



PUBLIC MINUTES

STANDING POLICY COMMITTEE ON FINANCE

Monday, March 6, 2017, 2:01 p.m.
Council Chamber, City Hall

PRESENT: Councillor A. Iwanchuk, Chair
Councillor R. Donauer, Vice Chair
His Worship Mayor C. Clark (Ex-Officio)
Councillor C. Block
Councillor B. Dubois
Councillor M. Loewen

ALSO PRESENT: CFO/General Manager, Asset & Financial Management K. Tarasoff
Solicitor B. Bleakney
Deputy City Clerk D. Kanak
Committee Assistant H. Thompson

1. CALL TO ORDER

The meeting was called to order at 2:01 p.m.

2. CONFIRMATION OF AGENDA

Moved By: Councillor Dubois

1. That the agenda be re-ordered as follows:
 - a. Items 2 to 6.2.3;
 - b. Items 7.2.1; 7.1.6; 6.2.4; and 7.1.7;
 - c. Items 7.1.1 to 7.1.5;
 - d. Item 7.2.6 be considered under Delegated Authority Matters;
 - e. Items 7.2.2 to 12; and
2. That the revised page 2, Tourism Saskatoon – 2016 Un-Audited Financial Statement, be submitted for Item 6.2.2;
3. That the letter from Shane Prpich, dated March 4, 2017 requesting to speak, be added to item 7.2.8; and
4. That the agenda be confirmed as adjusted above and that the speakers be heard.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

3. DECLARATION OF CONFLICT OF INTEREST

There were no declarations of conflict of interest.

4. ADOPTION OF MINUTES

Moved By: Councillor Block

That the minutes of Regular Meeting of the Standing Policy Committee on Finance held on January 30, 2017 be adopted.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

5. UNFINISHED BUSINESS

6. COMMUNICATIONS (requiring the direction of the Committee)

6.1 Delegated Authority Matters

6.2 Matters Requiring Direction

6.2.1 Sutherland Business Improvement District – Written Procedures for Meetings [File No. CK. 175-50]

Moved By: Councillor Donauer

That the Standing Policy Committee on Finance recommend to City Council:

1. That the information be received; and
2. That the Sutherland Business Improvement District make the procedures publicly available in paper or electronic format at its normal place of business.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

**6.2.2 Tourism Saskatoon – 2016 Un-Audited Financial Statement
[File No. CK. 175-50]**

Moved By: Councillor Dubois

That the Tourism Saskatoon 2016 Un-Audited Financial Statement be forwarded to City Council for information.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

6.2.3 North Central Transportation Planning Committee Membership Fee - April 1, 2017 to March 31, 2018 [File No. CK. 155-10]

Moved By: Councillor Donauer

That the Standing Policy Committee on Finance recommend to City Council that the annual membership fee for the North Central Transportation Planning Committee in the amount of \$600.00 be paid.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7. REPORTS FROM ADMINISTRATION

7.2 Matters Requiring Direction

7.2.1 Corporate Risk Annual Report 2016 [File No. CK. 430-80 and AF. 1880-1]

Corporate Risk Manager Garman reviewed the submitted report.

Moved By: Councillor Loewen

That the report of the CFO/General Manager, Asset and Financial Management Department, dated March 6, 2017, be forwarded to City Council for information.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.1 Delegated Authority Matters

7.1.6 Update on Key Strategic Risks - 2017 [File No. CK. 1600-37 and AF. 1880-1]

Moved By: Councillor Donauer

That the update on the Key Strategic Risks for 2017 be approved.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

6. COMMUNICATIONS (requiring the direction of the Committee)

6.2 Matters Requiring Direction

6.2.4 2017 Internal Audit Plan Update [File No. CK. 1600-3]

A communication from PricewaterhouseCoopers LLP, dated February 28, 2017, was provided.

Jesse Radu, Internal Auditor, PricewaterhouseCoopers LLP, was in attendance and reviewed the provided communication.

Moved By: Councillor Dubois

That the Standing Policy Committee recommend to City Council that the 2017 Internal Audit Plan submitted by PricewaterhouseCoopers LLP be approved.

Moved By: Mayor C. Clark

That the Standing Policy Committee recommend to City Council that, in light of the Federal Government's proposal for a Carbon tax, the Administration report on potential implications to the Audit Schedule to include consideration of an Audit project to quantify the potential implications to the City of the implementation of a Carbon Tax.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7. REPORTS FROM ADMINISTRATION

7.1 Delegated Authority Matters

7.1.7 Internal Audit Budget Information Update – January 2017 [File No. CK. 1600-3 and AF.1600-1]

Moved By: Councillor Loewen

That the information be received.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

6. COMMUNICATIONS (requiring the direction of the Committee)

6.3 Requests to Speak (new matters)

7. REPORTS FROM ADMINISTRATION

7.1 Delegated Authority Matters

7.1.1 2017 Tag Days [File No. CK. 200-3 and AF. 200-3]

Moved By: Councillor Donauer

That the applications for the 2017 Tag Days be approved.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.1.2 Transfer of Unpaid Utilities to Property Tax [File No. CK.1550-1 and AF.1550-1]

Moved By: Councillor Donauer

That the information be received and forwarded to City Council for information.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.1.3 Administration of Tax Abatements and Grants [File No. CK. 1965-1, x 1871-1 and AF. 1965-1]

Director of Planning and Development Anderson addressed questions of the Committee regarding the incentive programs.

Moved By: Councillor Dubois

That the information be received.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.1.4 Report on Write-downs of Surplus Inventory - 2016 [File No. CK. 1290-1 and AF. 1001-1]

Moved By: Councillor Donauer

That the information be received.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.1.5 Saskatoon Tower Lease – Amending Agreement [File No. CK. 230-3, AF. 4225-1 FAC. 525-1]

Moved By: Councillor Donauer

1. That the existing radio communications tower lease with British Columbia Investment Management Corporation Realty Corporation at 125 5th Avenue North be amended to add a second communications tower, extend the term of the lease for an additional ten-year period, and add two, five-year renewal options; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7. REPORTS FROM ADMINISTRATION

7.1 Delegated Authority Matters

7.2.6 Pleasant Hill Village Open Market (with Criteria) Land Sales Approach [File No. CK. 4131-31, x 4215-1 and PL. 951-22]

Moved By: Councillor Dubois

1. That the Administration be authorized to sell Parcels A (Plan No. 102232842), C (Plan No. 101995667), and F (Plan No. 102052325) individually in Pleasant Hill Village through an open market (with criteria) land sales approach, in compliance with the criteria and weighting, asking price, and approval process, as outlined in the March 6, 2017 report of the General Manager, Asset and Financial Management Department;
2. That the Administration report back to Committee on the results of the open market (with criteria) land sales approach for Parcels A, C, and F; expected timing of development; and completion of the Pleasant Hill Village Project;
3. That the City Solicitor be requested to prepare the appropriate sales agreement(s) for Parcels A, C, and F, and that His Worship the Mayor and the City Clerk be authorized to execute the agreement(s) under the Corporate Seal; and
4. That the Administration report back to Committee on options for proceeding if no suitable proposal(s) are received for Parcels A, C, and/or F.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Iwanchuk, Councillor Dubois and Councillor Loewen

CARRIED UNANIMOUSLY

7.2 Matters Requiring Direction

7.2.2 Inquiry – Councillor Z. Jeffries (September 28, 2015) Undeveloped Lots after Sale of Lot [File No. CK. 4110-45, AF. 4131-1, and LA. 4110]

Councillor Jeffries entered the meeting at 3:00 p.m.

Councillor Loewen excused herself from the meeting at 3:00 p.m. and returned at 3:03 p.m. during discussion on this matter.

Moved By: Councillor Loewen

That the report of the CFO/General Manager, Asset and Financial Management Department, dated March 6, 2017, be forwarded to City Council for information.

Moved By: Councillor Dubois

That Saskatoon Land look into the possibility of negotiated buy-back of unsold lots for a report back to the Standing Policy Committee on Finance.

Moved By: Councillor Block

That the report to the Standing Policy Committee on Finance include information on the overall costs to administer a program involving negotiated buy-backs.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.2.3 Inquiry – Councillor Z. Jeffries (September 28, 2015) New Lots – Landscaping after Home Construction [File No. CK. 4131-1, AF. 4131-1, and LA. 4110-1]

Councillor Jeffries was in attendance and was excused following consideration of this matter.

Councillor Donauer excused himself from the meeting at 3:19 p.m. and returned at 3:21 p.m. during discussion on this matter.

Moved By: Councillor Block

That the report of the CFO/General Manager, Asset and Financial Management Department, dated March 6, 2017, be forwarded to City Council for information.

Moved By: Councillor Loewen

That future reporting on this matter include information on what impacts, if any, this program has had on the property maintenance complaints in the eligible neighbourhoods.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.2.4 Emergency Back-up Power Generator – Prime Consulting Services – Award of Request for Proposal [File No. CK. 640-1, AF. 640-1 and FA. 17-0163]

Moved By: Councillor Dubois

That the Standing Policy Committee on Finance recommend to City Council:

1. That the proposal submitted by Willms Engineering Ltd. for prime consulting services for emergency back-up power at City Hall at a maximum upset cost of \$140,000, plus taxes, be approved; and
2. That His Worship the Mayor and the City Clerk be authorized to execute the contract documents as prepared by the City Solicitor under the Corporate Seal.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

7.2.5 Preliminary Year-End Financial Results - December 31, 2016 [File No. CK. 1704-1 and AF. 1704-1]

Councillor Iwanchuk excused herself from the meeting at 3:32 p.m. and was not present for the vote. Councillor Donauer assumed the Chair.

Moved By: Councillor Dubois

That the Standing Policy Committee on Finance recommend to City Council:

1. That the fuel surplus amount of \$2.947 million not be transferred to the Fuel Stabilization Reserve;
2. That a \$1.026 million transfer of the Snow & Ice Program surplus to the Snow and Ice Management Reserve be approved;

3. That the transfer of the unspent amount of \$15,533 for Internal Audit to the Internal Audit Program Reserve be approved; and
4. That the transfer of \$387,209 from the Street Scape – City Wide Reserve to cover the Urban Design Program funding shortfall be approved.

(Councillor Iwanchuk not present for vote)

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois and Councillor Loewen

CARRIED UNANIMOUSLY

7.2.7 2017 Reassessment Tax Phase-In and Contingency [File No. CK. 1616-1, x CK. 1920-1, AF. 1615-8 x 1625-1 and 1920-1]

Councillor Iwanchuk returned at 3:34 p.m. during discussion on this matter and assumed the Chair.

Moved By: Mayor C. Clark

That the Standing Policy Committee on Finance recommend to City Council:

1. That the tax impact of the 2017 provincial reassessment for the multi-residential subclass and the non-residential class be phased-in equally over a four-year period;
2. That a contingency of \$100,000 be added to the multi-residential subclass and \$500,000 be added to the commercial class in 2017; and
3. That the City Solicitor be requested to prepare the 2017 Tax Phase-In and Contingency Bylaws for submission to City Council for consideration at the same meeting that the Mill Rate Bylaws are presented.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Loewen and Councillor Iwanchuk

CARRIED UNANIMOUSLY

7.2.8 Municipal Tax Ratio Policy [File No. CK. 1920-1 and AF. 1625-1 x 1920-1]

Pursuant to an earlier resolution, letters requesting to speak from Kent Smith-Windsor, Keith Moen, and Shane Prpich were provided to the Committee.

Government Relations Director Jordan provided a PowerPoint presentation and addressed questions of the Committee.

Councillor Dubois was excused at 3:45 p.m. and returned at 3:47 p.m. during the presentation.

Mr. Kent Smith-Windsor addressed the Committee supporting the tax ratio approach, with adjustments, using a phased in approach.

Mr. Keith Moen addressed the Committee supporting a tax ratio approach and recommending adjustments to the ratio.

Mr. Shane Prpich addressed the Committee regarding the implications of the tax ratio on residential properties and on the citizens of Saskatoon and suggested a shift to a more reasonable tax ratio.

Moved By: Councillor Loewen

That the Standing Policy Committee on Finance recommend to City Council that the policy of utilizing a ratio of non-residential to residential tax rates continue to be used as the City of Saskatoon's tax policy for 2017.

Moved By: Mayor C. Clark

That the Administration report on the development and establishment of key metrics to better evaluate the impacts of Council tax policy and inform City Council on future Tax Policy decisions and that these metrics include, but not be limited to:

1. The impacts of tax policy on fixed and low-income property owners;
2. The impact on business investment decisions;
3. A comparison of impacts on businesses of various size;
4. An evaluation of how equity can be best evaluated in terms of benefits, horizontal equity, and tax share; and

5. The change over time of revenues received by residential and non-residential property classes and impact on provision of civic services.

Moved By: Councillor Loewen

That the Administration provide further information, as available, on the rate of local ownership within the property tax classes on other jurisdictions.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

8. URGENT BUSINESS

9. MOTIONS (notice previously given)

10. GIVING NOTICE

11. IN CAMERA AGENDA ITEMS

Moved By: Councillor Dubois

That the following items be considered *In Camera*.

In Favour: Mayor C. Clark, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Iwanchuk and Councillor Loewen

CARRIED UNANIMOUSLY

11.1 Audit Matter [File No. CK. 1600-1]

[In Camera - Third Party Information - Section 18; Economic and Other Financial Interests - Section 17]

11.2 Audit Matter [File No. CK. 1600-18]

[In Camera - Third Party Information - Section 18; Economic and Other Financial Interests - Section 17; and Audits and Tests - Section 19]

11.3 Audit Matter [File No. CK. 1600-24]

[In Camera - Third Party Information - Section 18; Economic and Other Financial Interests - Section 17; and Audits and Tests - Section 19]

11.4 Audit Matter [File No. CK. 1600-8]

[In Camera - Third Party Information - Section 18; Economic and Other Financial Interests - Section 17; and Audits and Test - Section 19]

11.5 Audit Matter [File No. CK. 1660-24]

[In Camera - Audit/Economic/Financial - Land - Sections 17 and 19 of LAFOIPP]

11.6 Land Matter [File No. CK. 4215-1]

[In Camera - Economic/Financial - Land - Section 17(1)(d) and (e) LAFOIPP]

12. ADJOURNMENT

The meeting adjourned at 4:55 p.m.

Councillor A. Iwanchuk, Chair

D. Kanak, Deputy City Clerk