
Statement of Work

Assess options for additional revenue generation at City of Saskatoon

Submitted on November 1, 2016 for SPCF Meeting on November 7, 2016



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Recommendation:

1) That the enclosed Statement of Work be approved.

1. *Scope, Approach & Limitations*

As part of the risk assessment exercise conducted by Internal Audit and Corporate Risk with Administration and Council in the first half of 2015, the lack of alternate revenue sources and the resulting heavy reliance on property taxation revenue was identified as a high risk area. As a result, Internal Audit will assess potential options with respect to additional revenue generation. Our advisory project be performed as follows:

1. Identify ideas from which the City could generate new revenue or optimize (increase) current revenue.
2. Provide an impact analysis which addresses potential pros and cons of each idea as well as an estimated dollar impact for the City.
3. Identify the current process in place to capture revenue generation ideas across the City.
4. For ideas identified in 1., compare to Canadian municipalities to identify the extent to which other municipalities may have wholly or partially implemented the idea, or some variant of the idea, already and the additional revenue they were able to generate (subject to availability of information).

For the purposes of this project, we expect to work with Asset and Financial Management and Corporate Risk and a cross-section of other divisions at the City of Saskatoon which have relevance to the ideas.

2. *Timeline and Deliverables*

Dates are estimates and may change, based on availability of information and both City of Saskatoon and PwC resources.

Deliverable	Details	Projected Delivery Date
Preliminary Observations and Recommendations to Review	Key observations and recommendations from the project will be discussed with the key contacts from Asset and Financial Management and Corporate Risk: Kerry Tarasoff, Clae Hack and Nicole Garman.	January 2017
Draft Report to Management	Draft report provided to the key contacts from Asset and Financial Management and Corporate Risk: Kerry Tarasoff, Clae Hack and Nicole Garman.	February 2017
Final Report to SPCF	Final report to SPCF in-camera during a 10-15 minute presentation followed by question period.	March 2017

We will communicate our progress to the key contacts throughout the project and will arrange status update meetings as necessary to discuss any issues which may arise. We will also work closely with the key contacts to ensure that there is minimal duplication of efforts between the PwC team and Administration as there are a number of potential revenue generation options already in various stages of examination by Administration.

3. *Key Contacts*

The key contacts for this project are:

- Kerry Tarasoff, Chief Financial Officer, Asset and Financial Management
- Clae Hack, Director of Finance, Asset and Financial Management
- Nicole Garman, Director of Corporate Risk

4. Budget

Our fees are based on actual hours incurred by PwC staff, at the below agreed upon hourly billing rate in the Internal Audit Services Agreement dated January 1, 2015. In accordance with the approved 2016 Internal Audit Plan, we estimate that our fees for the completion of our services under this Statement of Work will be \$62,000 plus out of pocket expenses and applicable taxes, which will be charged on an actual basis.

Role	Expected Hours
Engagement Partner	15
Quality Assurance Partner	10
Engagement Manager	225
Senior Auditor	75
Auditor	75
Total	400