June 2015

Report Approval

Written by: Carla Blumers, Director of Communications
Reviewed by: Catherine Gryba, General Manager, Corporate Performance
Department
Approved by: Murray Totland, City Manager

CITY OF SASKATOON ANNUAL CIVIC SERVICES SURVEY

JUNE 2015



insightrix[®]

Insightrix Research Inc. | 1-3223 Millar Ave | Saskatoon, SK S7K 5Y3

P: (306) 657-5640 | E: info@insightrix.com | W: insightrix.com

The City of Saskatoon has conducted the Civic Services Survey annually since the early 1990s. The key objectives of the survey are to:

- gain insight into perceptions of the quality of life in Saskatoon
- gain insight into perceptions of importance and satisfaction relating to the services provided by the City of Saskatoon
- track perceptions and satisfaction with the above areas

A total of 500 surveys were completed via telephone (**in 2015, 25% of telephone respondents were from a cell phone list to reach younger and cell phone only households**) and 821 surveys were completed online via Inshgtrix's online research panel, SaskWatch Research™, between May 11th and June 2nd, 2015. The key findings are summarized below.

Quality of Life and Overall Satisfaction

- Perceptions of the quality of life in Saskatoon remain very positive with 85% of telephone respondents and 86% of online respondents perceiving the quality of life to be good or very good. This holds steady with 2014 findings (86% for both online and telephone respondents).
- Overall satisfaction remains high amongst telephone respondents (86%) and moderately high among online respondents (77%). This is again consistent with 2014 findings (86% and 79%, respectively).

Important Issues Facing the City

- When asked to name the most important issue facing the City, roads and sidewalk repair continue to be the most commonly listed issue (33% telephone respondents and 28% of online respondents), however both have fallen 4% as the most important issue since 2014, whereas crime and policing has risen by three points among telephone respondents (currently 12%), and up six points among online respondents (currently 17%).
- Looking at the overall primary and secondary issues mentioned, crime and policing has risen sharply among online respondents (up 23 points), and up moderately (11 points) among telephone respondents.

Specific Civic Services: Importance & Satisfaction

- Historically citizens have been asked about the importance of 33 different service areas as well as their satisfaction with the City's performance in each of these areas. This year, importance questions were not asked but results from 2014 are summarized below. Satisfaction questions were asked in 2015.

- Services deemed to be most important in 2014 included maintenance of major roadways and freeways, repair of water main breaks, snow and ice maintenance, traffic management, quality of drinking water, fire protection, treatment of sewage, and police services.
- Satisfaction is strongest for quality of drinking water, followed closely by electric service reliability, and treatment of sewage. This is relatively consistent with 2014 although satisfaction with police services has declined slightly.
- Based on the importance (from 2014) and satisfaction (from 2015) ratings of specific services, key strengths (high importance and high satisfaction) and weaknesses (high importance and comparatively lower satisfaction) of Saskatoon’s civic services are listed below. Results are highly comparable to 2014 findings, with the addition of recycling to key strengths, removal of maintenance of city parks from key strengths, and the removal of snow and ice management from key weaknesses.

Key Strengths of Civic Services	Key Weaknesses of Civic Services
<ul style="list-style-type: none"> • Quality of drinking water • Fire protection • Electrical services reliability • Repair of water main breaks • Treatment of sewage • Garbage collection • Police services • Recycling 	<ul style="list-style-type: none"> • Mosquito control • Planning for growth and development • Street maintenance in your neighborhood • Affordable housing • Traffic management • Maintenance of major roadways and freeways

Communication Methods

- Citizens prefer using a mix of sources to receive information about the City of Saskatoon. Most commonly, the City’s website and emails from the City are the preferred information sources for both telephone and online respondents.
- Among individuals aged 18 to 34, Facebook is significantly more likely to be a preferred information source.
- In the case of an unplanned disruption, phone notification on either a landline or cellular device is the most preferred contact source followed by email and text messaging.
- A large majority of citizens strongly prefer communicating with the City via telephone, followed by e-mail, in-person or the City website.

Hot Topic 2015 (Budget Input)

- When asked which methods the City could use to balance its budget based on a list provided, most residents prefer a combination of increased user fees and property taxes over reducing services. However, a sizable proportion are unsure as to which method should be used.
- Citizens were next asked to indicate whether they believe the City should spend more, less or the same amount as currently the case on 33 different civic services. Items citizens most strongly believe more funding should be allocated to include: road maintenance, snow and ice maintenance, street crime, affordable housing, accessible infrastructure, planning for growth and traffic management.
- Areas citizens would like to see less spending on include funding for arts and cultural groups and community organizations, renewing the city centre and north downtown, and City customer service initiatives.

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BACKGROUND & OBJECTIVES

The City of Saskatoon has conducted an annual survey on civic services with Saskatoon residents since the early 1990s. Originally, this research was conducted in the fall. Starting with the 2011 wave of the survey, research has been conducted in the spring.

The objectives of the survey include the following:

- determining perceptions of the quality of life in Saskatoon
- understanding what citizens believe is the most important issue facing the city
- learning Saskatoon residents' perceptions of importance and satisfaction relating to the services provided by the City of Saskatoon
- tracking perceptions and satisfaction with civic services over the past several years
- understanding interest in receiving information about City programs and services via social media tools
- collecting opinions on hot-topic items (in 2015, this focused on City budgeting)

METHODOLOGY

Sampling and Data Collection Approach

Historically, this study has been conducted via telephone interviews with randomly selected households within Saskatoon city limits. In 2010, it was determined that both online and telephone data collection methods would be utilized in order to reach cell phone-only households and to address declining participation rates in telephone surveys in general.

Online research has become more commonplace and many research companies access research panels to engage respondents online. Inshtrix launched its Saskatchewan-based online panel in 2008, SaskWatch Research™. The panel currently represents more than 15,000 Saskatchewan residents, with more than 4,600 residing in Saskatoon.

There are slight differences in respondent behaviours in online studies when compared with telephone studies. Specifically, online respondents tend to offer slightly lower ratings on scale questions such as satisfaction or likelihood of usage. This trend has been noted in several tandem studies conducted by Inshtrix where the same set of questions is asked of a sample of telephone and online respondents. Therefore, to maintain trending capabilities with the historical data from the Annual Civic Services Survey, both telephone and online methods were used in the 2010 to 2015 iterations of the study.

Telephone Sampling

The sampling approach used in the 2015 telephone study has remained unchanged since 2009 to allow for direct comparisons year over year. Specifically, 500 interviews were conducted with randomly selected households throughout the city. **In 2015, cell phone records were added in effort to reach younger and cell phone only households. A total of 25% of telephone respondents were from this list.** For consistency with previous years, quotas were not set to be representative of the Saskatoon population by age and gender. As a result, the distribution of responses does not precisely match the general adult population within the city, yet the distribution of respondents in the 2015 wave is consistent with previous waves (dating back to 2009). As such, the results are directly comparable between the time periods. Similarly, the data was not weighted to reflect the actual distribution of the population in the city by age and gender, as this was not done in previous waves.

Online Sampling

For the online study, given that the age and gender of panel members are known, Insigtrix was able to set precise quotas by both demographics to ensure that a close match with the general population was achieved. Due to the cost savings associated with conducting online research, in 2011 the sample size was increased from 500 to 800 to allow for more statistically accurate findings and more detailed comparisons by demographic groups. This increased sample size has since been maintained. As respondent proportions in this wave of the study are very close to census actuals, the data was not weighted (as was required in the 2011 wave of the study).

Completed Questionnaires by Age

The following table outlines the distribution of telephone interviews and respondents by age:

Demographics		Online Survey		Telephone Survey	
		Count	Percent	Count	Percent
Age	18-34	288	35.08%	90	18.00%
	35-54	303	36.91%	195	39.00%
	55+	230	28.01%	215	43.00%
Total		821	100%	500	100%

Questionnaire Review

All tracking sections of the survey instrument remained unchanged in order to maintain the ability to track results with previous years, with the exception of a few minor wording adjustments. However, the hot topic section of the survey is very lengthy this year, comprising 33 items. As such, three questions from the original tracking study have been omitted for this iteration of the study: the importance of various civic services and questions addressing awareness and value of property taxes paid to the City. With respect to the former question, changes in importance of civic services are typically minimal year over year. As such, 2014 data has been used as reference where appropriate throughout the report.

Data Collection

Telephone

Data was collected via telephone interviews with randomly selected households within Saskatoon city limits. Household contact information was provided by ASDE Survey Sampler, Inc., a reputable Canadian sample provider. Trained telephone interviewers contacted potential respondents and asked for their voluntary participation in the study.

Online

Randomly selected SaskWatch Research™ panel members living within the city were invited to participate in the research study via an email message which included a link to the online survey. Those who did not respond within one week of receiving the invitation were sent a reminder invitation.

Dates and Margins of Error

Data was collected between May 11th and June 2nd, 2015. A total of 500 surveys were completed via telephone and 821 surveys were completed online. The margin of error for the telephone research is ± 4.4 percentage points at a 95% confidence interval (19 times out of 20). Margin of error for the online study is not applicable as online research is considered a non-probability proportional sampling technique.

Reporting Notes

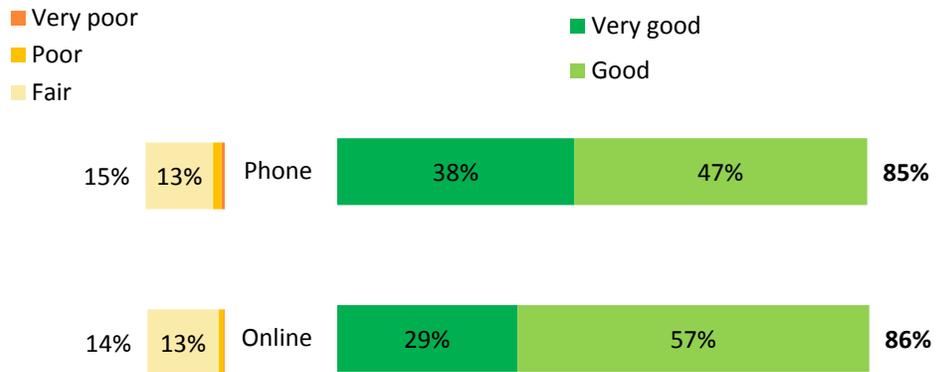
- Each survey question was analyzed by all appropriate demographic variables, including suburban area, and age. Notable differences have been highlighted in this report using "▲". A standard alpha value of less than 0.05 is considered statistically significant. This means that there is less than a 5% chance that the results would have occurred by chance.
- Because of the larger sample size and the objective of transitioning the Saskatoon Civic Services Survey to an online methodology, any demographic cross-tabulation results have been based solely on online respondents.

- Due to rounding, not all results will add to exactly 100%.
- Results for questions with multiple allowed responses may total more than 100%, as respondents were able to choose more than one option.
- Each question includes a base description detailing the number of respondents who answered each question (n=#).
- Open-ended questions have been themed and coded into categories. The percentages from individual codes could total more than 100%, as comments from each respondent could be relevant to more than one code.

QUALITY OF LIFE, OVERALL SATISFACTION & VALUE

Perceived Quality of Life

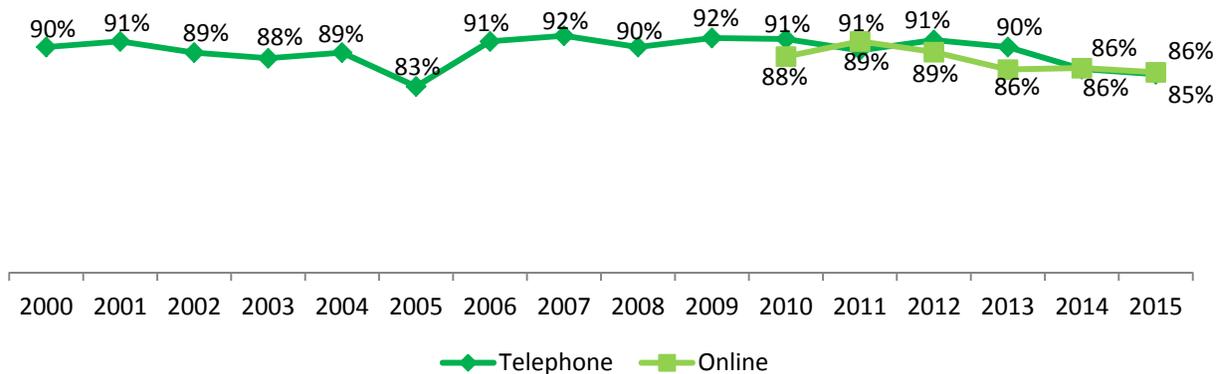
Perceptions of quality of life in Saskatoon are positive. Specifically, 85% of telephone and 86% of online respondents believing the quality of life is very good or good. Few rate the quality of life fair, poor or very poor.



1. Overall, how would you rate the quality of life in Saskatoon? Base: All respondents excluding "unsure/don't know," telephone: n=499, online: n=821.

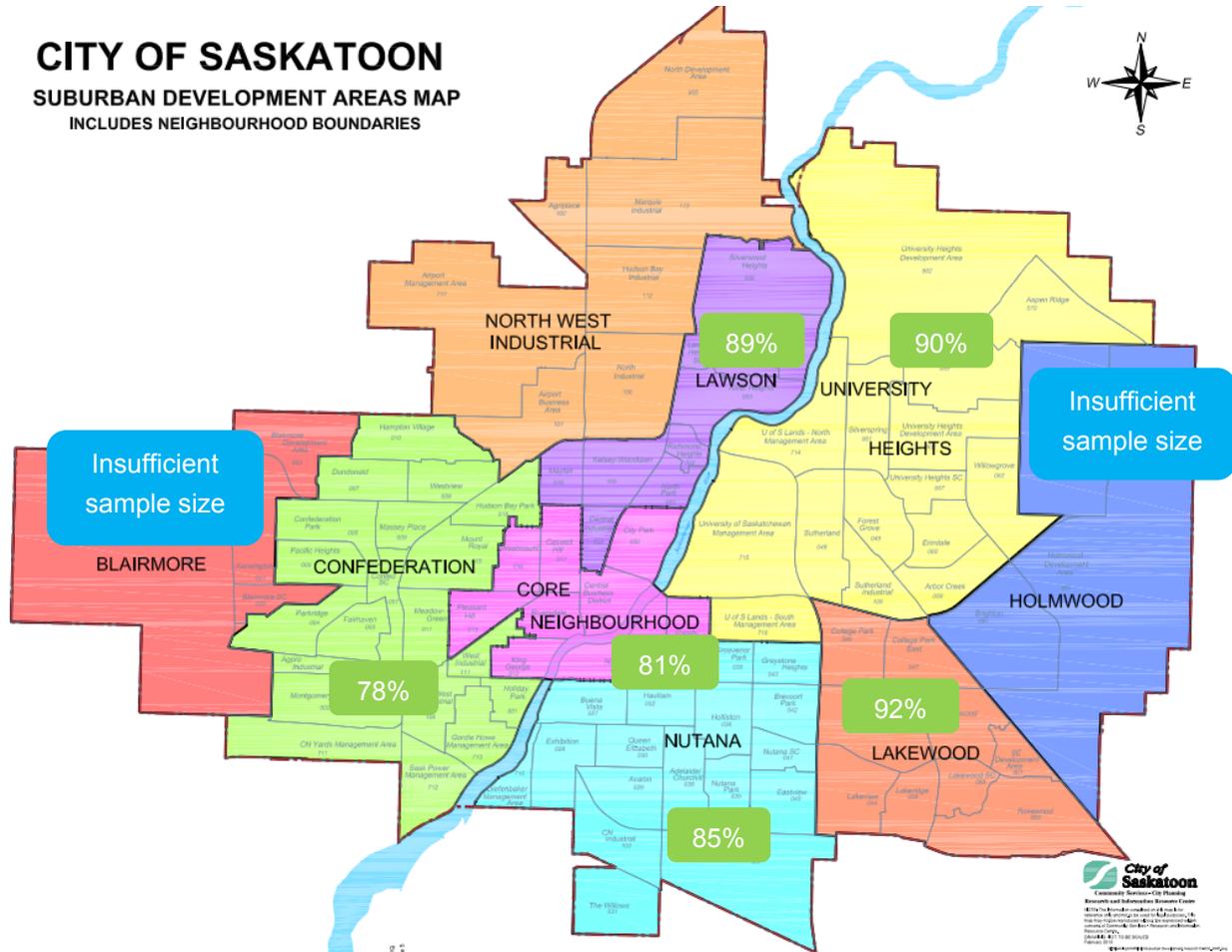
Trended Perception Quality of Life

Perceptions of quality of in Saskatoon hold steady with 2014 for both online and telephone respondents.



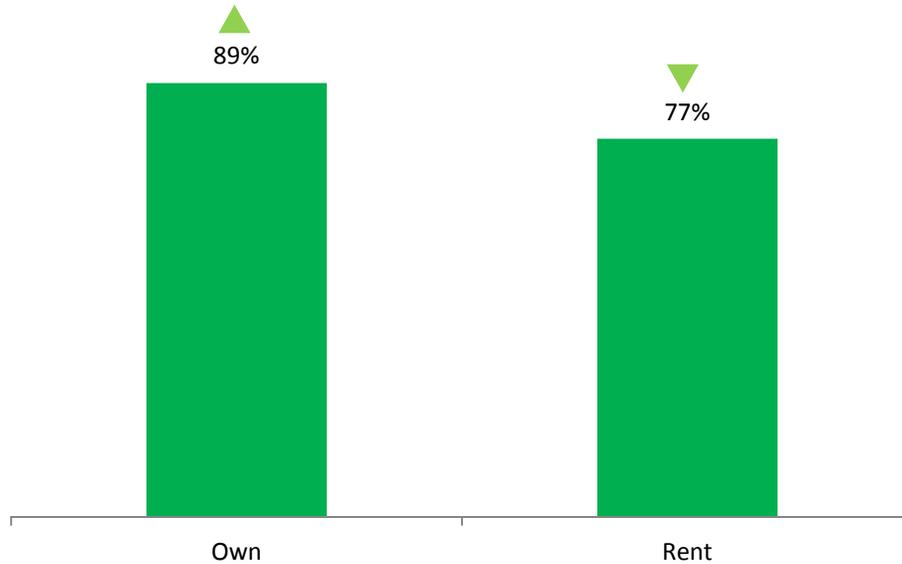
Perceived Quality of Life by SDA (online respondents only)

Quality of life is perceived to be strongest in Lakewood, University Heights, and Lawson; however, the Core Neighbourhood and Confederation perceive the quality of life in Saskatoon to be notably lower.



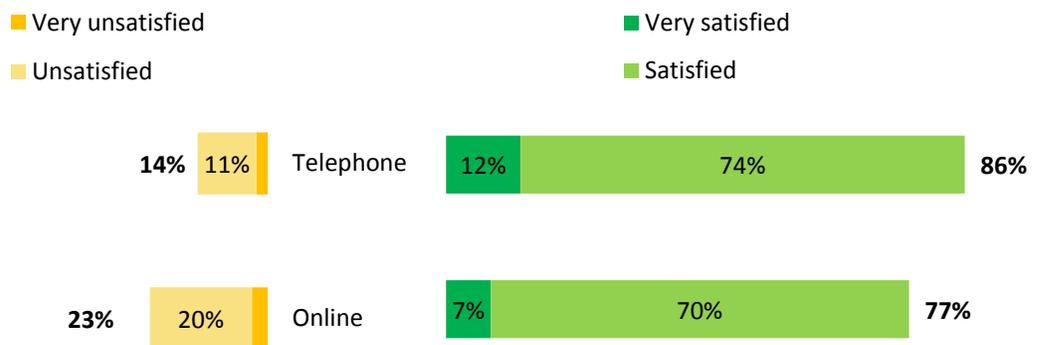
Perceived Quality of Life by Home Ownership (online respondents only)

Individuals who own their home are more likely to perceive Saskatoon’s quality of life to be higher than those who rent their home.



Overall Satisfaction

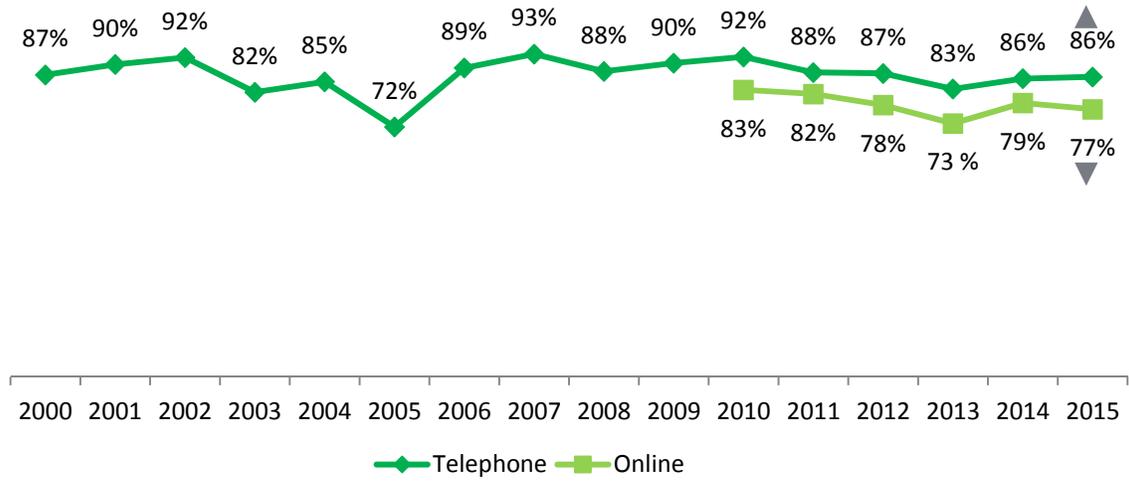
Overall Satisfaction with the level of services provided by the City of Saskatoon is strong. However, more than two in ten online respondents are unsatisfied or very unsatisfied with the level of services provided by the City.



6. Generally speaking, how satisfied are you with the overall level of services provided by the City of Saskatoon? Base: All respondents excluding “unsure/don’t know,” telephone: n=500, online: n=821.

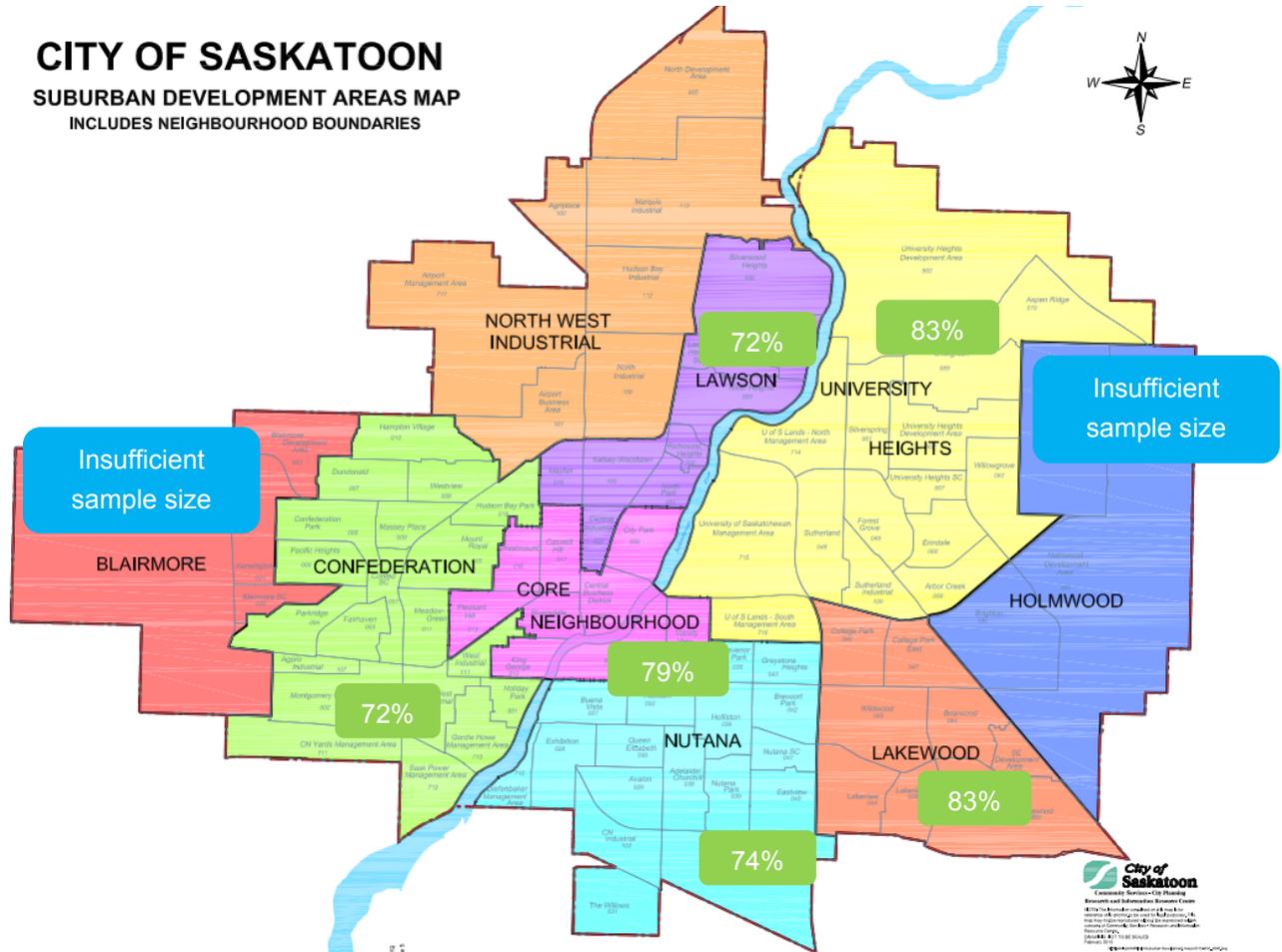
Trended Overall Satisfaction

Overall satisfaction remains relatively consistent with previous years; with telephone respondents continuing to be significantly more satisfied than online respondents.



Overall Satisfaction by SDA (online respondents only)

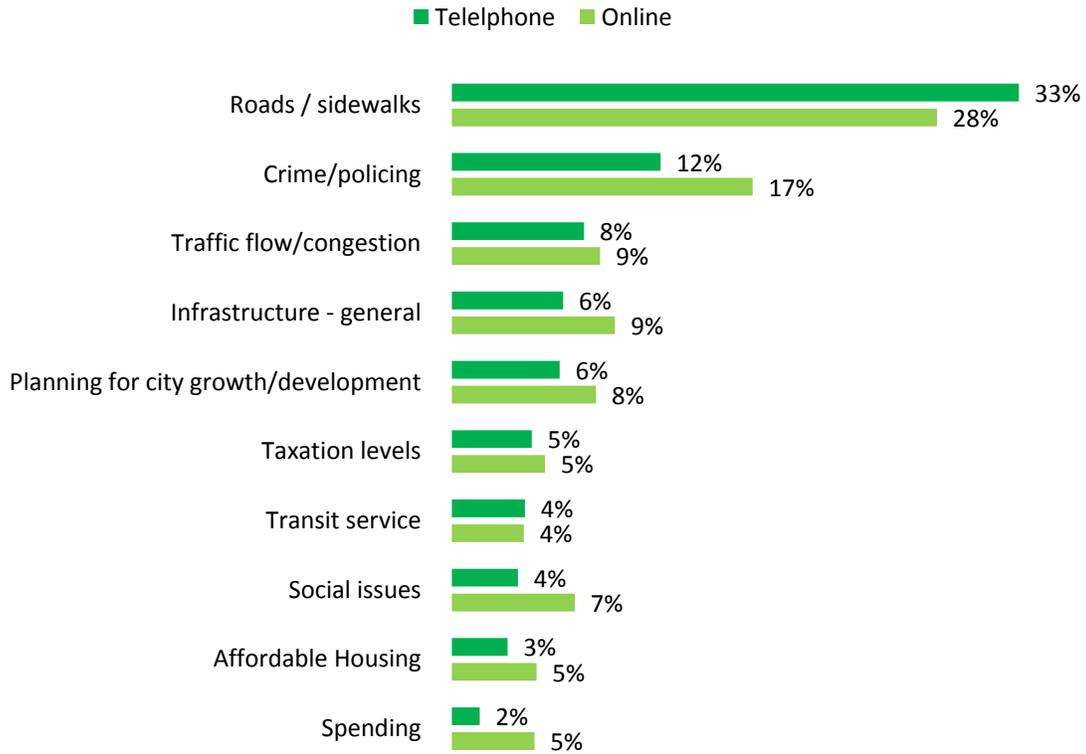
Overall satisfaction with the City is highest among those living in University Heights and Lakewood, significantly higher than in Lawson and Confederation.



IMPORTANT ISSUES FACING THE CITY

Primary Issues

When asked to name the most important issue facing the city, road and sidewalk repair is most commonly mentioned, followed by crime / policing, traffic flow / congestion and general infrastructure.



2. In your opinion, what is the single most important issue facing the City of Saskatoon, that is, the one issue you feel should receive the greatest attention? Base: All respondents, telephone: n=500, online: n=821.

Tracking Primary Issues

In 2015, more residents have identified crime and policing as the main issue facing the city than in 2014, while mentions of road repairs have declined among both telephone and online respondents.

Primary issues	2012 Telephone	2013 Telephone	2014 Telephone	2015 Telephone	Telephone Difference from 2014	2012 Online	2013 Online	2014 Online	2015 Online	Online Difference from 2014
Roads	24%	36 %	37%	33%	-4 %	22%	31 %	32%	28%	-4 %
Traffic flow/congestion	7%	13 %	8%	8%	0 %	9%	15 %	10%	9%	-1 %
Planning for city growth/development	8%	11 %	6%	6%	0 %	9%	13 %	9%	8%	-1 %
Infrastructure (general)	17%	5 %	5%	6%	1 %	19%	9 %	11%	9%	-2 %
Crime/policing	8%	4 %	9%	12%	3 %	10%	8 %	11%	17%	6 %
Taxation	6%	4 %	5%	5%	0 %	7%	6 %	5%	5%	0 %
Affordable Housing	7%	4 %	6%	3%	-3 %	10%	9 %	9%	5%	-4 %
Social issues	4%	3 %	3%	4%	1 %	3%	5 %	5%	7%	2 %

Primary and Secondary Issues

When asked to name additional issue facing the city, roads and sidewalks are most frequently cited. Crime and policing are also commonly referenced, especially among online respondents.

Telephone respondents	■ Primary ■ Secondary	Online respondents
50% ■ 18% ■ 33%	Roads / sidewalks	■ 28% ■ 19% 47%
21% ■ 9% ■ 12%	Crime/policing	■ 17% ■ 17% 34%
11% ■ 8%	Traffic flow/congestion	■ 9% ■ 8% 16%
8% ■	Infrastructure - general	■ 9% ■ 5% 14%
9% ■	Planning for city growth/development	■ 8% ■ 14%
7% ■	Taxation levels	■ 10%
8% ■	Transit service	■ 10%
7% ■	Social issues	■ ■ 14%
5% ■	Affordable Housing	■ 8%
4% ■	Spending	■ 9%
2% ■	Environment/pollution	■ 1%
5% ■	City programs and services	■ 8%

2. In your opinion, what is the single most important issue facing the City of Saskatoon, that is, the one issue you feel should receive the greatest attention?

3. Is there any other issue, which you feel is also important, and should receive priority attention?

Base: All respondents, telephone: n=500, online: n=821.

Tracking Primary and Secondary Issues

Mentions of roads and sidewalks as primary and secondary issues facing the city have increased since 2014 (an increase of 15% for online and 13% for telephone). However, crime and policing has also increased, especially among online respondents (an increase of 23%).

Primary issues	2014 Telephone	2015 Telephone	Telephone Difference from 2014	2014 Online	2015 Online	Online Difference from 2014
Roads / sidewalks	37%	50%	13%	32%	47%	15%
Crime/policing	9%	21%	11%	11%	34%	23%
Traffic flow/congestion	8%	11%	3%	10%	16%	6%
Infrastructure - general	5%	8%	3%	11%	14%	3%
Planning for city growth/development	6%	9%	3%	9%	14%	6%
Taxation levels	5%	7%	3%	5%	10%	5%
Transit service	2%	8%	5%	3%	10%	7%
Social issues	3%	7%	4%	5%	14%	8%
Affordable Housing	6%	5%	-1%	9%	8%	-1%
Environment/pollution	1%	2%	2%	2%	1%	0%

SPECIFIC CIVIC SERVICES – IMPORTANCE & SATISFACTION

Historically, Saskatoon residents have been asked to rate the importance of a wide range of civic services offered by the City as well as the City's performance of delivering these services. For 2015, the importance question was omitted from the study to allow for additional questionnaire length to address the budget questions reported as part of the hot topics section. Because the importance of civic services do not typically vary greatly year over year, responses to the importance questions from 2014 are shown below simply for reference.

A ten-point scale is used where one means not at all important or very poor performance (in the case of rating the City's performance) and ten means very important or excellent performance (in the case of rating the City's performance). For the ease of presentation, these services have been grouped into the following categories.

Transportation & Utility Services
❖ Maintenance of major roadways and freeways
❖ Snow and ice road maintenance
❖ Traffic management
❖ Street maintenance in your neighborhood
❖ Sidewalk maintenance in your neighborhood
❖ Parking
❖ Public transportation
❖ Maintenance of back lanes
❖ Repair of water main breaks
❖ Quality of drinking water
❖ Treatment of sewage
❖ Electrical services reliability

Waste Management
❖ Garbage collection
❖ Recycling
❖ Landfill services

Community Services
❖ Planning for growth and development
❖ Affordable housing
❖ Indoor pools/community centres
❖ Outdoor swimming pools
❖ Paddling pools and spray parks*
❖ Indoor Ice rinks
❖ Mosquito control
❖ Maintenance of City parks
❖ Maintenance of City trees
❖ Accessibility of City parks
❖ Funding for community-based organizations
❖ Funding for arts and cultural groups
❖ Bylaw enforcement
❖ Control of dangerous and nuisance animals
❖ Recreation programs and services*

Other
❖ Fire protection
❖ Police services
❖ Bylaw Enforcement
❖ Customer service
❖ Online services

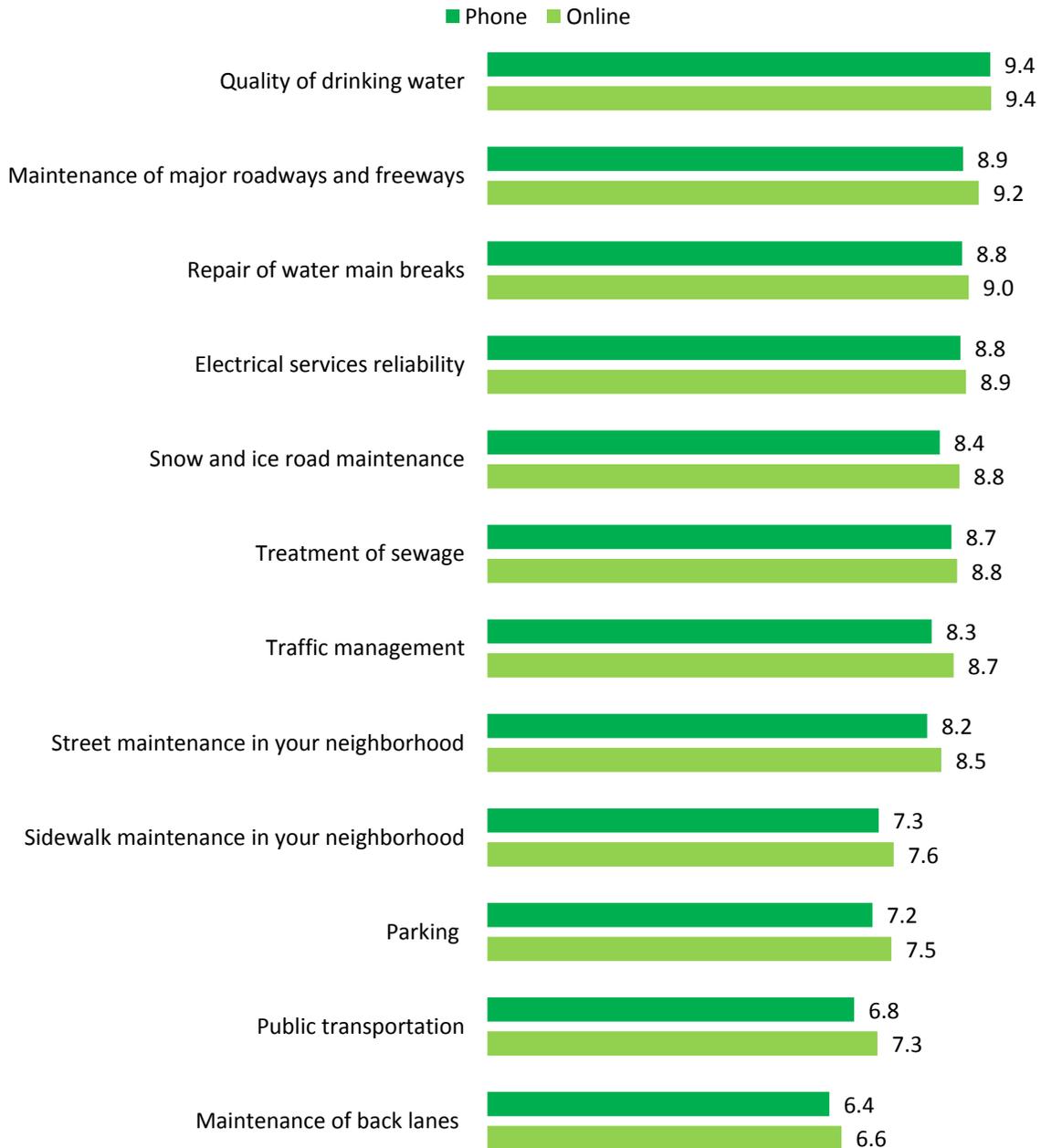
The civic services that residents deemed most important in 2014 include the following:

- Road maintenance
- Repair of water main breaks
- Snow and ice maintenance
- Traffic management
- Planning for growth and development
- Quality of drinking water
- Fire protection
- Treatment of sewage
- Police services

Importance of Transportation & Utility Services

Most transportation and utility services were deemed as very important in the 2014 study. Sidewalk maintenance, parking, public transportation, and back lanes maintenance were perceived as comparatively less important.

2014 Ranking of Importance

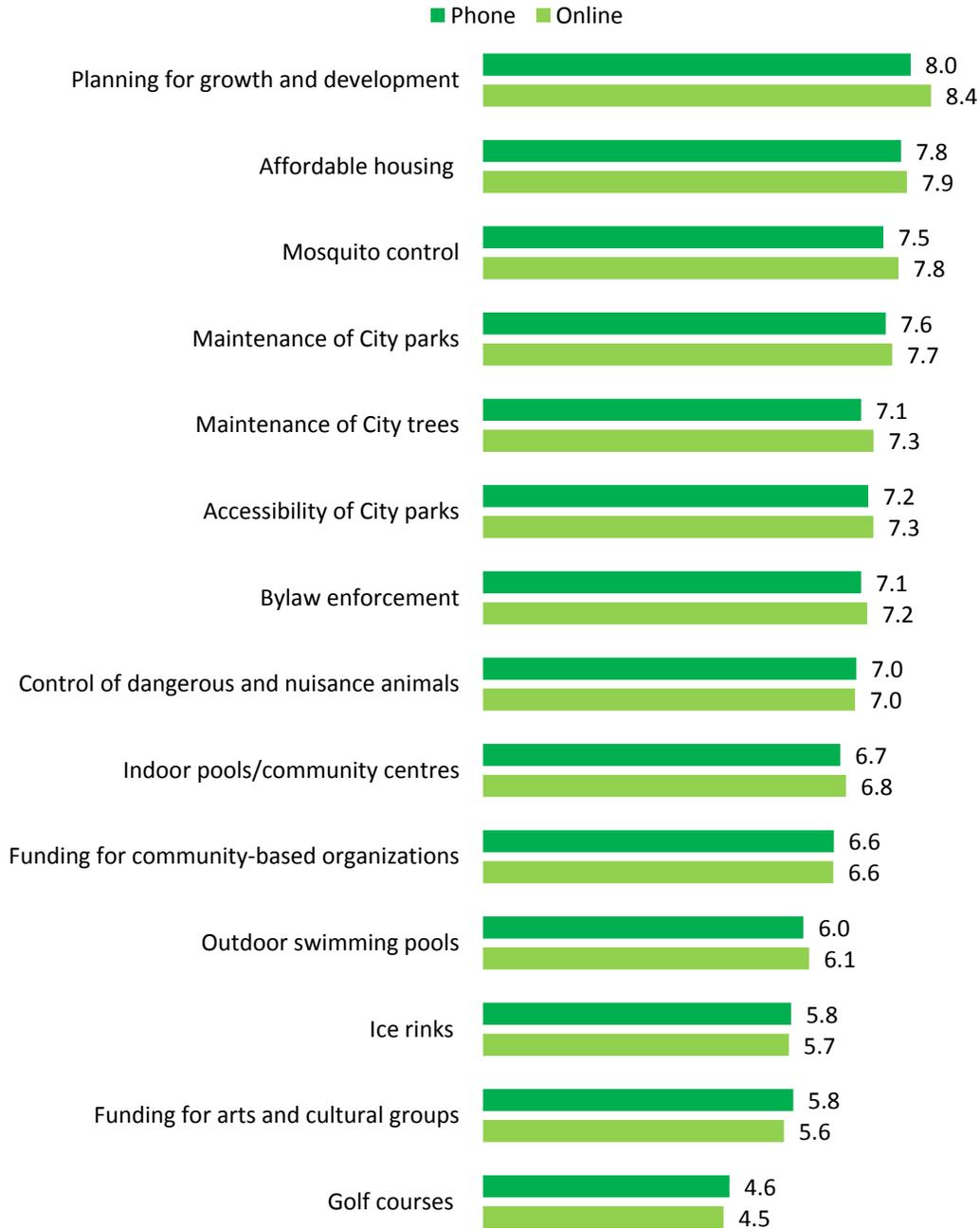


4. Please rate how important each of the following services are to you personally. Base: All respondents excluding "don't know," telephone: n=478 to 500, online, n=788 to 800. *2014 Results.

Importance of Community Services

In 2014, planning for growth and development was deemed to be the most important community service while leisure services were comparatively less important to citizens.

2014 Ranking of Importance

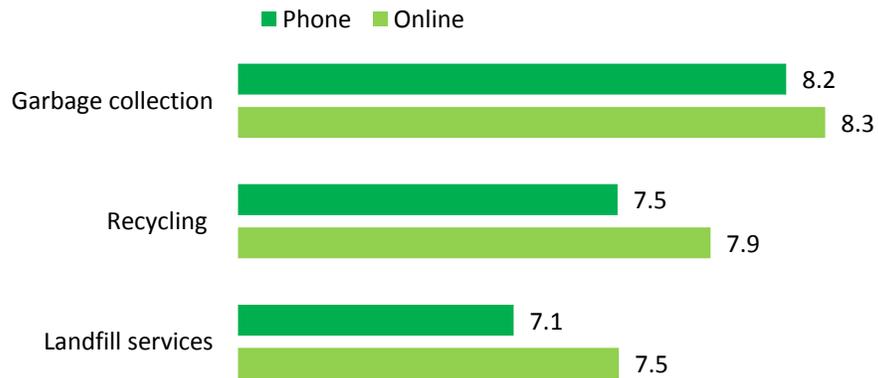


4. Please rate how important each of the following services are to you personally. Base: All respondents excluding "don't know," telephone: n=478 to 500, online, n=788 to 800. *2014 Results.

Importance of Waste Management

In 2014, garbage collection was seen to be more important than recycling and landfill services.

2014 Ranking of Importance



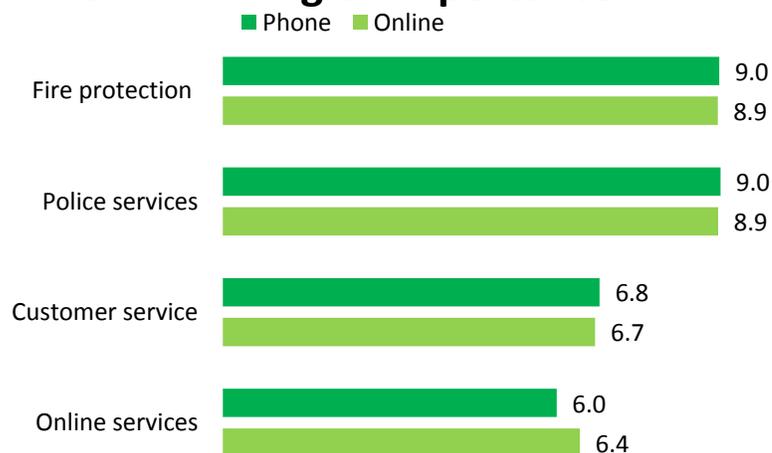
4. Please rate how important each of the following services are to you personally. Base: All respondents excluding "don't know," telephone: n=478 to 500, online, n=788 to 800. *2014 Results.

*Results for electrical services reliability exclude respondents whose electricity provider is SaskPower.

Importance of Other Services

Among the remaining civic services presented to citizens, fire protection and police services were perceived to be the most important in 2014.

2014 Ranking of Importance



4. Please rate how important each of the following services are to you personally. Base: All respondents excluding "don't know," telephone: n=478 to 500, online, n=788 to 800.*2014 Results.

Tracking Importance of Services

In 2014, the perceived importance of specific civic services remained consistent except for funding for community-based organizations, for which a notable decline in importance was observed. However, this may have been due in part to a change in the wording between 2013 and 2014.

Transportation & Utility Services	2011 Telephone	2012 Telephone	2013 Telephone	2014 Telephone	Difference from 2013	2011 Online	2012 Online	2013 Online	2014 Online	Difference from 2013
Maintenance of major roadways and freeways	8.9	9.0	9.0	8.9	-0.1	9.1	9.1	9.2	9.2	0.0
Snow and ice road maintenance*	8.3	8.3	8.5	8.4	-0.1	8.8	8.6	8.8	8.8	0.0
Traffic management	8.1	8.4	8.4	8.3	-0.1	8.7	8.8	8.8	8.7	-0.1
Street maintenance in your neighborhood	8.2	8.3	8.3	8.2	-0.1	8.5	8.5	8.5	8.5	-0.1
Sidewalk maintenance in your neighborhood	7.1	7.0	7.1	7.3	0.2	7.7	7.6	7.6	7.6	0.0
Parking	-	-	7.0	7.2	0.2	-	-	7.5	7.5	0.1
Public transportation	7.0	7.1	7.0	6.8	-0.2	7.4	7.3	7.5	7.3	-0.3
Maintenance of back lanes	6.4	6.1	6.1	6.4	0.3	6.5	6.4	6.6	6.6	0.0
Repair of water main breaks	8.7	8.9	8.8	8.8	0.1	8.9	9.0	9.1	9.0	-0.1
Quality of drinking water	9.2	9.4	9.4	9.4	0.0	9.4	9.5	9.5	9.4	-0.1
Treatment of sewage	8.5	8.7	8.7	8.7	-0.1	8.7	8.8	8.9	8.8	-0.1
Electrical services reliability**	8.4	8.6	8.6	8.8	0.2	8.8	8.8	8.9	8.9	0.0

* Option was changed from "snow removal."

** Results exclude respondents whose electricity provider is SaskPower.

****2014 results.

Community Services	2011 Telephone	2012 Telephone	2013 Telephone	2014 Telephone	Difference from 2013	2011 Online	2012 Online	2013 Online	2014 Online	Difference from 2013
Planning for growth and development*	8.0	8.2	8.4	8.0	-0.3	8.5	8.5	8.6	8.4	-0.2
Affordable housing**	-	-	-	7.8	-	-	-	-	7.9	-
Indoor pools/community centres	6.8	7.0	6.9	6.7	-0.2	7.0	6.9	7.0	6.8	-0.2
Outdoor swimming pools	6.2	6.2	6.2	6.0	-0.2	6.1	6.2	6.4	6.1	-0.2
Ice rinks	5.9	6.0	5.9	5.8	-0.1	5.8	5.7	5.8	5.7	0.0
Golf courses	4.7	4.6	4.7	4.6	-0.1	4.6	4.5	4.6	4.5	-0.1
Mosquito control	7.5	7.4	7.5	7.5	0.0	7.9	7.8	7.9	7.8	-0.1
Maintenance of City parks	7.5	7.6	7.5	7.6	0.0	7.8	7.7	7.8	7.7	-0.1
Maintenance of City trees	7.0	7.0	6.9	7.1	0.1	7.4	7.3	7.4	7.3	0.0
Accessibility of City parks	7.2	7.3	7.2	7.2	0.0	7.6	7.4	7.4	7.3	-0.1
Funding for community-based organizations***	7.7	7.7	7.5	6.6	-0.9	7.5	7.4	7.4	6.6	-0.8
Funding for arts and cultural groups	5.9	5.9	5.9	5.8	-0.1	6.0	5.9	5.8	5.6	-0.2
Bylaw enforcement	7.0	6.9	7.0	7.1	0.1	7.3	7.2	7.3	7.2	0.0
Control of dangerous and nuisance animals	6.9	7.0	6.9	7.0	0.1	7.1	7.0	7.0	7.0	-0.1

* Option was changed from "planning and development of the city."

** Option was added in 2014.

*** Option was changed from "funding for community service organizations that help people in need."

****2014 results

Waste Management	2011 Telephone	2012 Telephone	2013 Telephone	2014 Telephone	Difference from 2013	2011 Online	2012 Online	2013 Online	2014 Online	Difference from 2013
Garbage Collection	-	8.4	8.2	8.2	0.0	-	8.3	8.5	8.3	-0.1
Recycling*	7.6	7.6	7.6	7.5	0.0	7.7	7.6	7.8	7.9	0.1
Landfill services	7.2	7.2	7.2	7.1	-0.1	7.5	7.5	7.6	7.5	-0.1

* Option was changed from "recycling initiatives."

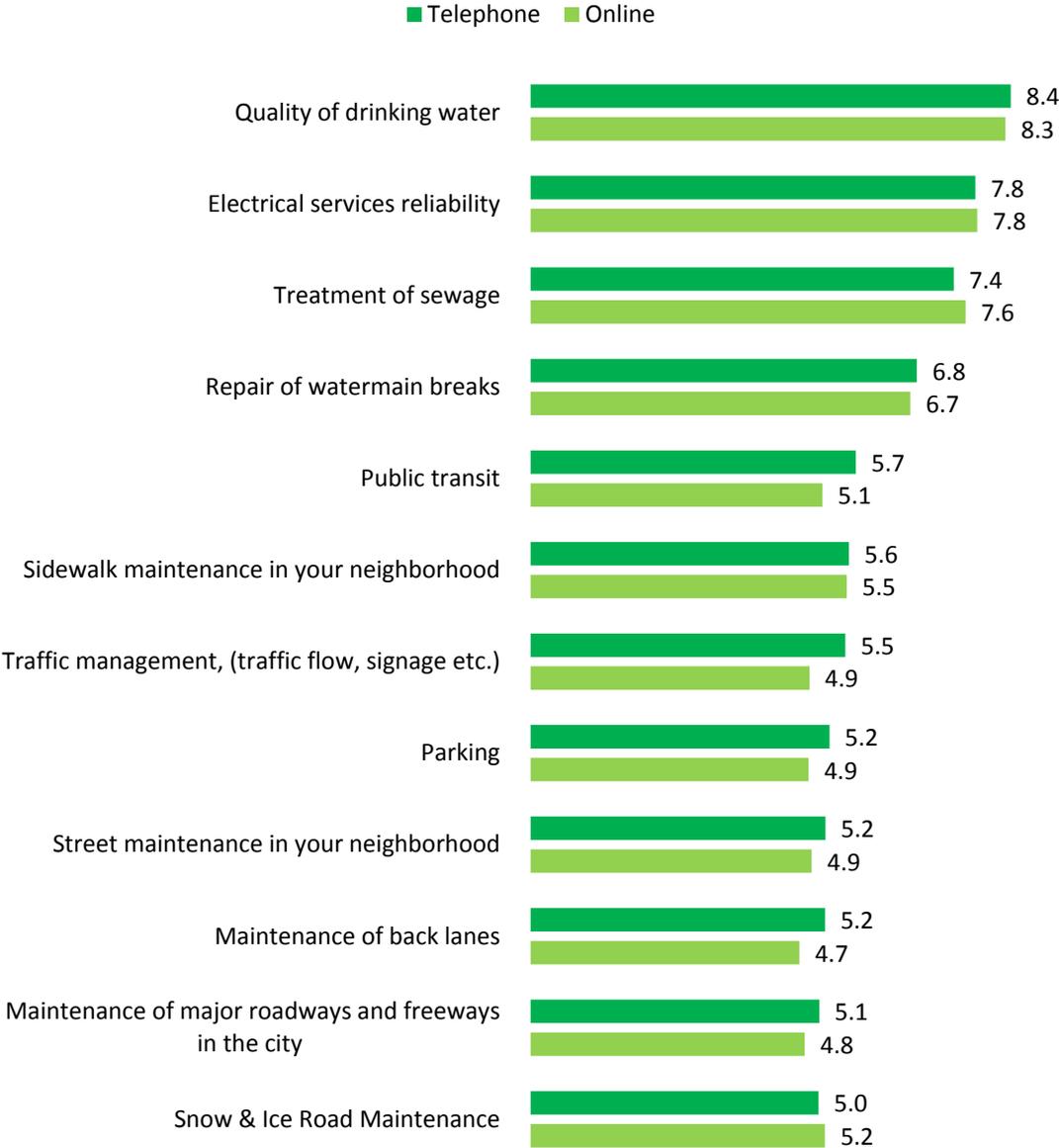
****2014 results.

Other	2011 Telephone	2012 Telephone	2013 Telephone	2014 Telephone	Difference from 2013	2011 Online	2012 Online	2013 Online	2014 Online	Difference from 2013
Fire protection	8.9	9.1	9.1	9.0	-0.1	9.1	9.0	9.1	8.9	-0.1
Police services	8.8	9.0	9.0	9.0	0.0	9.1	9.0	9.0	8.9	0.0
Customer service	6.7	6.8	6.7	6.8	0.1	6.7	6.8	6.8	6.7	-0.1
Online services	-	-	5.8	6.0	0.2	-	-	6.4	6.4	0.1

****2014 results.

Satisfaction with Transportation & Utility Services

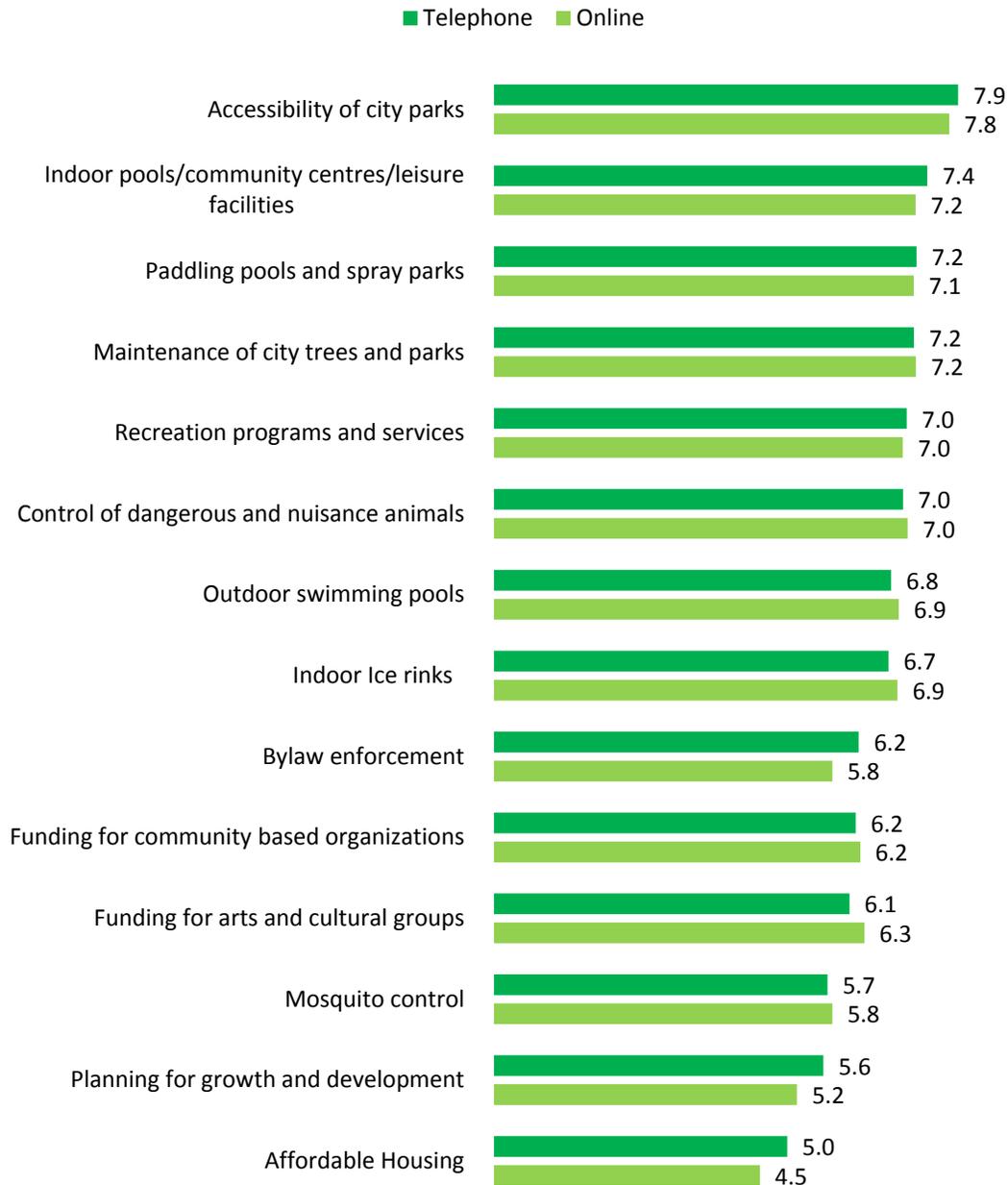
As previously mentioned, residents were also asked to rate the City’s performance on a ten-point scale in delivering civic services. Quality of drinking water, electrical services, and treatment of sewage are the areas of transportation and utility services that residents are most satisfied with, while satisfaction is notably lower for road maintenance and snow and ice maintenance.



5. Please rate how well the City of Saskatoon is doing in delivering each of these services. Base: All respondents excluding “don’t know,” telephone: n=366 to 499, online, n=405 to 817.

Satisfaction with Community Services

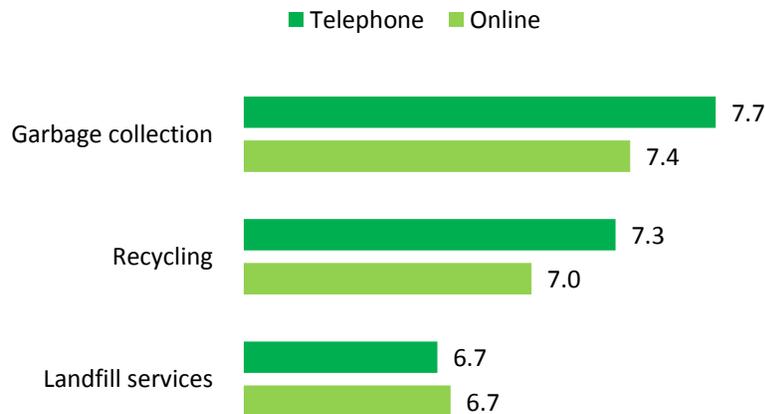
Citizens are very satisfied with accessibility of city parks and indoor swimming pools; however, mosquito control, planning for growth and development, and affordable housing are comparatively lower in satisfaction.



5. Please rate how well the City of Saskatoon is doing in delivering each of these services. Base: All respondents excluding "don't know," telephone: n=366 to 499, online, n=405 to 817.

Satisfaction with Waste Management

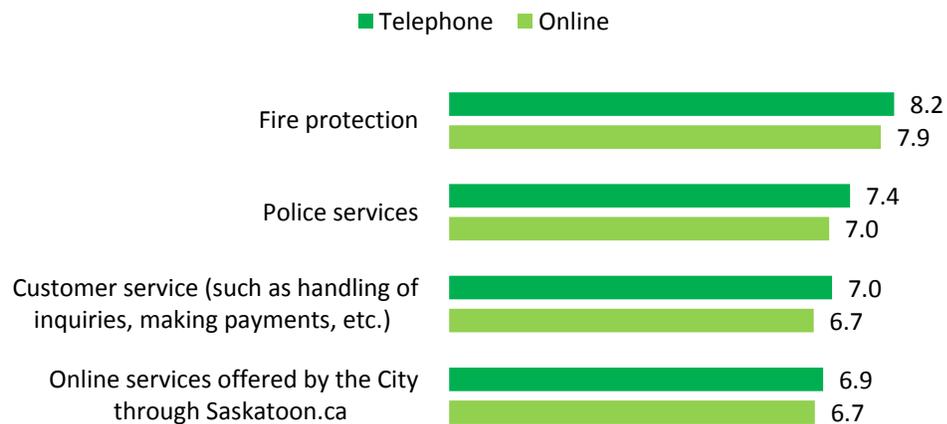
Residents are moderately satisfied with waste management services.



5. Please rate how well the City of Saskatoon is doing in delivering each of these services. Base: All respondents excluding "don't know," telephone: n=366 to 499, online, n=405 to 817.

Satisfaction with Other Services

Satisfaction with other services offered by the City is very high, particularly for fire protection and police services.



5. Please rate how well the City of Saskatoon is doing in delivering each of these services. Base: All respondents excluding "don't know," telephone: n=366 to 499, online, n=405 to 817.

Tracking Satisfaction with Civic Services

Satisfaction has remained relatively steady with most transportation and utility services although slight declines are noted for snow and ice maintenance, traffic management, public transportation and maintenance of back lanes.

Transportation & Utility Services	2012 Telephone	2013 Telephone	2014 Telephone	2015 Telephone	Difference from 2014	2012 Online	2013 Online	2014 Online	2015 Online	Difference from 2014
Maintenance of major roadways and freeways	5.4	5.1	5.3	5.1	-0.3	4.9	4.6	4.9	4.8	-0.1
Snow & ice road maintenance	5.9	4.7	5.4	5.0	-0.4	5.8	4.4	5.4	5.2	-0.3
Traffic management	5.7	5.3	5.8	5.5	-0.3	5.2	4.9	5.4	4.9	-0.5
Sidewalk maintenance in your neighbourhood	6.0	5.8	5.6	5.6	0.0	5.7	5.4	5.7	5.5	-0.1
Street maintenance in your neighbourhood	5.6	5.4	5.5	5.2	-0.4	5.4	5.1	5.4	4.9	-0.5
Parking	-	5.4	5.5	5.2	-0.2	-	5.2	5.1	4.9	-0.3
Public transportation	6.3	6.2	6.1	5.7	-0.4	5.7	5.6	5.7	5.1	-0.5
Maintenance of back lanes	5.3	5.3	5.1	5.2	0.0	5.2	5.0	5.2	4.7	-0.5
Repair of water main breaks	7.5	7.2	6.7	6.8	0.1	7.2	6.9	6.6	6.7	0.0
Quality of drinking water	8.6	8.4	8.4	8.4	0.0	8.5	8.4	8.3	8.3	0.0
Treatment of sewage	8.0	7.8	7.7	7.4	-0.3	7.8	7.8	7.7	7.6	-0.1
Electrical services reliability	8.0	8.4	8.1	7.8	-0.3	7.8	8.2	7.8	7.8	0.0

* Option was changed from "snow removal."

Satisfaction has increased for nearly all community services. Improvements have been made in indoor ice rinks, accessibility of city parks and control of dangerous and nuisance animals. Small declines are seen in planning for growth and development.

Community Service	2012 Telephone	2013 Telephone	2014 Telephone	2015 Telephone	Difference from 2014	2012 Online	2013 Online	2014 Online	2015 Online	Difference from 2014
Planning for growth and development	5.9	5.6	5.9	5.6	-0.3	5.5	5.1	5.5	5.2	-0.3
Affordable housing	-	-	5.0	5.0	0.0	-	-	4.7	4.5	-0.2
Indoor pools/community centres	7.3	7.2	7.1	7.4	0.3	7.1	7.1	7.0	7.2	0.2
Outdoor swimming pools	6.6	6.6	6.6	6.8	0.2	6.7	6.6	6.6	6.9	0.3
Indoor Ice rinks*	6.4	6.3	6.2	6.7	0.5	6.5	6.6	6.4	6.9	0.5
Mosquito control	6.1	5.6	5.9	5.7	-0.2	5.8	5.5	5.7	5.8	0.0
Maintenance of city trees and parks	7.3	7.1	7.1	7.2	0.0	7.0	6.9	6.9	7.2	0.3
Accessibility of city parks	7.7	7.5	7.7	7.9	0.2	7.3	7.2	7.3	7.8	0.4
Funding for community based organizations	6.1	6.1	6.1	6.2	0.1	6.0	6.0	6.0	6.2	0.2
Funding for arts and cultural groups	5.9	6.0	5.9	6.1	0.1	6.0	6.1	6.1	6.3	0.2
Bylaw enforcement	6.3	6.2	6.2	6.2	0.0	6.3	6.1	6.1	5.8	-0.3
Control of dangerous and nuisance animals	6.8	6.8	6.7	7.0	0.2	6.8	6.6	6.5	7.0	0.5
Paddling pools and spray parks	-	-	-	7.2	-	-	-	-	7.1	-
Recreation programs and services	-	-	-	7.0	-	-	-	-	7.0	-

*option was changed from ice rinks

** Option was added in 2014.

Slight declines are found for Waste Management satisfaction by the City. Garbage collection has fallen 0.3 points in both telephone and online respondents and Landfill services have also seen a decline by 0.3 points in telephone respondents and 0.2 points in online respondents.

Waste Management	2012 Telephone	2013 Telephone	2014 Telephone	2015 Telephone	Difference from 2014	2012 Online	2013 Online	2014 Online	2015 Online	Difference from 2014
Garbage Collection	7.7	7.9	8.0	7.7	-0.3	7.6	7.5	7.7	7.4	-0.3
Landfill services	7.1	6.9	7.0	6.7	-0.3	7.0	6.9	6.9	6.7	-0.2
Recycling*	5.9	7.5	7.3	7.3	0.0	5.7	7.1	7.2	7.0	-0.1

Other services provided by the City have mixed satisfaction in comparison to 2014. Police services have declined for both respondents types (0.4 points for telephone respondents and 0.6 points for online respondents), while Customer services and Online services have both improved 0.3 points with telephone respondents, and 0.2 points for online respondents.

Other	2012 Telephone	2013 Telephone	2014 Telephone	2015 Telephone	Difference from 2014	2012 Online	2013 Online	2014 Online	2015 Online	Difference from 2014
Fire protection	8.5	8.5	8.4	8.2	-0.2	8.4	8.3	8.2	7.9	-0.3
Police services	7.6	7.8	7.8	7.4	-0.4	7.5	7.5	7.6	7.0	-0.6
Customer services	7.0	6.8	6.8	7.0	0.3	6.6	6.4	6.5	6.7	0.2
Online services	-	6.6	6.6	6.9	0.3	-	6.5	6.5	6.7	0.2

Mapping Importance and Satisfaction

In order to demonstrate areas of strength and weakness in the City's services offerings, a quadrant analysis was conducted. The set of civic services measured is mapped based on ratings of importance (based on 2014 data) and the City's performance in delivery of these services (satisfaction – based on 2015 data). The four quadrants are defined as follows:

Key Weaknesses (Top Left Quadrant)

Critical Weaknesses represent services believed to be of comparatively high importance, yet opinion on performance of such services is comparatively lower. As a result, these are top priority areas in which more effort could be placed to improve performance.

Latent Weaknesses (Bottom Left Quadrant)

Latent Weaknesses represent services believed to be comparatively lower in importance and, at the same time, have lower performance assessments. These issues should be monitored as, if importance in these areas increases, efforts may be required to improve performance.

Key Strengths (Top Right Quadrant)

Critical Strengths represent services with both high importance and high performance ratings. Continued strong performance in these areas is essential.

Latent Strengths (Bottom Right Quadrant)

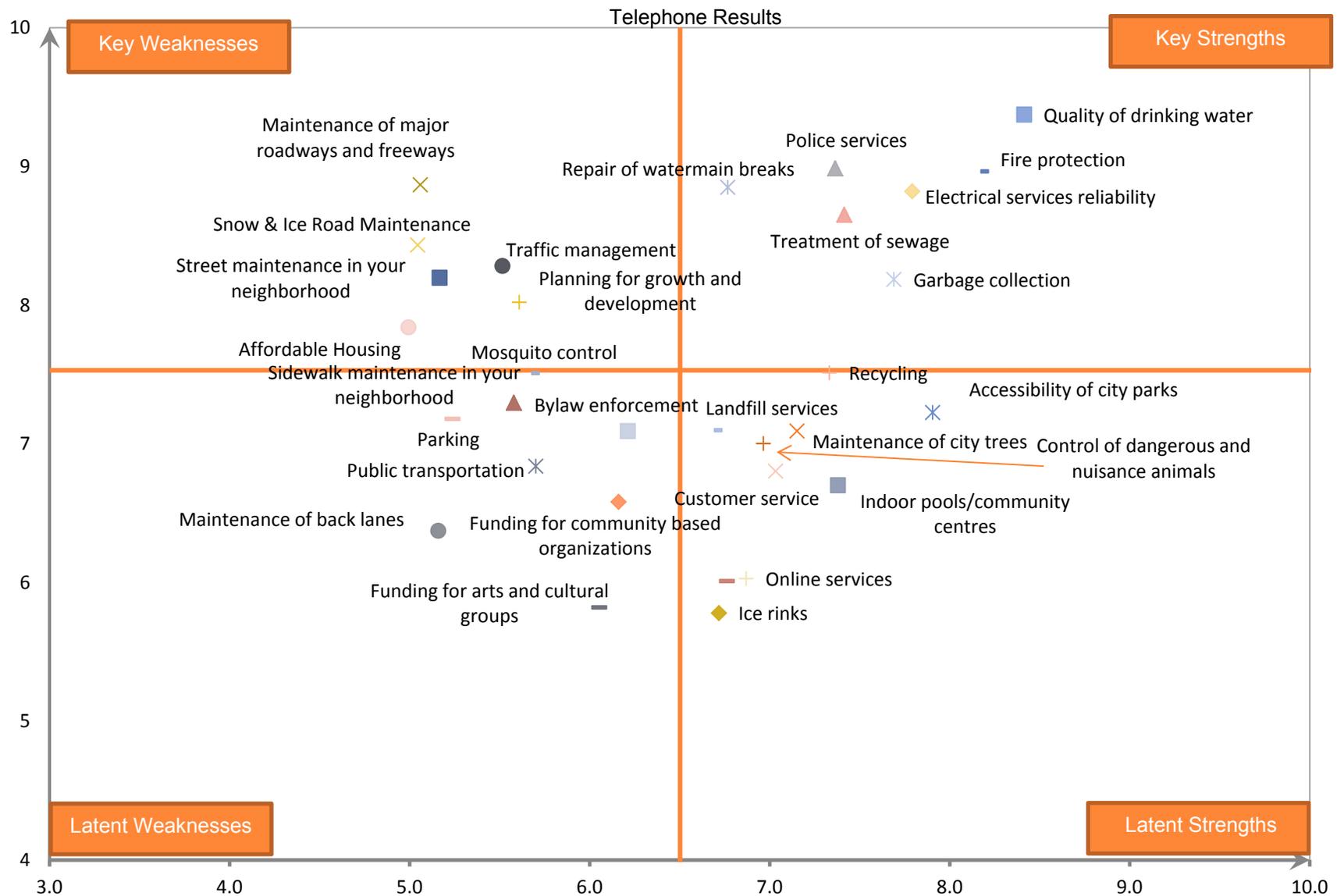
Latent Strengths are areas where the population rate a high degree of performance with services, yet they do not see as much relative importance in these areas. Efforts in these areas could potentially be diverted to address critical weaknesses.

Two separate maps are presented to delineate results for the telephone and online surveys.

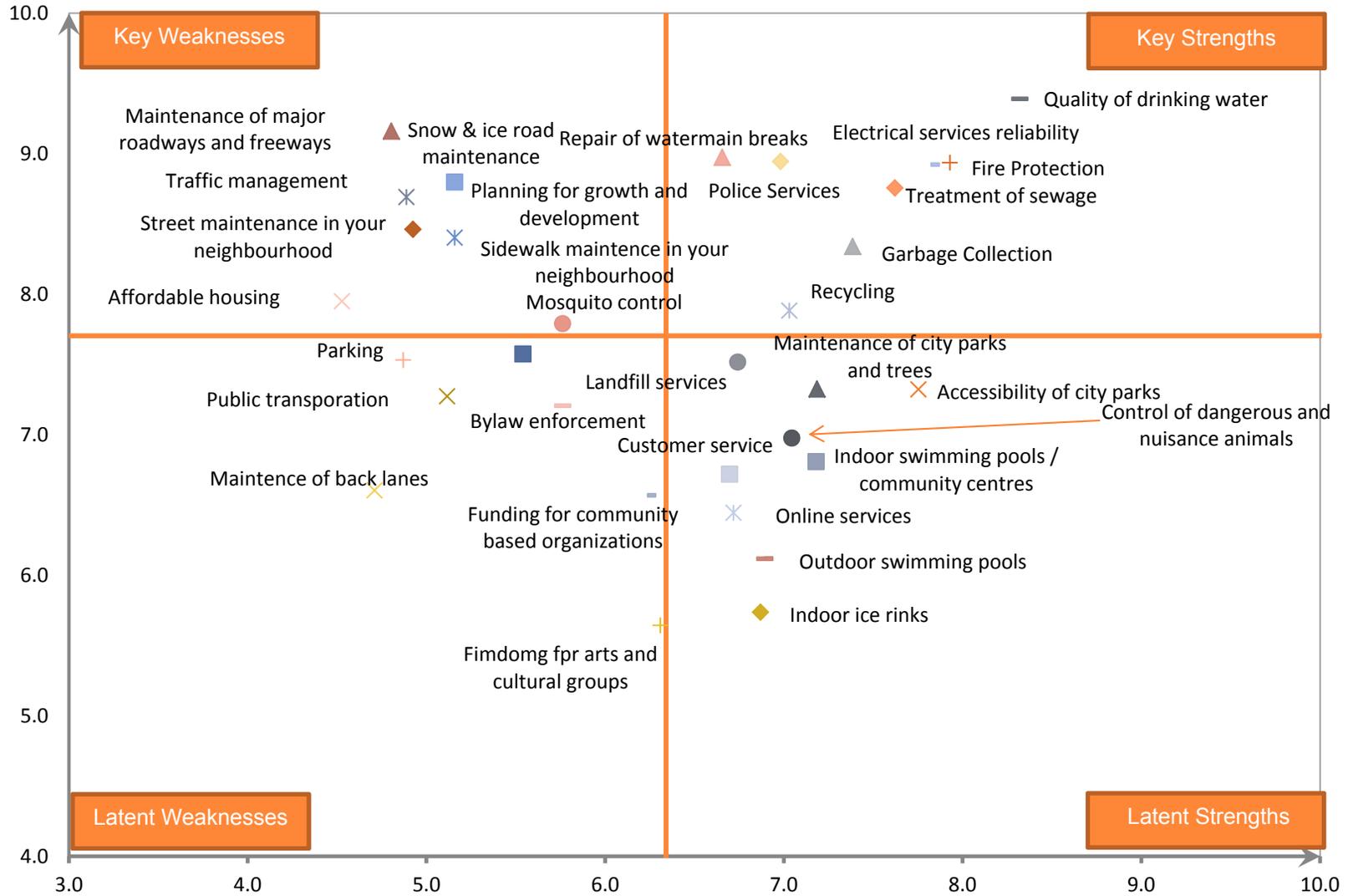
Summary of the quadrant analysis

Key Strengths – Rated High in Importance and Satisfaction	
Quality of drinking water	Treatment of sewage
Fire protection	Garbage collection
Electrical services reliability	Police services
Repair of water main breaks	Recycling

Key Weaknesses – Rated High in Importance but Low in Satisfaction	
Maintenance of major roadways and freeways	Planning for growth and development
Traffic management	Sidewalk maintenance in your neighbourhood
Street maintenance in your neighbourhood	Mosquito control
Affordable housing	



Online Results

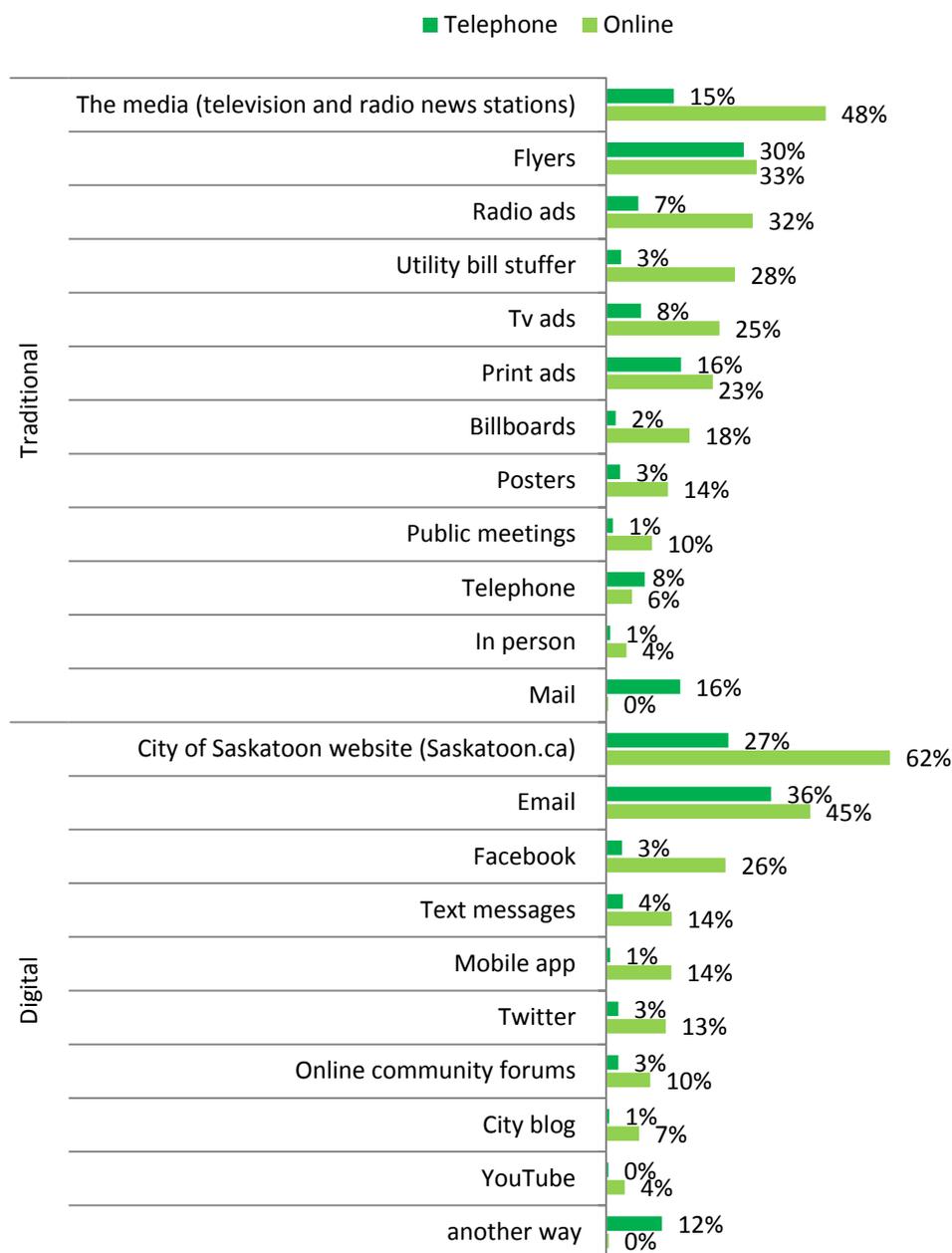


METHODS OF COMMUNICATION

Next, respondents were asked to comment on how they would most like to communicate with the City of Saskatoon and whether or not they access the City's digital communications channels.

Preferred Information Sources

Citizens prefer using a mix of sources to receive information about the City of Saskatoon. Most commonly, the City's website and emails from the City are the preferred information sources for both telephone and online respondents. The media, flyers, radio ads, utility bill stuffers, and TV ads are also common preferences.



7. Changing topics slightly, how do you prefer to receive information about all types of City of Saskatoon programs and services? Base: All respondents, telephone: n=500, online: n=821.

Trended Preferred Information Sources

Information source preferences hold relatively steady with previous years although far fewer telephone respondents have suggested bill stuffers, radio or TV ads, than in the past.

Communication Method		Mode	2012	2013	2014	2015
Traditional	Utility bill stuffer	Telephone	21%	27%	10%	3%
		Online	35%	36%	30%	28%
	The media	Telephone	19%	19%	23%	15%
		Online	45%	45%	43%	48%
	Print ads	Telephone	29%	17%	28%	16%
		Online	27%	21%	26%	23%
	Radio ads	Telephone	18%	20%	19%	7%
		Online	39%	32%	34%	32%
	TV ads	Telephone	22%	19%	20%	8%
		Online	30%	24%	26%	25%
	Flyers	Telephone	43%	32%	25%	30%
		Online	33%	29%	26%	33%
	Billboards	Telephone	7%	9%	7%	2%
		Online	21%	15%	19%	18%
	Posters	Telephone	4%	6%	5%	3%
		Online	12%	9%	14%	14%
Public meetings	Telephone	4%	6%	6%	1%	
	Online	13%	11%	13%	10%	
Digital*	Website	Telephone	24%	26%	32%	27%
		Online	52%	47%	62%	62%
	Email	Telephone	26%	29%	31%	36%
		Online	36%	38%	42%	45%
	Facebook	Telephone	-	-	7%	3%
		Online	-	-	20%	26%
	Text Messaging	Telephone	-	-	5%	14%
		Online	-	-	11%	4%

*Only items that can be tracked are included.

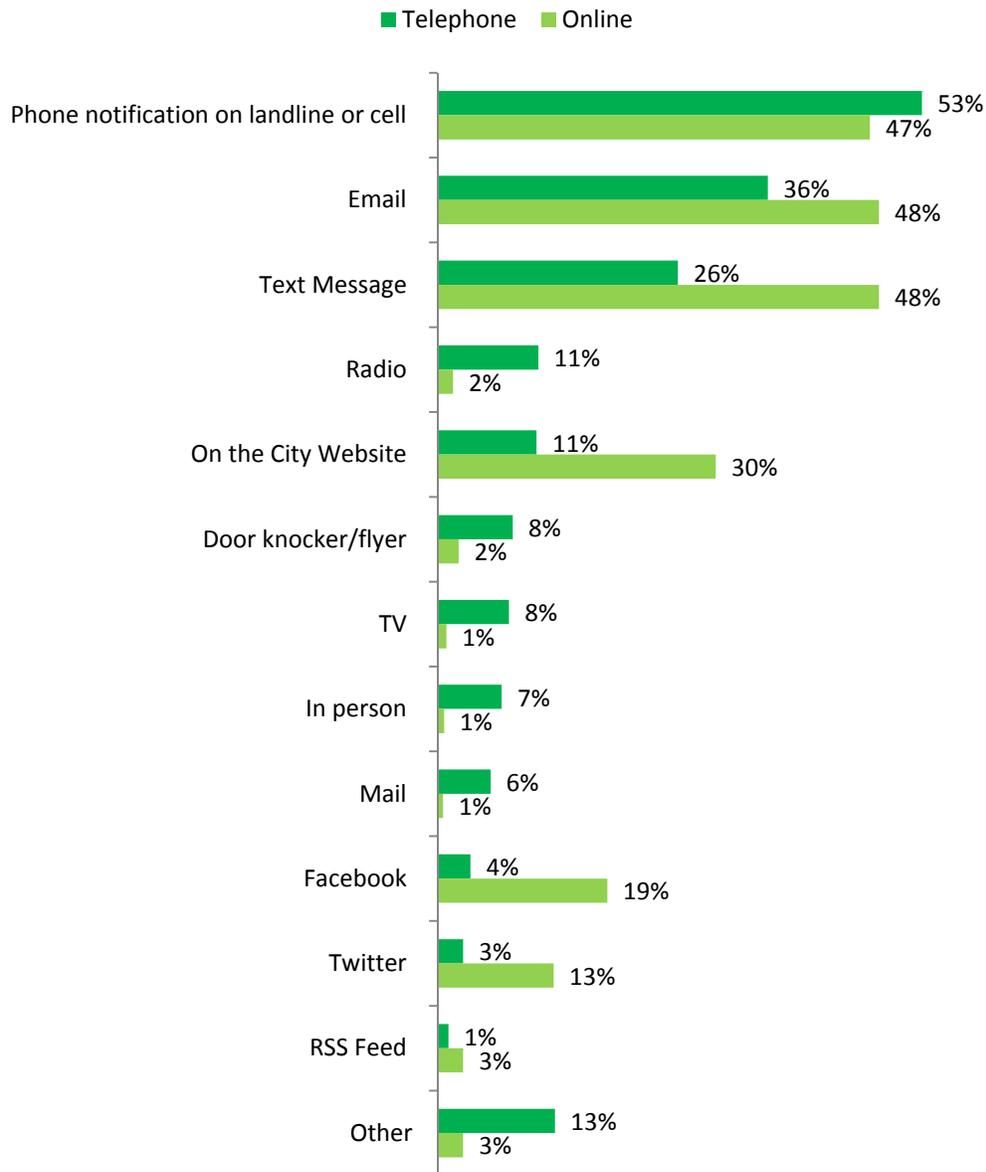
Preferred Information Sources by Age (online respondents only)

Preferred methods of receiving information from the City differ by age range. Younger individuals are more likely to prefer social media sources such as Facebook and Twitter, whereas older individuals have greater preferences towards traditional media sources.

Communication Method		18-34	35-54	55+
Traditional	The media	43%	44%▲	61%▲
	Radio ads	36%	31%	29%
	Billboards	22%	19%	13%
	TV ads	23%	23%	29%
	Utility bill stuffer	23%	27%▼	37%▼
	Flyers	27%	34%	39%
	Posters	22%▲	12%▼	6%▼
	Print ads	18%	23%	30%
	Public meetings	6%	10%	14%
	In person	6%	3%	5%
	Telephone	3%	5%	9%
	Mail	0%	1%	0%
Digital	City of Saskatoon website (Saskatoon.ca)	64%	64%	59%
	Email	41%	49%	44%
	Facebook	41%▲	27%▼	6%▼
	Mobile app	18%	18%▲	4%▼
	Twitter	19%▲	15%▲	3%▼
	Text messages	14%	17%	11%
	Online community forums	14%▲	10%▲	4%▼
	City blog	9%▲	9%▲	3%▼
	YouTube	6%	4%	1%
Base (100%, n=)		288	303	230

Preferred Information Sources During Unplanned Disruptions

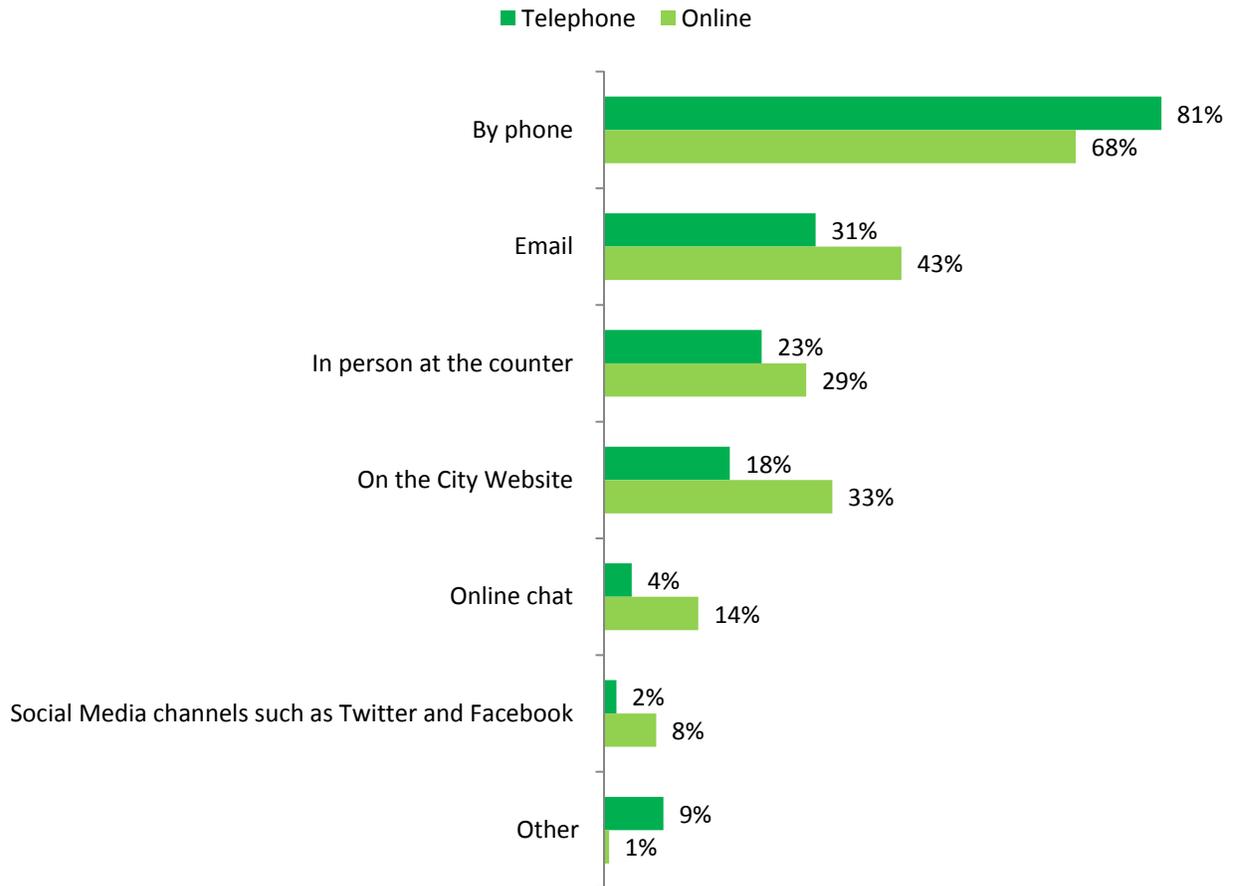
New for 2015, citizens were asked to identify methods that they would like to be contacted through in the case of an unplanned service disruption. The majority of residents prefer being notified by telephone notifications on either landline or cellular devices, following by e-mail, text message notifications and the City website.



8. If there was an unplanned disruption to your services such as water or power outage, please identify how you would prefer to find out or be notified about the disruption. (Select all that apply) Base: All respondents, telephone: n=500, online: n=821.

Preferred Method of Conducting Business with or Contacting the City of Saskatoon

Next, residents were asked to indicate their preferred method of conducting business with or contact the City of Saskatoon. A large majority of citizens strongly prefer communicating with the City via telephone, followed by e-mail, in-person or the City website.



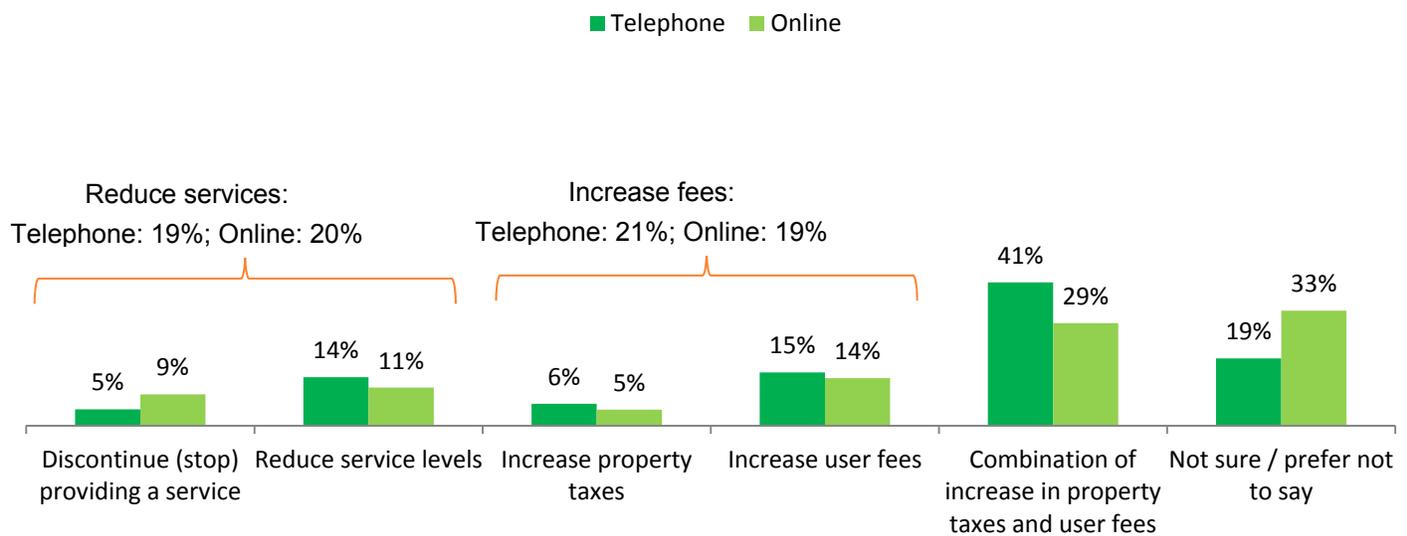
9. How do you prefer to conduct business with the City of Saskatoon or contact the City with a question or inquiry? Base: All respondents, telephone: n=500, online: n=821.

HOT TOPIC 2015 – BUDGET INPUT

The hot topic section for 2015 asked citizens in Saskatoon questions regarding balancing of the City's budget in addition to preferred priorities for spending in the future.

Budget Balancing

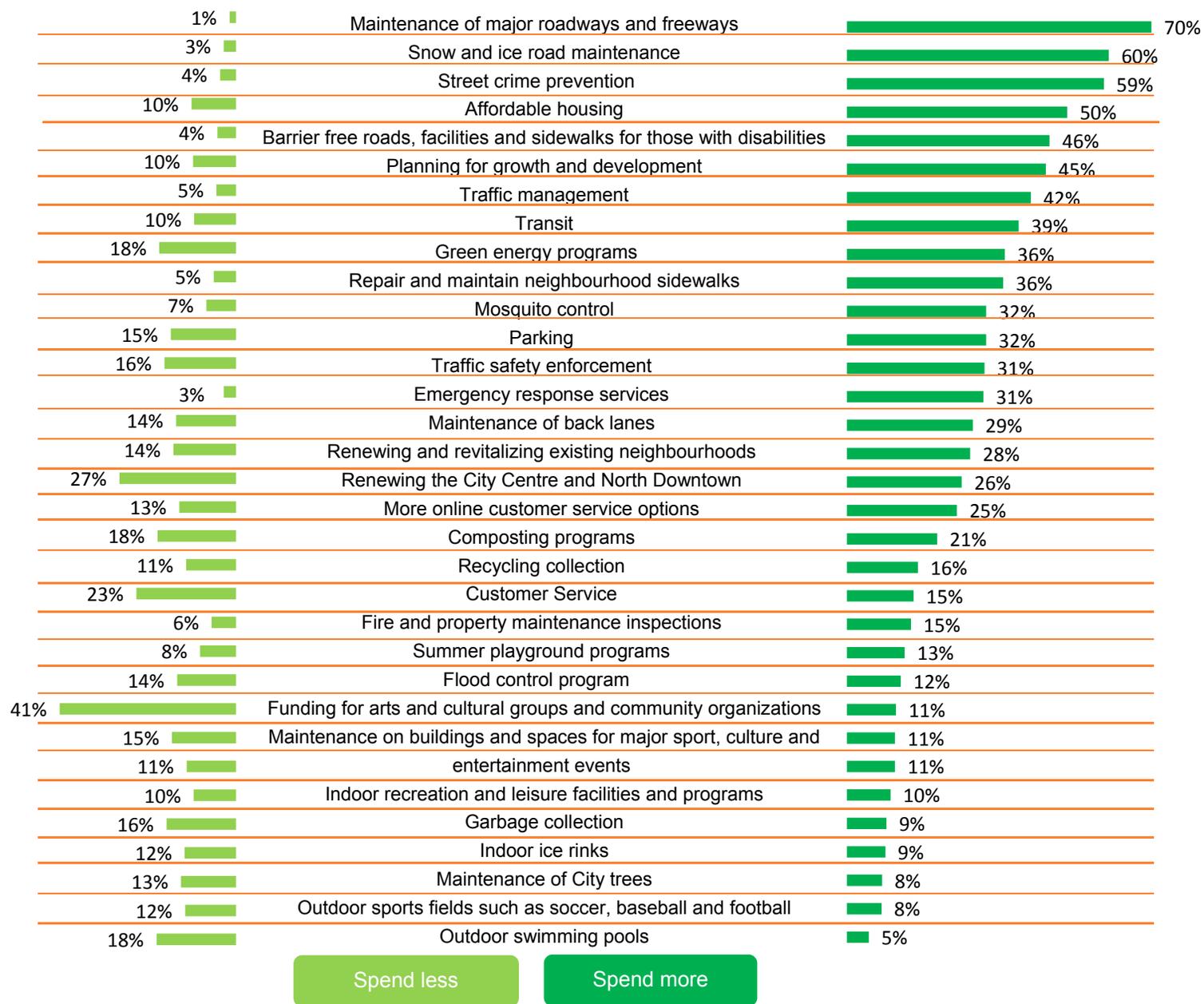
When asked which of the following methods the City could use to balance its budget, most residents prefer a combination of increased user fees and property taxes over reducing services. However, a sizable proportion are unsure.



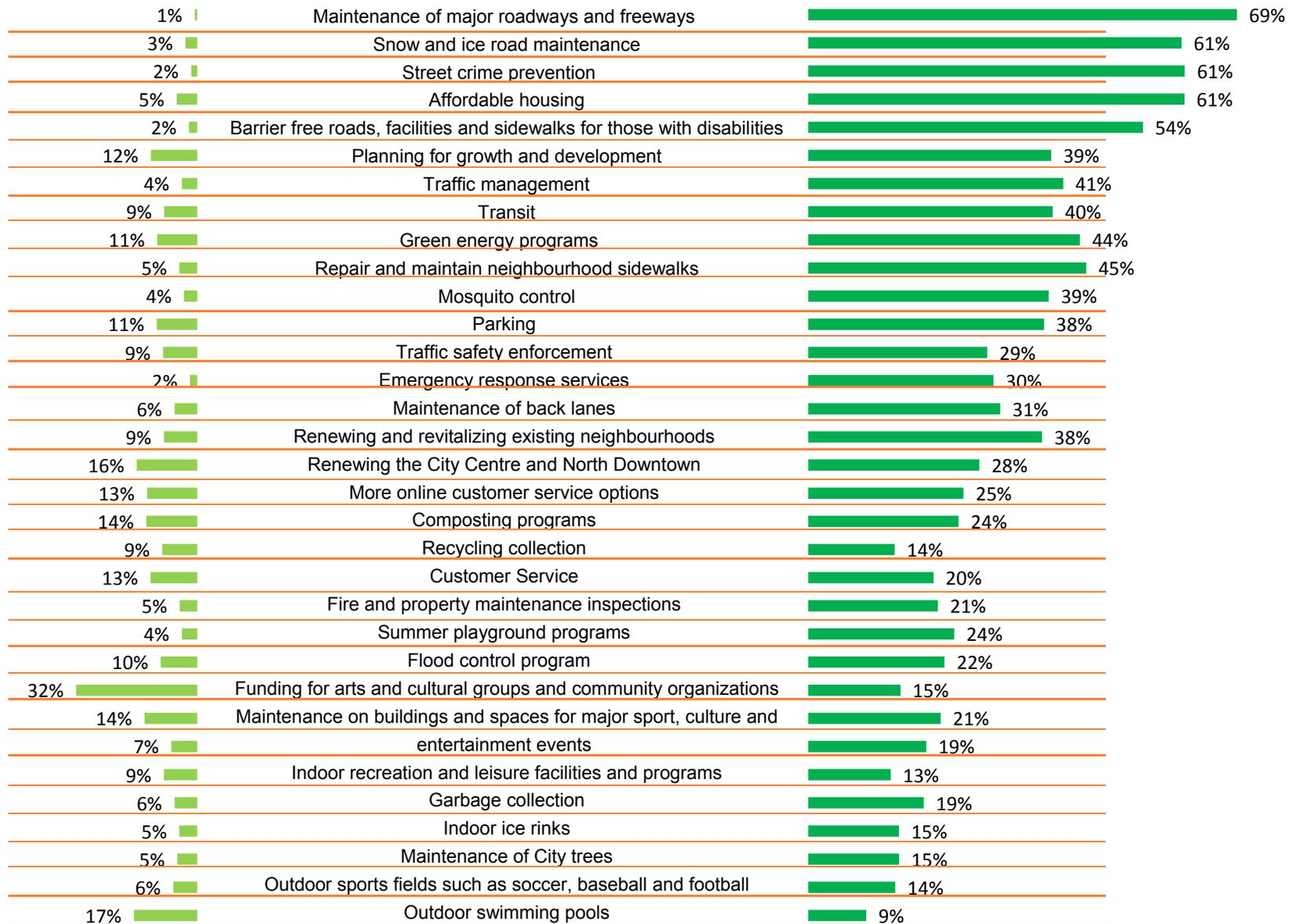
10. Which of the following methods for balancing the City of Saskatoon budget do you prefer most? Base: All respondents, telephone: n=500, online: n=821.

Spending Preferences on Civic Services (online respondents only)

Citizens were next asked to indicate whether they believe the City should spend more, less or the same amount as current on several different civic.



Spending Preferences on Civic Services (telephone respondents only)

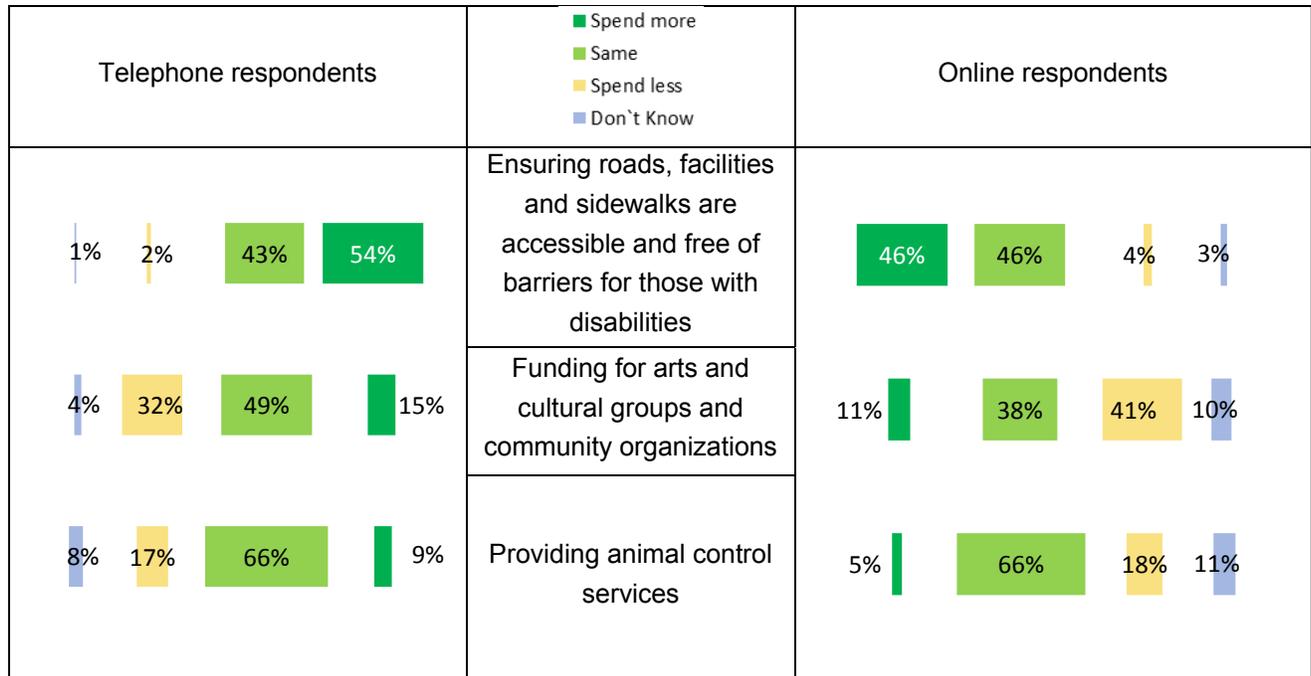


Spend less

Spend more

Community Support

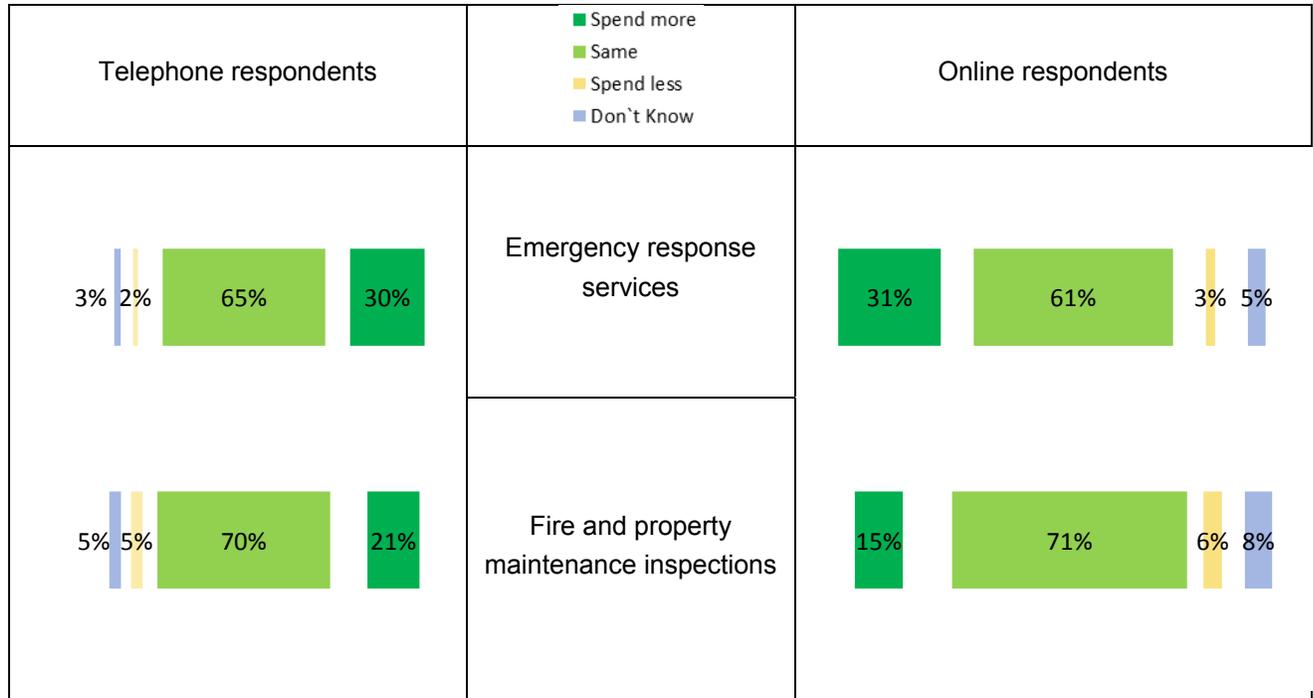
Within Community Support, roughly one half of Saskatoon residents support increased spending on infrastructure accessibility. A large proportion wish to see less spending on the arts, culture, and community organizations while most wish to see consistent or slightly less spending on animal control.



Q11. Keeping in mind that taxes or user fees may increase if the cost of providing services increases, do you think the City of Saskatoon should be spending more, less or about the same as now on each of the following services? Base: All respondents, telephone: n = 500, online: n = 821.

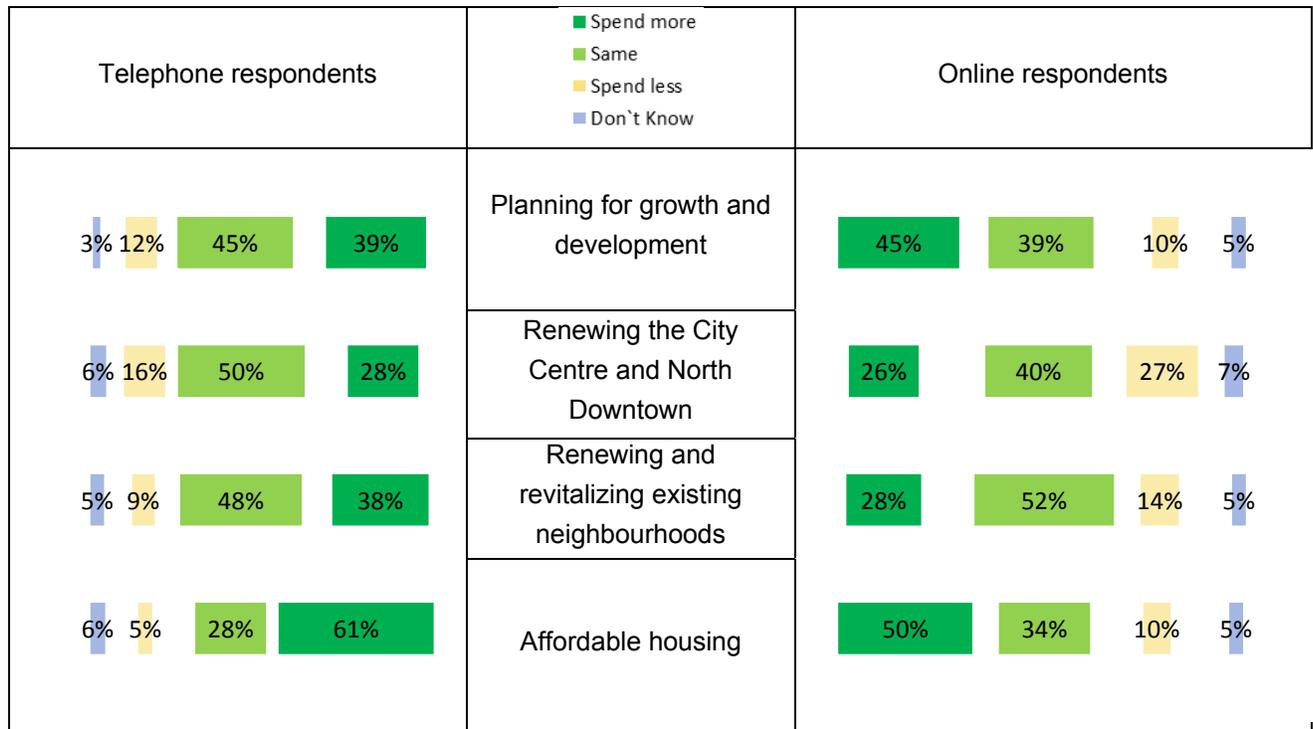
Fire and Protection Services

Most wish to see increased or stable spending on emergency response services and fire and property maintenance inspections.



Urban Planning and Development

A majority of Saskatoon residents would like to see more or consistent spending in most urban planning and development areas, with weakest support in City Centre and North Downtown renewal.



Policing

More than one half of Saskatoon residents support increased spending on street crime prevention while comparatively fewer are supportive of increased spending on traffic safety enforcement.



Environmental Health

With the exception of mosquito control, most Saskatoon residents are supportive of consistent spending on environmental health programs.



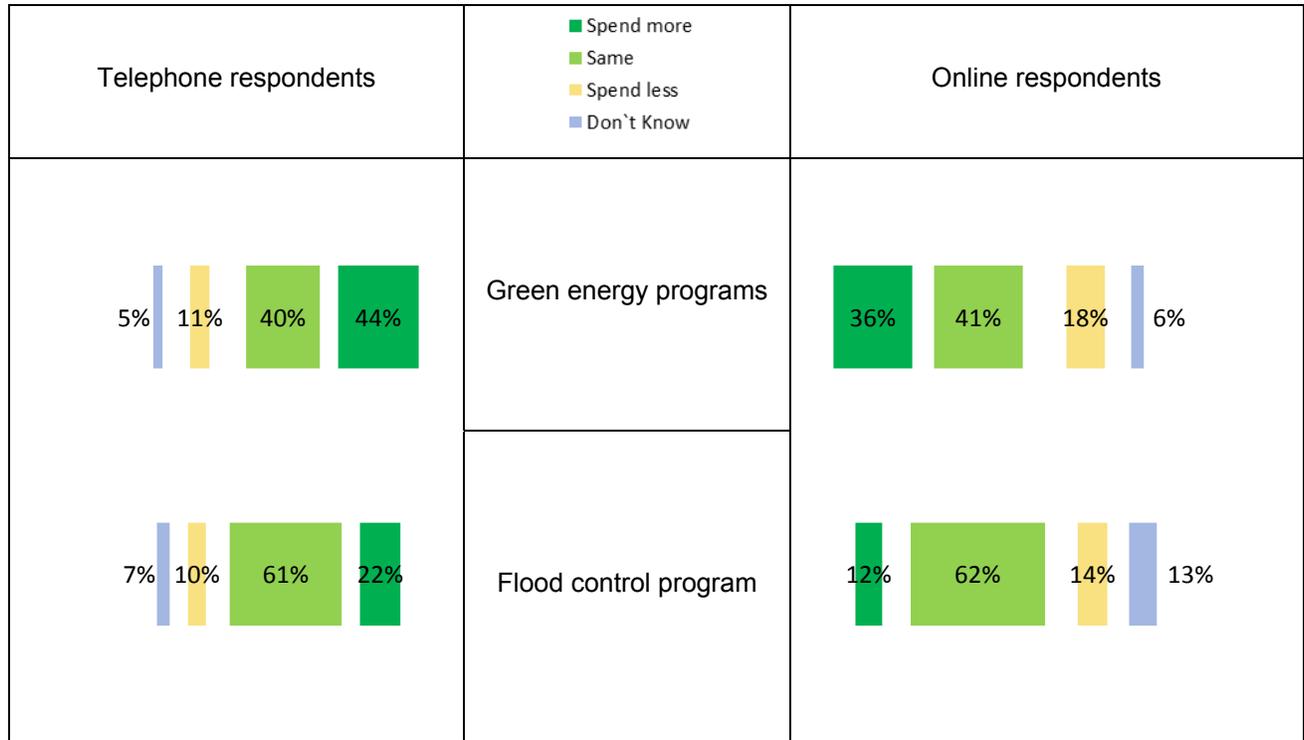
Transportation

Increased spending on all transportation issues is supported by at least modest proportions of Saskatoon residents, especially for road maintenance and snow and ice removal.



Utilities

While there is interest in spending more on green energy programs, most do not support increased funding for flood control programs.



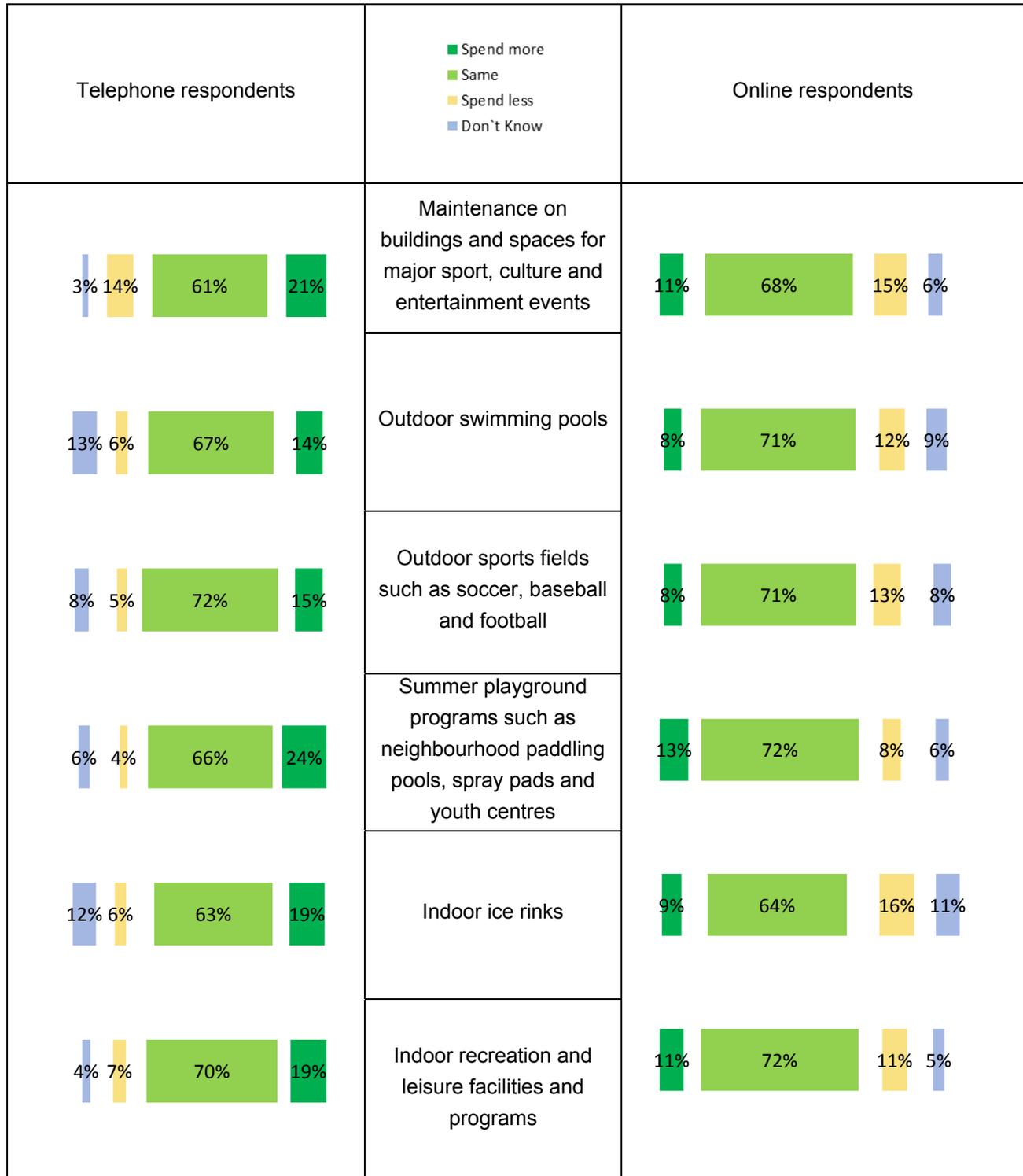
Corporate Governance and Finance

Most are supportive of consistent spending on customer service and online options.



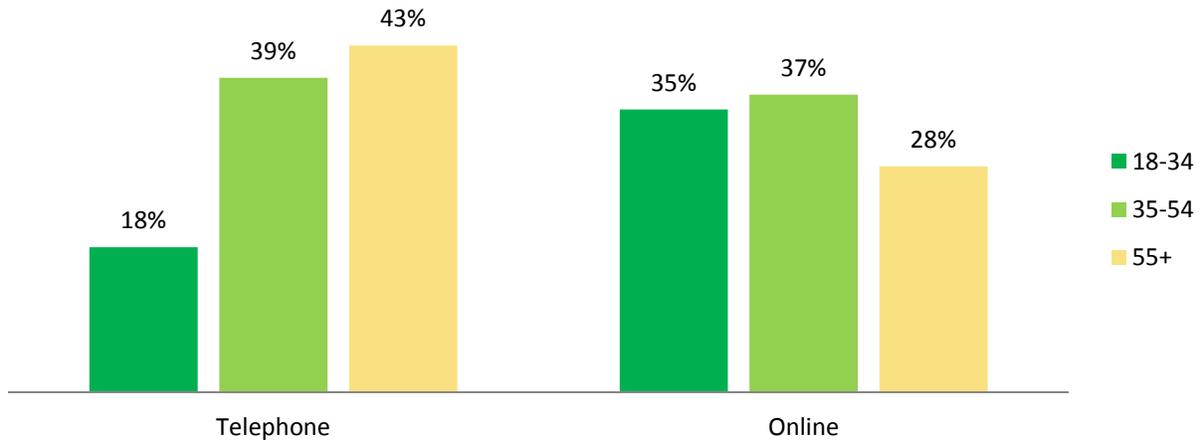
Recreation and Culture

Most support consistent spending on Recreation and Culture programs.



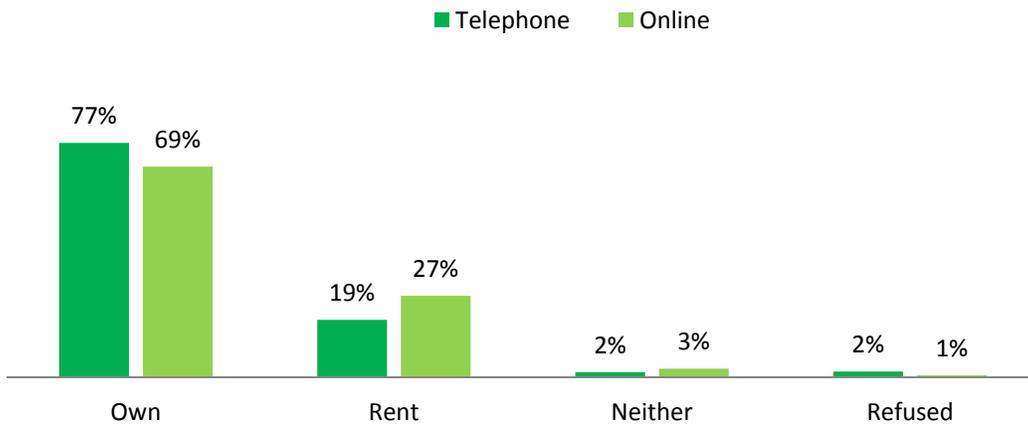
DEMOGRAPHICS

Age Range



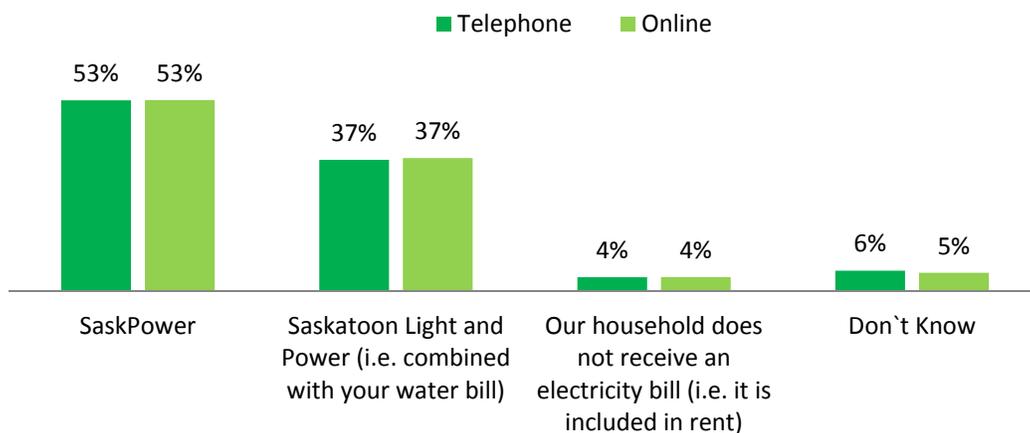
Into which age range do you fall? Base: All respondents, telephone: n=500, online: n=821.

Type of Household



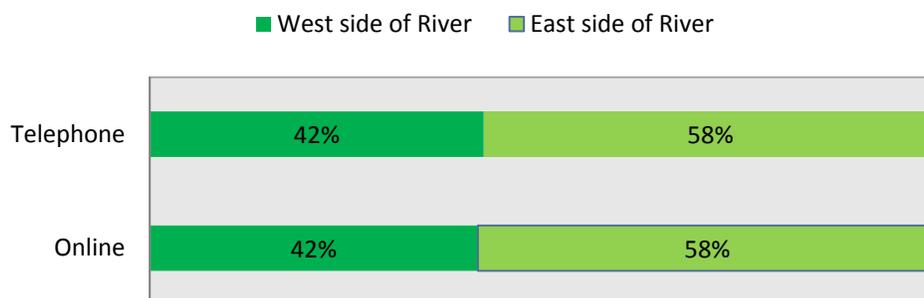
q13: Do you rent or own your accommodations? Base: All respondents, telephone: n=500, online: n=821.

Electricity Provider



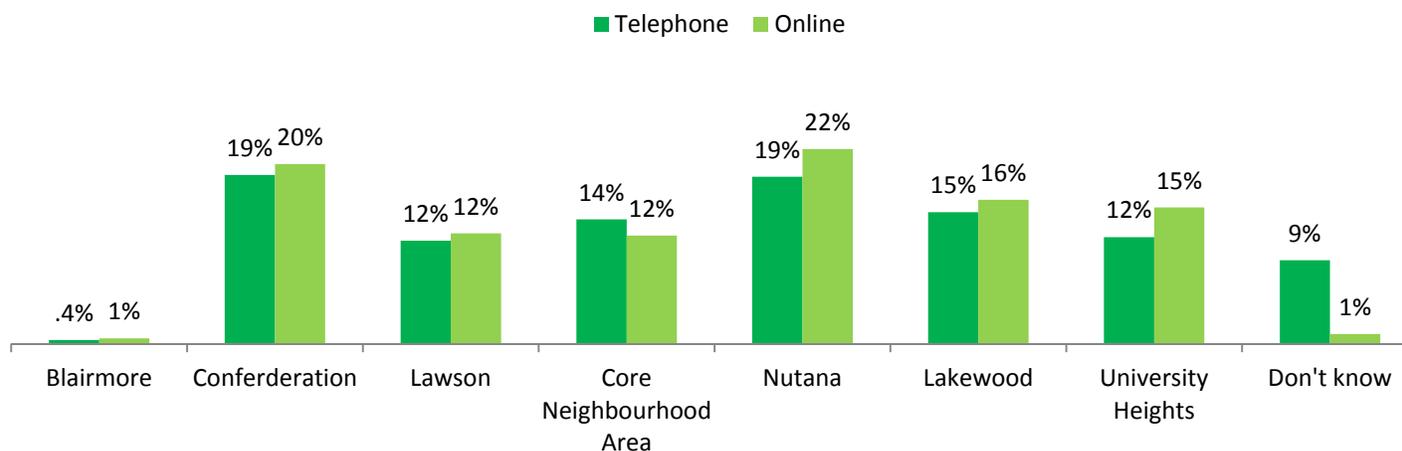
15. Who is your household's electricity provider – that is, who do you receive a bill for electricity services from? Base: All respondents, telephone: n=500, online: n=821.

Location of Residence



q14a: Do you live on the east side or the west side of the river? Base: All respondents, telephone: n=500, online: n=821.

Suburban District Area (SDA)



14b. Into which of the following neighbourhoods in Saskatoon do you live? Base: All respondents, telephone: n=500, online: n=821.

Suburban District Areas

Blairmore SDA

Blairmore Development Area
Blairmore S.C.
Kensington

Confederation SDA

Parkridge
Fairhaven
Confederation Park
Pacific Heights
Dundonald
Hampton Village
Massey Place
Montgomery Place
Westview
Mount Royal
Holiday Park
Meadowgreen
Confed S.C.
Hudson Bay Park
West Industrial

Core Neighbourhoods SDA

Nutana
Caswell Hill
City Park
Varsity View
Westmount
Central Business District
Pleasant Hill
King George
Riversdale

Lakewood SDA

Wildwood
Lakeview
Briarwood

College Park
Lakeridge
College Park East
Lakewood S.C.
Rosewood
S.E. Development Area 901

Holmwood SDA

U of S Lands - East Management Area 718
Holmwood Development Area 904

Lawson SDA

Lawson Heights S.C.
Silverwood Heights
Lawson Heights
Mayfair
River Heights
North Park
Kelsey Woodlawn
Richmond Heights

Nutana SDA

The Willows
Nutana S.C.
Buena Vista
Eastview
Nutana Park
Stonebridge
Holliston
Avalon
Haultain
Queen Elizabeth
Greystone Heights
Adelaide Churchill
Exhibition
Brevoort Park
Grosvenor Park

University Heights SDA

Forest Grove

Silverspring

Sutherland

Erindale

Arbor Creek

Willowgrove

University Heights S.C.

University of Saskatchewan Management Area

University Heights Development Area

Evergreen

U of S Lands – South Management Area

S.E. Development Area 901

The 2016 Business Plan and Budget Process: Issues and Options for Service Level Adjustments

Recommendation

That the Executive Committee:

1. Direct the Administration to include the service level adjustments for Customer Service improvements into the 2016 Business Plan and Budget; and,
2. Direct the Administration to include the remaining service level adjustments, totalling \$110,000 into the 2016 Business Plan and Budget.

Topic and Purpose

The purpose of this report is to provide Executive Committee with issues and options related to various service level adjustments that can be implemented for the 2016 Business Plan and Budget. The report and its accompanying attachments present issues, recommendations, and options for Executive Committee to consider in making service level adjustments for the following:

1. Customer Service
2. Snow and Ice
3. Saskatoon Transit
4. Recycling Depots
5. Waste Collection

Report Highlights

1. The City of Saskatoon's annual expenditures for the Business Plan and Budget is affected by changes in service levels. Service levels, along with inflation and growth, are the three primary cost drivers that impact the City's operating expenditures.
2. The Administration is recommending various service level adjustments to specific services that could be implemented for the 2016 Business Plan and Budget.

Strategic Goal

The Business Plan and Budget process addresses all seven strategic goals in the Strategic Plan.

Background

At its April 20, 2015, meeting, the Executive Committee considered a report by the City Manager. That report contained several elements, including an overview of the 2016 Business Plan and Budget process, which aims to implement a more integrated, accountable, and transparent process.

The report indicated that the Administration would provide regular updates to the Executive Committee throughout the process, so that the Committee and the public are informed about the fiscal opportunities and challenges that the City is addressing in

2016.

At its May 19, 2015, meeting, the Executive Committee considered a report by the City Manager titled, “The 2016 Business Plan and Budget Process – A Fiscal Update”. The report highlighted the preliminary estimates for the 2016 Operating Budget including:

- A revenue increase of \$12.2 million over the previous year;
- A expenditure increase of \$17.7 million over the previous year; and,
- A revenue gap of approximately \$5.5 million.

It is important to note that these figures were preliminary estimates, and do not account for all expenditure pressures, or revenue challenges and opportunities potentially facing the City in 2016.

At its June 15, 2015, meeting, the Executive Committee considered a subsequent report from the City Manager titled, “The 2016 Business Plan and Budget Process: The Impact of Inflation and Growth”. The report addressed two of the three major expenditure categories that the City annually faces in preparation of its Business Plan and Budget: inflation and growth. However, the report did not explicitly address any potential service level changes for 2016. That report recommended that the Administration:

1. Continue to refine and include the major inflationary impacts to the 2016 Business Plan and Budget as outlined in this report, currently estimated at approximately \$11.4 million; and,
2. Manage the additional growth pressures of \$1.35 million for 2016, as identified in this report, through the City of Saskatoon’s Continuous Improvement Strategy, and not include this estimated cost in the 2016 Business Plan and Budget.

This report also contained information showing the revised operating expenditures for 2016. Table 1, found on the following page, shows that some service level changes have been accounted for, particularly for roadway improvements and traffic noise. However, the implementation of a new customer service system, or changes to snow and ice clearing/removal, have not been included.

**Table 1:
Revised 2016 Operating Expenditure Assumptions**

Expenditure Assumption	Category	Flexibility	Projected Increase
Negotiated Salary Increases & Benefits	Inflation	Fixed	\$9.4 million
Utilities, Contract Services, Materials & Supplies, etc.	Inflation	Fixed	\$2.0 million
Dedicated Road & Traffic Noise	Service Level	Fixed	\$4.1 million
Capital Transfers & Phase-ins	Inflation/Growth Service Level	Limited Discretion	\$1.3 million
Remai Modern Art Gallery	Growth/ Service Level	Some Discretion	\$1.3 million
Civic Funding Plans	Growth/ Service Level	Limited Discretion	\$1.6 million
Total Preliminary Increase			\$19.7 million

While most of the information contained in the City Manager’s previous reports (and the current one) has focused exclusively on the expenditure side of the budget equation, the Administration believes that the Committee also needs to address the other side of the City’s budget equation: revenues. Thus, the Administration will provide issues, recommendations and options to Committee at its next regularly scheduled meeting.

Report

The purpose of this report is to provide Executive Committee with issues, recommendations, and options as they relate to service level changes for the following:

1. Customer Service
2. Snow and Ice
3. Saskatoon Transit
4. Recycling Depots
5. Waste Collection

Before addressing these specific service areas, the report begins by providing a brief overview of how the City defines service levels and how they impact the City’s budget.

1. Service Levels

Service levels are typically described as the level of effort or frequency in delivering a public service. For example, the City of Saskatoon offers a specific level of service to clear and remove snow from the City’s streets. The service level is based on expectations and more importantly, resource allocations, or simply, the budget.

Service level increases often involve an increase in operating expenditures. All things being equal, if the City elects to improve a level a service then corresponding expenditure increases would be required. For example, the recent efforts by the City to

increase its road maintenance and traffic noise service levels will result in a proposed increase to the operating budget in 2016 by about \$4.1 million, as noted in Table 1.

Conversely, if the City chose to reduce service levels, then all things being equal, a reduction in expenditures would be warranted. Although difficult, service level reductions are another way that the City can efficiently manage its operating expenditures.

Finally, not all service level increases or decreases have an immediate operating budget impact. For example, some City services require capital investments to improve a level of service. A good example of this is the capital investment that the City made to build a new website so as to provide a foundational element to support an increase in customer service levels.

2. Service Level Issues and Options

Attachments 1 through 5 provide the issues, recommendations, and options for Committee to consider as they relate to various service level adjustments for specific services. Attachment 1, for example, provides the issues and options for increasing the customer service that the City provides. The Administration is recommending that the City continue the process of implementing a 311/Customer Relationship Model to improve the level of service. The attachment shows that this will not have any operating budget implications for 2016, but will require a capital expenditure of \$950,000, funded through existing resources. Operating budget impacts will, however, occur in years subsequent to 2016.

Attachment 2 recommends an increased level of service for snow and ice management. Specifically, the Administration is recommending an expanded anti-icing program, and an increase in sidewalk corner cleaning in business districts. If the recommendations are approved, then these service level adjustments would add approximately \$445,000 to the City's tax supported operating expenditures.

Attachment 3 addresses transit service levels to the Evergreen neighbourhood. The Administration is recommending that the existing service levels in this neighbourhood continue. In other words, there are no recommended service level increases or decreases being proposed. The reason for this, is that the Administration believes that adjusting transit service levels now may be inconsistent with the long-term transit service plans that will potentially emerge from the new growth plan, Growing Forward.

Attachment 4 recommends that the City close the four City-owned recycling depots in 2016. The primary reasons for proposing this service level reduction are twofold: (1) a reduction in tonnages being collected; and, (2) an increase in operating costs.

Attachment 5 recommends that the City reduce the frequency of garbage collections to bi-weekly for the months of May and September only. As committee may recall, in the 2015 Budget deliberations, Council decided to reduce the frequency of garbage collections in the months of April and October from once per week to bi-weekly. The

service level reductions proposed in Attachment 5 would result in savings of approximately \$85,000 in 2016.

On an aggregate basis, the estimated service level adjustments would increase the City's 2016 tax supported operating expenditures by \$110,000. Table 2 illustrates the net financial implications for making these service level adjustments.

**Table 2:
Net Service Level Changes**

Service	Type of Change	Operating Expenditure
Customer Service	Increase	\$0
Snow and Ice	Increase	\$445,000
Transit to Evergreen	Status Quo	\$0
Recycling Depots	Reduction	(\$250,000)
Waste Collection	Reduction	(\$85,000)
Total		\$110,000

**() denotes a reduction*

The Administration is recommending that these service level adjustments be included as it prepares the 2016 Business Plan and Budget. The service level adjustments identified in the report and attachments, generally support Council priorities, and are largely consistent with the results from the 2015 Civic Services Survey.

As the budget process evolves, the Administration will continue to refine the service levels. Thus, more details about the service level impact on the 2016 Operating Budget may emerge, which may result in either an increase or decrease of the inflationary impacts presented in this report.

Options to the Recommendation

1. Executive Committee may simply receive the proposed service level changes as information. If so, then the Administration would not include them in the 2016 Business Plan and Budget.
2. Executive Committee may direct the Administration to include some of the proposed service level changes in the 2016 Business Plan and Budget. If so, Executive Committee would need to determine which service level adjustments they would like to have implemented.

Public and/or Stakeholder Involvement

The 2016 Business Plan and Budget will include a variety of public and stakeholder engagement opportunities as the process emerges. Previous reports to Executive Committee have outlined this process. For example, Attachment 2 of the City Manager's June 15, 2015, report, to Executive Committee provides a detailed description of the engagement opportunities.

Communication Plan

A communication and engagement plan has been prepared for the 2016 Business Plan and Budget. The goal is to inform citizens of the budgeting process, and to provide an opportunity for citizens to give their input into the budget, well in advance of City Council approval.

A variety of tools are being used to promote the Shaping our Financial Future, Budget 2016. All tools are being created using plain language, imagery, and videos. The City is first taking a digital approach to communications while still complementing it with traditional tools such as print ads, PSAs, and brochures.

- Saskatoon.ca – the website is regularly updated to include more information on how citizens can get involved. All background documents including related public reports and presentation materials will be added as they become available.
- Social Media – information is posted to the City’s Facebook and Twitter pages. A Facebook Event page has been created, and will be used to promote upcoming engagement activities.
- Video series to help inform citizens on a variety of budget topics including:
 - How Your City Budget Works
 - How Municipal Tax Differs from Federal and Provincial Tax
 - What Contributes to Property Tax Increases (NEW)
- Print Ads – all events will be advertised in the City Pages in the StarPhoenix and Sunday Phoenix.
- Ongoing Public Service Announcements.
- Budget Conversation Starter Brochure and other print material.

Policy Implications

There are no policy implications at this time. However, during the preparation of the 2016 Business Plan and Budget, the Administration may propose various policy changes for consideration by Executive Committee and/or City Council.

Financial Implications

The Administration is estimating that the proposed service level adjustments addressed in the five attachments will increase the tax supported operating expenditures by approximately \$110,000 for the 2016 Business Plan and Budget. Table 3, shows the 2016 Operating expenditure assumptions, with the added service level changes as proposed in the five attachments accompanying this report.

**Table 2:
Revised 2016 Operating Expenditure Assumptions**

Expenditure Assumption	Category	Flexibility	Projected Increase
Negotiated Salary Increases & Benefits	Inflation	Fixed	\$9.4 million
Utilities, Contract Services, Materials & Supplies, etc.	Inflation	Fixed	\$2.0 million
Dedicated Road & Traffic Noise	Service Level	Fixed	\$4.1 million
Capital Transfers & Phase-ins	Inflation/Growth Service Level	Limited Discretion	\$1.3 million
Remai Modern Art Gallery	Growth/ Service Level	Some Discretion	\$1.3 million
Civic Funding Plans	Growth/ Service Level	Limited Discretion	\$1.6 million
Service Saskatoon	Service Level	Discretionary	\$0
Snow & Ice	Service Level	Discretionary	\$445,000
Transit to Evergreen	Service Level	Discretionary	\$0
Recycling Depots	Service Level	Discretionary	(\$250,000)
Garbage Collection	Service Level	Discretionary	(\$85,000)
Total Preliminary Increase			\$19.81 million

**) denotes a reduction*

The Administration is estimating that including the proposed service level adjustments, along with the previously allocated inflation, growth, and service level changes will increase the City's tax supported operating expenditures for 2016 to an estimated \$19.81 million.

Due Date for Follow-up and/or Project Completion

The Administration will continue to provide information on the 2016 Business Plan and Budget at each Executive Committee meeting up until the Business Plan and Budget is presented. At the next Executive Committee meeting, the Administration will propose some revenue issues and options for Committee to consider.

The preliminary 2016 Business Plan and Budget will be tabled at the October 19, 2015, Executive Committee meeting.

The service level adjustments proposed in this report (and attachments) will be provided to Council during budget deliberations so that it has the information it requires to make further service level changes. In the meantime, Executive Committee, or Council, may direct the Administration to propose other service level adjustments that are not addressed in this report.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. Issues and Options: Implementation of Service Saskatoon, 311/CRM System
2. Issues and Options: Snow and Ice Service Level Changes
3. Issues and Options: Saskatoon Transit Service Levels, Evergreen
4. Issues and Options: Recycling Depot Service Level Changes
5. Issues and Options: Waste Collection Service Level Changes

Report Approval

Written by: Mike Jordan, Director of Government Relations

Approved by:

Administrative Report – The 2016 Business Plan and Budget Process.docx

A Culture of Continuous Improvement
Saskatoon is the best-managed city in Canada!



**2016 BUDGET ISSUES & OPTIONS:
 Implementation of Service Saskatoon, 311/CRM System**

[1] Issue

- The City of Saskatoon implemented its current customer service delivery model at a time when the common intake for citizen inquiries and service requests was by telephone call or in-person visit and, in many cases, followed-up by mail.
- However, given the array of City services, the evolution of technology and the substantial growth in Saskatoon, the current model no longer meets the expectations of the City and the citizens it serves.
- Several Canadian cities have experienced the same challenges and, thus, have transitioned to more modern and integrated 311/Customer Relationship Management (CRM) models.
- CRM is a strategy that enables people, processes, and technology to focus on citizens and their needs, and encourages citizen participation in their government.
- Research from these cities indicates that a well-planned 311/CRM system provides a more efficient, consistent, accessible, and accountable approach in responding to citizens requests.

[2] Recommendation(s):

In order to advance the process of implementing a new 311 CRM model for Saskatoon, the Administration recommends that it:

- (1) continue to transition the 200 services in Public Works to the Service Saskatoon 311/CRM model; and,*
- (2) as part of the 2016 budget deliberations, transfer \$950,000 from existing capital reserves, as shown in Table 1, to fund the cost of transitioning the Public Works services in 2016.*

[3] Background & Analysis:

In June 2014, City Council, approved in principle, a strategy outline for a 311/Customer Relationship Management (CRM) System. The initiative represents a very significant step in improving service, and making information and services more accessible to all of Saskatoon citizens. The objective is to offer Saskatoon citizens a single point of access to most City information and services 24 hours a day and 7 days a week.

It is important to note that CRM is much more than the use of technology or software. Rather, technology is only one component of a multi-faceted approach that attempts to provide a great citizen experience, resulting in building public trust and confidence. In

other words, CRM is a means to transform the way the City does business in three important ways:

- dedicating staff to provide citizen service (people and structure);
- designing new ways for civic staff do their work (processes); and,
- integrating with other technology systems to support service delivery and efficiency (technology).

By addressing people, structure, processes, and technology, the City will produce the outcomes most valued by citizens:

- shorter wait times;
- better access to information in more convenient locations;
- consistent experience across channels; and,
- first point of contact resolution (less or eliminated need to transfer calls).

Using approved 2015 Service Saskatoon capital and operating budgets, the City will offer 311/CRM service for six Public Works services by the end of 2015. Subsequently, it will complete a detailed business plan for adding more services (see Appendix 1 for the 2015 Service Saskatoon 311/CRM deliverables).

Concurrently, as the Public Works services are phased-in, the Administration will test the customer service experience by utilizing existing software and technology. It will also identify additional operational requirements that are necessary for implementation to ensure the successful, long-term consolidation of services.

The experience gained from researching the systems in other cities indicates that the implementation of a functioning 311/CRM initiative is a long process, taking three to five years before a 311/CRM call centre is fully operational. The research also indicates that the implementation of a 311/CRM must take a phased approach, to ensure that the transition is as efficient and smooth as possible.

For example, many cities start by making incremental changes and piloting a call centre before adopting a “311” phone number. As the 311/CRM process evolves, they identify and add those services that have the most impact and value to citizens over time. The ultimate goal is to consolidate enough services to launch an easy to remember “311” phone number, to improve the customer service experience.

Using these best practices adopted by other cities, the City of Saskatoon will continue to take a phased approach to adding the more than 200 Public Works services to the 311/CRM program in 2016. These programs range from garbage collection, compost depots, street sweeping, sanding, snow storage sites, water connections, hydrants, and sewers.

To continue to transition the 200 services in Public Works to the Service Saskatoon 311/CRM model, the Administration is recommending the transfer of \$950,000 from existing capital reserves to fund the cost in 2016. Following the implementation of the Public Works services, the Administration will evaluate the priorities and timelines for

including additional services, such as parks and transit, to with the ultimate goal to move the majority of services to a 311 single point of access.

[4] Strategic Direction:

Transitioning to a new modern service delivery model that takes a coordinated approach to responding to citizens calls and inquires on programs and services will better meet the needs of our community for quick and accurate responses using the channel of their choice. The recommendations in this paper support the following:

- (1) The City Council Priority for 2016 to begin the process of implementing Service Saskatoon.
- (2) The Strategic Goal for “A Culture of Continuous Improvement” by providing high quality services to meet the expectations of the citizens of Saskatoon.
- (3) The Continuous Improvement Performance Target of achieving 90%, or more, citizen satisfaction with civic services.

[5] Implications

[5.1] Service/Business Line Implications:

Service Saskatoon is within the "Corporate Support" Service Line contained within the "Corporate Governance & Finance" Business Line.

[5.2] Financial Implications:

Table 1 below provides a preliminary outline of the financial implications for 2016 and the recommended funding source. There are no operating budget implications in 2016 to implement the recommendation.

**Table 1:
Financial Implications**

CAPITAL BUDGET 2016	\$950,000
People and Structure	\$175,000
<ul style="list-style-type: none"> • Project Manager - \$100,000 • Equipment and Supplies - \$20,000 • Research and Training - \$5,000 • Communications & Community Engagement (internal and external communications, change management, and community engagement) - \$50,000 	
Processes	\$250,000
<ul style="list-style-type: none"> • Process Mapping • Knowledge Base Content Creation • Process Documentation 	
Technology	\$500,000
<ul style="list-style-type: none"> • Systems Development & Configuration • Software Licensing Fees 	
Contingency	\$20,000
<ul style="list-style-type: none"> • 2% of total 2016 Capital 	
Funding Sources	
<ul style="list-style-type: none"> • Transfer \$950,000 from existing 2016 capital reserves <ul style="list-style-type: none"> ○ IT Systems Development Reserve (\$550,000) ○ Computer Equipment Replacement Reserve (\$300,000) ○ Corporate Capital Reserve (\$100,000) 	

[5.3] Other Implications:

- With the necessary process improvements and technology systems in place to support improved management of inbound service requests, the City will be able to provide a more responsive service to citizens and to measure the quality of the service provided.
- Without any significant change in the level of service, citizen satisfaction will likely stay the same or may potentially reduce to lower levels. This will result in increased complaints and compromise the reputation of the City.
- The City may also incur future costs related to maintain the organizational duplication associated with a decentralized model in the long term.

[6] Options to the Recommendation

Option #1 – Status Quo

- This option means the City of Saskatoon would maintain the current approach to citizen service and assumes limited number of corporate improvements to citizen service.
- Citizens would continue to access the City using multiple channels, in a number of locations, and through multiple telephone numbers.
- Departments and divisions would retain their current decentralized approach to serving citizens.

- A few established call centres would remain including Public Works, Corporate Revenue, and Transit. Efforts would focus on reducing the number of telephone numbers advertised to citizens to reduce confusion, finding ways to minimize call transfers, and other small changes to improve efficiencies and consistency.
- The risks with continuing this current model is decreased citizen satisfaction, higher costs for service delivery initiatives, and an inconsistent level of service across the organization.

Option #2 – Reception Centre and Transfer Approach

- Enhancements made to the existing telephone model by taking a “reception centre and transfer approach”.
- This would essentially mean current reception services may potentially add additional staff resources, and offer extended hours of service so citizens have a central access point to phone the City of Saskatoon.
- All citizen calls would come through the central number, and the reception centre would transfer the citizen to the appropriate existing call centre or specific person or location.
- Some technology improvements would be considered, but there would be no significant re-engineering to the current call handling procedures within the departments. The reception centre would require additional documentation regarding service processes from the various departments in order to establish an enhanced transfer process.
- The risks associated with this option are:
 - callers may still experience different levels of service after transfer from the reception centre;
 - decreased citizen satisfaction due to an additional transfer;
 - limited integration and expansion into additional channels preferred by citizens (online and in person); and,
 - limited opportunity to better manage civic resources through performance management, and information sharing.

Appendices:

1. 2015 Service Saskatoon 311/CRM Deliverables

**APPENDIX 1:
2015 SERVICE SASKATOON 311/CRM DELIVERABLES**

[1] Phased Approach to Adding Services

The experience gained from visiting and researching other municipalities shows the best practices and lessons learned from implementing 311/CRM initiatives is to take a phased approach. Many municipalities start with creating incremental changes (phased approach to adding services), and piloting a call centre before adopting a 311 phone number. The primary goal is to consolidate enough services to launch a 311 phone number to provide an easy-to-remember number for citizens to call.

[2] First Service Will be Public Works

In June 2014, Administration recommended that given the high number of calls that Public Works receives, it would begin the process of piloting a 311/CRM initiative with this division. The City estimates it receives over 550,000 phone calls per year from citizens seeking information, service requests, and service updates, and approximately 125,000 of those calls are to Public Works. In addition, Public Works is the City's only existing 24/7 non-emergency call centre.

Public Works provides approximately 200 services for a variety of programs ranging from garbage collection, compost depots, street sweeping, sanding, snow storage sites, water connections, hydrants, and sewers.

Using approved 2015 Service Saskatoon capital and operating budgets, the City will offer 311/CRM service for six Public Works services by the end of 2015:

- | | |
|--|--------------------------|
| a) Water Outages | d) Water Turn On/Off |
| b) Water Connections – Valves & Curb Boxes | e) Water & Sewer Locates |
| c) Hydrants | f) Sewer Backups |

These specific services have been identified as the most optimal ones to start the process because:

- a) Information is available for processes, scripts, and frequently asked questions for water-outages related activities.
- b) Service levels for various water and sewer services are well defined.
- c) They account for approximately 15% of the total number of annual calls to Public Works (16,200 calls per year).
- d) The services are slightly off peak season to minimize any potential to impact citizen service during the piloting process.

[3] The “311” Citizen Experience

By December 2015, citizens will have a 311 experience (with a different phone number) for calls related to six services in Public Works including water outages, water connections, hydrants, water turn on/off, water and sewer locates, and sewer backups.

The benefits citizens will experience related to these six services are:

1. First call resolution
2. Fewer transfers when calling
3. Easy access to:
 - a. accurate information in one convenient location 24 hours a day, 7 days a week
 - b. work displayed in a geographic area
 - c. quick responses; and,
 - d. an unique tracking number to make it easy to follow up on the status of the request.
4. Convenient options to interact with the City: phone (including mobile devices), or online.
5. A seamless experience when changing between phone and online.
6. More efficient service through eliminating duplicate service requests

[4] Long-term Technical Review and Business Requirements

In addition to the six services identified that citizens will have experienced from the 311 experience by December 2015, the Administration will use this pilot program to further evaluate processes and technology to develop a more detailed Service Saskatoon 311/CRM Business Plan.

During the pilot, existing software and technology will be utilized as much as possible so the IT division can complete a technical review, and business requirements needed for the long term as more services are added to the 311 customer experience.

Key software and technology that will be included in this review are:

1. Hosted Contact Centre currently used by Public Works.
2. Existing Voice Over Internet Phone System used by the corporation.
3. Work Order System that connects the citizen request with the work being dispatched, scheduled, and reported once completed to close the service loop.

[5] Work In Progress

In 2015, many initiatives have been underway that will provide the necessary framework in the areas of processes and technology for the Service Saskatoon 311/CRM.

Processes

- Cleaning up the processes at Public Works, and designing new ways for civic staff do their work, so that technology is applied to efficient processes.
- Defining service levels, developing scripts, and frequently asked questions to provide citizens with accurate information and quick responses. For example, Public Works now offers one-stop shopping for waste stream management calls related to garbage collection, recycling programs, compost depots, the leaves and grass program, and the landfill.
- Customer Service Representatives (CSRs) can respond directly to social media questions and comments in a more efficient manner.
- More daily updates to internal staff, City Councillors, the media, and the public around the status of work such as street sweeping, pothole patching, and back lane and bridge maintenance.
- Daily work schedules for water outages and road maintenance to the Public Works Customer Service Centre to provide a more coordinated approach to responding to citizens inquiries.

Technology

- Enhancements were made to existing technology to provide a better online citizen service:
 - Improvements were made to the Report a Pothole application so residents can include more descriptions to help crews locate and repair potholes more quickly and efficiently. Field staff can use tablets to complete online updates onsite.
 - A new map was developed for the City-side Street Sweeping schedule with status of sweeping, options for multiple phases of sweeping in a neighbourhood, the location of school zones, where daytime sweeping does not occur, and a Find My Vehicle application.
 - In June, the back lane iMap was upgraded to identify lanes for reconstruction and maintenance.
 - The Utility Cuts map now identifies locations and repair schedules where the City and private contractors are responsible for repair.

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**2016 BUDGET ISSUES & OPTIONS:
 SNOW AND ICE SERVICE LEVEL ADJUSTMENTS**

[1] Issues:

- In recent years, the City of Saskatoon has been increasing the level of service it provides for snow and ice clearing/removal.
- More specifically, the City has increased the level of service for business and industrial areas, freeway barriers and guardrails, and the grading of residential streets.
- Further, significant operational changes have been made including modified contracts for snow grading, new sanding/de-icing materials and practices, and availability of snow disposal sites.
- Although snow and ice related services have been improving, additional service level increases to the existing program may be desirable to improve the safe and efficient movement of people and goods in the winter months.

[2] Recommendations:

The Administration recommends the implementation of the following service level increases for the snow and ice program for 2016:

- (1) *Expanded Anti-Icing Program*
- (2) *Sidewalk Corner Cleaning in Business Districts.*

[3] Background/Analysis:

- In 2014, City Council approved a \$1.14 million addition to the City's snow management budgets in order to improve snow grading and snow operations service.
- Snow and ice operating expenditures are funded by the municipal property tax.
- Over the past two winters, snow clearing triggers for residential streets have been implemented based on snow pack, which helps to minimize the time parking is disrupted on residential streets.
- Problem areas are dealt with based on roadway inspections and measurements.
- Overall, the Administration's view is that the combination of increased investment combined with process reform at Public Works, has resulted in a snow and ice program that is better meeting the needs of citizens than it had in prior years.
- The City's service levels for winter maintenance will be presented to Council for review prior to the 2015/2016 winter season.

- This service level document will include all the recent changes to the program, and will be based on the approach taken during the winter of 2014/2015.
- City-wide removal on residential streets was reported in 2014 to cost between \$12 million and \$15 million, which is heavily dependent on snow volumes, and does not include the extensive revision to snow storage sites and costs.
- Overall, the Administration believes that the success of the recent additional investments in winter operations has paid significant dividends for residents, as they focused on alleviating situations that were having a clear adverse impact on residents.
- Snow pack on residential streets does not necessarily cause a problem for residents, and dealing with spot locations that become rutted or rough has proven a successful approach.
- Further, the snow-pack trigger of six inches or more on residential streets, results in the initiating of blading activity as late into the winter as possible. This approach will mitigate the risk of extreme spring rutting.
- Given these reasons, the Administration believes that citizens would receive a greater return on their investment from further improvements to de-icing on high-speed roadways, and improved pedestrian mobility in business districts.
- Specifically, the Administration is recommending the implementation of:
 - 1. Expanded Anti-Icing Program - \$325,000**
 - This service level change includes the application of chemicals directly to the road surface prior to snow events, typically on high-speed freeways approaching river crossings.
 - This service level improvement would reduce the likelihood of slippery conditions developing, and would reduce the risk of collisions on the treated areas.
 - 2. Sidewalk Corner Cleaning in Business Districts – \$120,000**
 - This service level change includes dedicated contract labour and equipment to perform hand work around sidewalk ramps in business districts.
 - During relatively mild winters this work is not required, but during typical winters, pedestrians in business districts would benefit from the service level increase.

[4] Strategic Direction:

- The issues and recommendations support the strategic goal of Moving Around.

[5] Implications

[5.1] Service/Business Line Implications:

- Snow and ice programs are within the Transportation Business Line.
- If these, or alternate recommendations, are adopted, this business line would be adjusted accordingly.

[5.2] Financial Implications:

- Implementation of the recommendations will have minimal FTE implications, as both services would be provided by contract forces.
- However, Administrative oversight would be required to initiate and manage contract forces.
- The 2016 operating budget impact would result in an increase in operating expenditures of \$445,000.
- If the recommendations are endorsed, then a comprehensive report would be brought forward prior to the 2015/2016 winter season to outline detailed locations and service levels for this work.

[5.3] Other Implications:

- Bolstered service on curb ramps in business districts would benefit all citizens using sidewalks, and in particular, would benefit those with mobility challenges.
- The anti-icing program expansion would improve winter driving conditions on freeways adjacent to river crossings.

[6] Options to the Recommendation:**Option 1: Maintain the Status Quo**

- This option would continue with the existing service levels.
- The main advantage of this option is that there would be no budgetary increases to the snow and ice program; and thus, the City's tax supported operating expenditures.
- The primary disadvantage of this option is that the existing level of service may not be adequate for the residents and businesses of Saskatoon.

Option 2: Snow Removal on Residential Streets

- This option includes one city-wide removal.
- The estimated cost to provide this level of service is approximately \$15 million, which will be heavily dependent on the results of the tender process and the depth of snow pack.
- Additional operating cost increases would be necessary for snow disposal facilities as outlined in the December, 2014, report to Executive Committee. Operating costs would increase by \$900,000, and snow disposal site capacity would need to be doubled. This would require additional land purchase and site construction. Construction of permanent snow disposal sites had been estimated to approach \$100 million based on predicted volumes without city-wide residential removal.
- City-wide removal on residential streets could be budgeted to occur each year, or every second or third year, depending on snow-pack triggers used to initiate the work.
- The primary disadvantage of this option is due to the significant cost of increasing the service level to provide city-wide snow removal.

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ISSUES & OPTIONS
Saskatoon Transit Service Levels, Evergreen Neighbourhood

[1] Issue:

- As the City of Saskatoon continues to grow, there is an expectation that in new neighbourhoods, such as Evergreen, Saskatoon Transit service must also grow.
- In 2016, neighbourhood development in Evergreen will be at a point where Transit would typically add evening and weekend service.
- Saskatoon Transit's existing coverage model provides daytime service in Evergreen from 7 a.m. to 7 p.m.
- In 2014, the City of Saskatoon started the Growing Forward, Shaping Saskatoon process, which among other things, attempts to redefine the role of Saskatoon Transit in a growing and changing community.

[2] Recommendation(s):

The Administration recommends that Saskatoon Transit Service for the Evergreen neighbourhood:

- (1) *continue with the current service levels; and,*
- (2) *defer any service level increases until the results of the growth plan initiative are known.*

[3] Background & Analysis:

- The City of Saskatoon is currently reviewing its overall approach to transit, including investments in transit infrastructure and the delivery of transit services, through the Growing Forward, Shaping Saskatoon process.
- This review is part of the overall strategy to prepare the land use, servicing, and transportation solutions that will guide the city's growth to a population of 500,000.
- As a result of this review, 2016 may not be the most optimal time to expand transit services.
- The primary reason for this is that Saskatoon Transit's existing coverage model may be inconsistent with the long-term transit service plans that will potentially emerge from the new growth plan.
- Nevertheless, evening and weekend service in suburban areas is important to people in those neighbourhoods who use public transit.
- In general, however, this level of service is much less cost effective than increasing frequency along high density corridors, which generate large volumes of trips, and improves the efficiency of the transit system.

- Given these constraints, the Administration is recommending that the level of service for Saskatoon Transit in Evergreen remain at existing levels.
- That said, the Administration has analyzed the operating and capital impacts of expanding transit service in the Evergreen Neighbourhood, and they are addressed in section 6 of the document.

[3.1] Operating Impact

- There is no additional operating impact of continuing with the current service level for Evergreen.

[3.2] Capital Impact

- There is no additional capital impact of continuing with the current service level for Evergreen.

[4] Strategic Direction:

The services provided by Saskatoon Transit align with the strategic goals of “Moving Around” and “Continuous Improvement”. The performance measures are as follows:

- increase transit ridership to 62 rides per capita
- 20% of people use cycling, walking, or transit to get to work
- citizen satisfaction with civic services of 90% or more

[5] Implications

[5.1] Service/Business Line Implications:

- Transit is a service line within the Transportation Business Line and there are no service or business line implications.

[5.2] Financial Implications (dollars lacking, FTE implications):

- There are no additional financial implications of continuing with the current Transit service levels for Evergreen.

[5.3] Other Implications:

- Transit service to Evergreen will continue with the status quo if the recommendation is approved.

[6] Options to the Recommendation

- Although the Administration is recommending that the transit service levels for Evergreen remain at existing levels, consideration may be given to two other options.
- Option 1 suggests a full service level increase in 2016, while Option 2 offers a partial service level increase.
- Option 1 increases operating expenditures in 2016 by approximately \$209,000, while Option 2 increases operating expenditures in 2016 by \$123,700.
- No considerations are being given to a reduction in service levels for this neighbourhood.

Option #1: Increase Service to Evergreen - January 1, 2016

- An increase of service hours in Evergreen would include evenings, Saturdays, Sundays, and statutory holidays.
- The increase is approximately 2,340 service hours per year.
- The calculated FTE impact is 1.3 FTE, with 1.0 as a new hire, and 0.3 to be absorbed in the existing operator pool, until such time as further service additions require an additional FTE.
- The operating impact of this service expansion is estimated in Table 1.

**Table 1:
Full Operating Impact of Expanding Transit Service in Evergreen**

Function	Estimated Cost
Operator Costs	\$79,600
Fuel & Maintenance	\$63,800
Other Incremental Costs	\$13,100
Annual Capital Contribution to Purchase & Replace Fleet	\$52,500
Total Annual Operating Impact	<u>\$209,000</u>

- As the table shows, additional operating funding of \$209,000 per year, beginning in 2016, would be required to provide this expanded service.
- The additional service would require an expansion to the current fleet of 1.5 equivalent buses at \$490,000 per bus.
- Fleet growth must be calculated incrementally, and will not result in whole-number results.
- The fleet strategy to service Evergreen would be to purchase one additional bus at a cost of \$490,000, and the remaining equivalent of 0.5 buses would come from the existing fleet in the short term. However, there is no funding available in the Transit Additional Vehicle Reserve to fund an additional bus.
- The \$52,500 capital contribution outlined in the Operating Impact section of this report would ensure the long-term fleet replacement impact of this service is properly funded.
- The disadvantage of this option is that the service may be in place for only a short time before it is altered as part of the new transit service strategy.
- This service level increase may not be the most efficient allocation of transit resources, given the uncertainty with the transit service delivery model.

Option #2: Mid-Year Service Increase to Evergreen - July 1, 2016

- If service began mid-year, the operating impact in the first year would be \$123,700, with an end load of \$85,300 the following year, bringing the total to \$209,000 in 2017.
- Additional service to Evergreen will require the following funding to be provided.

Year 1 Operating:	\$123,700
Year 2 Operating Endload:	\$ 85,300
Additional Staffing	1 FTE (Operator)

- This option would also require the purchase of an additional bus, but faces the same funding constraints as identified in Option 1. The disadvantage of this option is that the service may be in place for only a short time before it is altered as part of the new transit service strategy.
- This service level increase may not be the most efficient allocation of transit resources, given the uncertainty with the transit service delivery model.

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**2016 BUDGET ISSUES & OPTIONS:
 RECYCLING DEPOT SERVICE LEVEL CHANGES**

[1] Issues:

- The City of Saskatoon, either on its own, or in partnership with the private sector and not-for-profit organizations, delivers several waste collection and recycling programs.
- Some of the City's waste collection and recycling programs and their existing service levels, place increasing cost pressures on the municipal property tax.
- City-operated Recycling Depots are costly to operate, and require additional tax support to meet the expected current level of service.

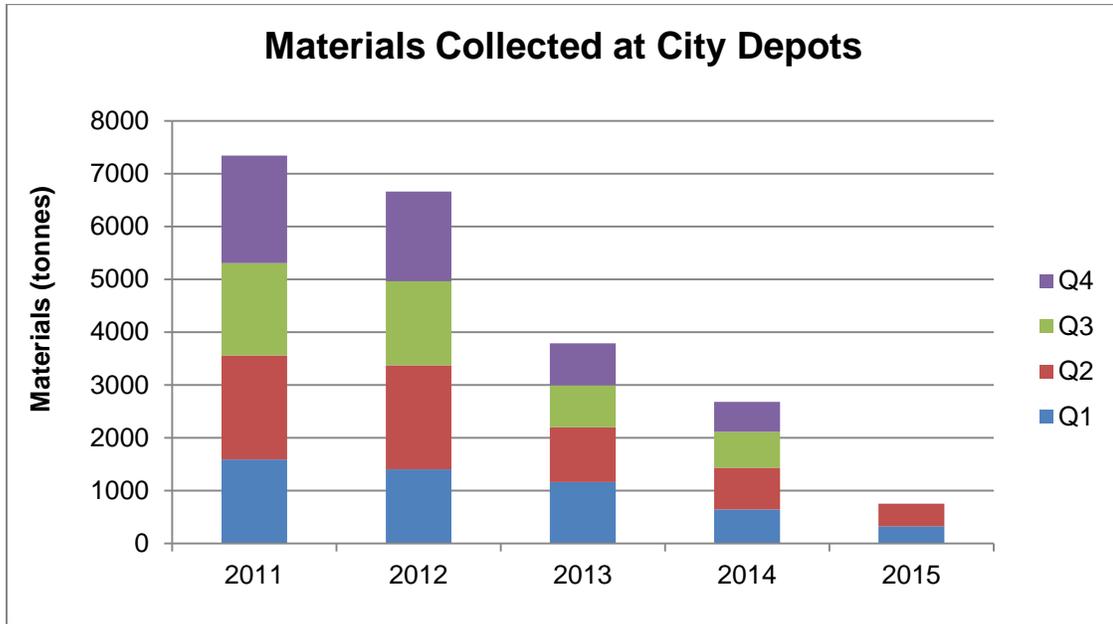
[2] Recommendation:

The Administration recommends that the 2016 Business Plan and Budget include the elimination of City-operated Recycling Depots.

[3] Background/Analysis

- The City currently operates four (4) community recycling depots, plus an area for collecting recyclables at the landfill. The depots are located at:
 1. Lawson Heights – Primrose Drive by the Lawson Civic Centre
 2. University Heights – Lowe Road
 3. Lakewood – McKercher Drive by the Civic Centre
 4. Meadowgreen – corner of 22nd Street West and Witney Avenue
- There are two additional recycling depots in Saskatoon that are not City-owned and operated:
 1. Loraas Recycle, located at 1902 - 1st Avenue North
 2. Cosmopolitan Industries, located at 28 - 34th Street East
- City-operated recycling depots collected approximately 2,700 tonnes of paper and cardboard in 2014.
- When the Multi-Unit Residential Recycling contract was established in November 2014, two significant changes occurred:
 1. Approximately 50 recycling locations across the community were closed.
 2. The four City-operated depots began to collect all household packaging and paper (consistent with residential recycling collection programs).
- In the first five months of 2015, 630 tonnes of material has been delivered to the four City depots.

- The Administration is estimating that the City will collect approximately 1,500 tonnes of material (mostly cardboard) from the depots in 2015.
- This is approximately half of what was collected in 2014 and in line with a five year trend of shrinking reliance on depots for residential recycling needs.
- More specifically, the chart below quantifies the amount of tonnage collected on an annual basis at the City-owned recycling depots.
- As the chart illustrates, the tonnage of recycled material collected at the depots has declined by approximately 80% since 2011.



- Available civic resources are able to provide collections service (with delivery to the Cosmo Material Recovery Facility) every Monday, Wednesday, Friday, and Saturday.
- Additionally, a clean-up crew responds to overflowing bins, and illegally dumped materials at the depots every Monday, Wednesday, and Friday.
- While the City-operated depots are intended for residential use, it is noted that some commercial businesses have been observed to use the depots as well.

[4] Strategic Direction:

- The waste and recycling programs respond directly to the four-year priority to eliminate the need for a new landfill by eliminating waste and/or diverting waste for re-use in other projects.
- The waste and recycling programs also support the ten-year performance target of diverting 70% waste from the Saskatoon Landfill.

[5] Implications**[5.1] Service/Business Line Implications:**

- Recycling Depots are included in the Waste Reduction and Resource Recovery Service Line.

[5.2] Financial Implications:

- The operating costs for the City's recycling depots are funded by the municipal property tax.
- The operating budget for the depots is \$152,000, but actual costs are approximately \$250,000.
- Table 1 shows the breakdown of the operating costs to provide the existing level of service for the recycling depots.

**Table 1:
Recycling Depot Operating Costs**

Cost Driver	Budget	Actual
Trucks & Fuel	\$110,000	\$115,000
Staff*	\$ 35,000	\$ 50,000
Depot Maintenance**	\$ 7,000	\$ 10,000
Clean-up Crews	\$ 0	\$ 75,000
Total	\$152,000	\$250,000

**Budgeted staffing levels include 0.5 FTE for a fork truck operator, as well as 0.1 FTE for a supervisor.*

***Depot maintenance includes fence repairs, landscaping, etc.*

- Table 2 shows how costs have been reduced through past service level changes. However, costs per tonne have continually increased at recycling depots in the last five years.

**Table 2:
Historical Recycling Depot Operating Costs**

Year	Service Level	Costs	Cost/Tonne
2011	Collections 7 days Clean-up 7 days	\$383,000	\$ 53
2012	Collections 7 days Clean-up 7 days	\$424,000	\$ 62
2013	Collections 7 days Clean-up 4 days	\$375,000	\$ 98
2014	Collections 7 days Clean-up 4 days	\$299,000	\$111

- The closure of recycling depots would require funding of \$40,000 for decommissioning and/or securing the sites.

[5.3] Other Implications:

- Closure of the depots may result in public concerns about service level reductions for recycling opportunities in the city, including the removal or relocation of the charity bins that are placed at the depots.
- Cosmopolitan Industries is opposed to closing all four depots, but is supportive of keeping at least two of them open.
- Most Canadian cities maintain community recycling depots after the implementation of residential recycling collection programs to ensure bulky recyclable items (e.g., cardboard), and high volumes of recyclables that do not fit within existing carts can continue to be captured for recycling.
- However, several cities transition community recycling depots into comprehensive recovery centres that accept a wide variety of materials.
- A negative implication of recycling depots is that they can generate illegal dumping.
- However, a positive implication of closing the depots includes a decrease in the number of concerns about litter, and the unsightliness of overflowing bins and/or illegally dumped materials at these locations.
- This would result in associated savings for complaint management to address the concerns. It is also possible the elimination of depots may generate more illegal dumping in and around the sites, or elsewhere in the city due to service level reductions.
- Eliminating City-operated recycling depots may impact the contract between the City of Saskatoon and Cosmopolitan Industries.
- Currently, depots are included in Schedule 9 of the Cosmo contract. Cosmo counts on the tonnes coming from depots to help with the efficiency of their Material Recovery Facility.

[6] Options to the Recommendation:**Option 1: Maintain the Status Quo:**

- This option would continue with the existing service levels for the recycling depots.
- The costs to operate the recycling depots are anticipated to be \$250,000 for 2016, which will require a \$98,000 increase to the current budget to be added to the 2016 Budget.
- The primary advantage of this option is that it provides multiple City-owned locations for residents to recycle larger items that will not typically fit into the residential recycling bins.
- On the other hand, the primary disadvantage is that, due to declining tonnages being collected at the City-owned depots, the existing service level may be an inefficient use of City resources.

Option 2: Provide Two City-owned Recycling Depots:

- This option would provide a reduced level of service by keeping open two City-owned recycling depots; presumably, one that serves the east side of the City and one that serves the west side of the City.
- This option provides a gradual service level reduction with the possibility of phasing out the City-owned recycling depots once a new alternative service model (e.g., Recovery Park) is established.
- The estimated annual cost to provide this level of service will decrease but this will not be a linear reduction. The annual operating costs are estimated to be in the range of \$150,000 to \$175,000.
- The primary advantage of this option is that it does still provide additional recycling opportunities for residents wanting to recycle larger items that do not typically fit into residential recycling bins.
- The primary disadvantage is that the City will still need to allocate operating resources to maintain the depots.

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**2016 BUDGET ISSUES & OPTIONS:
 WASTE COLLECTION SERVICE LEVEL CHANGES**

[1] Issues:

- The City of Saskatoon, either on its own, or in partnership with the private sector and not-for-profit organizations, delivers several waste collection and recycling programs.
- Some of the City's waste collection and recycling programs and their existing service levels, place increasing cost pressures on the municipal property tax.
- The City's existing level of service for garbage collection is provided on a weekly basis from May to September, inclusive, and on a bi-weekly basis from October to April.
- In addition, the City provides extra garbage collections during the Christmas season.
- Garbage collection expenditures are funded by the municipal property tax.
- Consideration may be given to reducing the frequency of garbage collection as a potential opportunity to reduce tax-supported expenditure pressures in 2016.

[2] Recommendation:

The Administration recommends that the 2016 Business Plan and Budget include a reduction in the frequency of garbage collection to bi-weekly in May and September.

[3] Background/Analysis:

- In 2015, garbage collection frequency was reduced from weekly to bi-weekly for the months of April and October.
- To date, this service level change has resulted in very few concerns from residents.
- As a result, there may be potential savings to the corporation by further reducing the frequency of garbage collection on a monthly or seasonal basis.
- Reducing the number of collections provided each year is part of a rebalancing of waste services, based on the introduction of recycling programs that divert materials that were previously collected as garbage.
- The potential tax supported cost savings associated with implementing bi-weekly garbage collection in May and September are \$85,000.

[4] Strategic Direction:

- The waste and recycling programs respond directly to the four-year priority to eliminate the need for a new landfill by eliminating waste and/or diverting waste for re-use in other projects.
- The waste and recycling programs also support the ten-year performance target of diverting 70% waste from the Saskatoon Landfill.

[5] Implications**[5.1] Service/Business Line Implications:**

- Garbage collection falls within Waste Handling under the Environmental Health Business Line.

[5.2] Financial Implications:

- The operating costs for the City's garbage collection service are funded by the municipal property tax.
- The tax supported operating expenditures for the City's garbage collection service in 2014 was \$11.7 million, including costs for carts, collections and disposal at the landfill.
- Table 1 shows the estimated tax supported expenditure reduction as a result of a potential reduction in garbage collection frequency for the months of May and September.

**Table 1:
Potential Cost Reductions of Bi-weekly Garbage Collection
(May and September)**

Cost Driver	Potential Cost Reductions
Salaries & Payroll	\$65,000
Trucks*	\$0
Fuel	\$20,000
Total	\$85,000

**There are no net savings to the corporation available by reducing the number of trucks required on a monthly basis, as monthly rental rates are set by a replacement schedule for those units.*

[5.3] Other Implications:

- The City of Saskatoon could extend the number of months in which bi-weekly collection service is offered, to include May and September. However, some additional implications are worth noting.
- May and September are generally warmer than April and October, and also tend to generate more organic materials during the growing season. Thus, there is potential for odour concerns and/or overfilled carts if garbage collection is reduced during these months.
- However, one positive implication is the potential that the City may receive an increased number of subscriptions to the Leaves & Grass (Green Cart) collection program, from those residents who wish to have more space for waste in their black carts.
- Another potential positive implication is that that more residents may choose to use the City's compost depots to dispose of their organic waste in May and September. More than 40,000 residential vehicle visits were made to the depots in 2014. This number could increase significantly with bi-weekly garbage collection in May and September.
- The City cannot collect carts that are overloaded. With fewer collections, there is the potential for increased concerns from residents who do not have their carts collected for this reason. Options for residents include hauling any extra waste to the landfill (regular tipping fees would apply), or contracting with the City for an additional garbage cart and bi-weekly collection (a current program that costs \$31 per month).

[6] Options to the Recommendation:**Option 1: Maintain the Status Quo:**

- This option would continue with the existing service levels for garbage collection.
- The operating costs to provide this level of service are anticipated to be \$11.7 million for 2016.
- The primary advantage of this option is that it continues to provide a level of service that residents are familiar with.
- It also ensures that as temperatures begin to climb, solid waste is being collected on a weekly basis to ensure that odours and overfilled carts do not become a potential problem.
- The primary disadvantage of this option is that it may not provide incentives for residents to take advantage of alternative waste diversion methods.

Option 2: Implementation of Bi-weekly Garbage Collection Year Round:

- This option would provide garbage collection every two weeks throughout the calendar year.
- The implications of this option are similar to the recommendation, but with two notable differences:
 - The number of resident concerns about odours and overfilled carts would most likely increase significantly if bi-weekly collections were implemented year round.
 - There would be greater savings to the corporation by not staffing seasonal collections operators.
- Table 2 shows the potential cost reductions of this option.

**Table 2:
Potential Cost Reductions of Annual Bi weekly Garbage Collection**

Cost Driver	Potential Cost Reductions
Salaries & Payroll*	\$162,000
Trucks**	\$0
Fuel	\$50,000
Total	\$212,000

Option 3: Removing Additional Garbage Collections During Christmas Season:

- This option would result in the removal of the additional garbage collections that are conducted during the Christmas season.
- The rationale for reducing collection frequency during this period is that since residential recycling programs have been implemented, residents are using the recycling bins for Christmas wrapping. Thus, additional garbage collections offered through the holiday season are no longer required.
- Table 3 shows the potential cost reductions for implementing this option.

**Table 3:
Potential Cost Reductions of Removing Additional Garbage Collection During Christmas Season**

Cost Driver	Potential Cost Reductions
Salaries & Payroll*	\$30,000
Trucks**	\$0
Fuel	\$5,000
Total	\$35,000

Office of the City Clerk

To: City Clerk, Executive Committee

Date: June 23, 2015

Phone: 306-975-3240

Our File: CK. 375-4 x 430-72

From: Debby Sackmann, Committee Assistant
Saskatoon Environmental Advisory
Committee

Your File:

Re: Request for Funding - Community Greenhouse Gas Emissions Inventory

The City of Saskatoon is exploring setting new greenhouse gas emissions reduction targets for both its corporate operations and for the entire community. Such reduction targets are laudable. However, it is impossible to find solutions to problems that you cannot properly define and understand. For future greenhouse gas reduction efforts to be successful, it is essential that City Council, City administration, businesses, and citizens have reliable and up-to-date information on the sources of greenhouse gas emissions in Saskatoon. The last greenhouse gas emission inventory for Saskatoon was completed in 2005 using 2003 data. As such, our knowledge about the sources of greenhouse gas emissions in our city is twelve years old. Up-to-date information on the sources of greenhouse gas emissions in Saskatoon will allow our community to understand what changes have taken place in our greenhouse gas emissions over the past decade and to identify successes and failures. As such, the Saskatoon Environmental Advisory Committee (SEAC) at its meeting held June 11, 2015 determined that it was prudent for the Committee to write a letter to be presented to City Council through the Executive Committee. It was resolved that the Committee urges City Council to find the appropriate funding for a Community Greenhouse Gas Inventory in the 2016 Business Plan and Budget

It is only once a greenhouse gas emission inventory has been completed that Saskatoon can begin to make concrete plans to meet new greenhouse gas emission reductions targets. Without a proper inventory of greenhouse gas emissions in Saskatoon, it is impossible to begin work on finding solutions to the most pressing environmental problem facing Saskatoon and the world. Without this inventory completed this year, we will be unable to move forward on this important environmental challenge and more time will be lost. The problem will worsen and will be even harder to solve if we do not act now.

DRS

cc: His Worship the Mayor, Chair, Executive Committee
City Manager
Saskatoon Environmental Advisory Committee, Chair

Memorandum

175-27

To: Sproule, Joanne (Clerks)
Subject: RE: Remail Modern Board Request



From: Totland, Murray (City Manager's Office)
Sent: Tuesday, July 21, 2015 11:33 AM
To: Sproule, Joanne (Clerks)
Subject: Remail Modern Board Request

I have received the attached email from Alain Gaucher, Chair of the Remail Modern Art Gallery Board, requesting an urgent meeting with Executive Committee on July 22nd. Accordingly, I am forwarding this request to you so it can be placed on the July 22nd public Executive Committee agenda as a matter of urgent business for the Committee to consider. Thank you.

Murray Totland | tel 306.975.3209

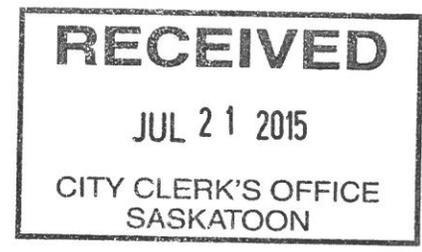
City Manager
City of Saskatoon | 222 3rd Avenue North | Saskatoon, SK S7K 0J5
murray.totland@saskatoon.ca
www.saskatoon.ca

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175-57

To: Sproule, Joanne (Clerks)
Subject: RE: Executive Committee



From: Catherine Greaves [<mailto:CGreaves@mlt.com>] **On Behalf Of** Alain Gaucher
Sent: Tuesday, July 21, 2015 8:59 AM
To: Totland, Murray (City Manager's Office)
Subject: Executive Committee

Dear Mr. Totland,

Representatives of the Remail Modern Board and staff request to meet with Executive Committee in-camera on July 22 with respect to financial and donor fundraising matters. This matter is urgent due to the Gallery's contractual obligations as well as commitments that need to be finalized in advance of the gallery opening in 2016.

Alain Gaucher, Q.C.
Direct Line: 306.975.7149
Email: agaucher@mlt.com