



**PUBLIC AGENDA
STANDING POLICY COMMITTEE ON FINANCE**

Tuesday, April 7, 2020, 2:00 p.m.

Council Chamber, City Hall

Committee Members:

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

Pages

1. CALL TO ORDER

2. CONFIRMATION OF AGENDA

Recommendation

That the confirmation of the agenda be approved as presented.

3. DECLARATION OF CONFLICT OF INTEREST

4. ADOPTION OF MINUTES

6 - 13

Recommendation

That the minutes of Regular Meeting of the Standing Policy Committee on Finance held on March 9, 2020 be adopted.

5. UNFINISHED BUSINESS

6. COMMUNICATIONS (requiring the direction of the Committee)

6.1 Delegated Authority Matters

**6.1.1 Federation of Canadian Municipalities and Saskatchewan
Urban Municipalities Association Optional Contribution – Travel
Fund [File No. CK 155-2]**

14 - 15

A letter and related invoice dated December 4, 2019 from Gordon Barnhart, SUMA President and Bell Karsten, FCM President requesting contribution to the above fund is provided.

Recommendation

That the information be received.

6.2 Matters Requiring Direction

6.2.1 Notice of Annual General Meetings – The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc. [File No. CK. 175-27] 16 - 28

A letter dated March 31, 2020 from Brenda McLean, Executive Assistant, Remai Modern Art Gallery of Saskatchewan, regarding the Notice of the Annual General Meetings of The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc. is provided.

Recommendation

That the Standing Policy Committee on Finance recommend to City Council that the City of Saskatoon, being a member of both The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc., appoint Charlie Clark, or in his absence, Mairin Loewen or Cynthia Block of the City of Saskatoon, in the Province of Saskatchewan, as its proxy to vote for it on its behalf at the Annual General Meetings of the members of The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc. to be held on the 28th day of April, 2020 or at any adjournment or adjournments thereof.

6.2.2 Notice of Annual General Meeting - Saskatchewan Place Association Inc. - April 29, 2020 [File No. CK. 175-31] 29 - 32

A letter dated March 31, 2020 from Lori O'Brien, Recording Secretary, SaskTel Centre, regarding the Notice of Annual General Meeting of the Saskatchewan Place Association Inc. is provided.

Recommendation

That the Standing Policy Committee on Finance recommend to City Council that the City of Saskatoon, being a member of the Saskatchewan Place Association Inc., appoint Mayor Charlie Clark, or in his absence, Councillors Troy Davies or Ann Iwanchuk, of the City of Saskatoon, in the Province of Saskatchewan, as its proxy to vote for it on its behalf at the Annual General Meeting of the members of the Saskatchewan Place Association Inc., to be held on the 29th day of April, 2020, or at any adjournment or adjournments thereof.

6.2.3 Notice of Annual General Meeting - Saskatoon Centennial 33 - 38

Auditorium and Convention Centre Corporation and Saskatoon Centennial Auditorium Foundation [CK. 175-28]

A letter dated April 1, 2020 from Chris Knihnitski, Director of Finance, TCU Place - Saskatoon's Arts & Convention Centre regarding the Notice of the Annual General Meetings of the Saskatoon Centennial Auditorium and Convention Centre Corporation and the Saskatoon Centennial Auditorium Foundation is provided.

Recommendation

That the Standing Policy Committee on Finance recommend to City Council that the City of Saskatoon, being a member of both the Saskatoon Centennial Auditorium Convention Centre Corporation Board of Directors and the Saskatoon Centennial Auditorium Foundation Board of Directors appoint Mayor Charlie Clark, or in his absence, Councillor Bev Dubois or Councillor Zach Jeffries of the City of Saskatoon, in the Province of Saskatchewan, as its proxy to vote for it on its behalf at the Annual General Meetings of the members of the Saskatoon Centennial Auditorium Convention Centre Corporation and the Saskatoon Centennial Auditorium Foundation, to be held on the 30th day of April, 2020, or at any adjournment or adjournments thereof.

6.3 Requests to Speak (new matters)

7. REPORTS FROM ADMINISTRATION

7.1 Information Reports

Recommendation

That the report contained in Item 7.1.1 be received as information.

7.1.1 Albert Community Centre Major Repair Reserve [File No. CK. 600-16, x 1815-1]

39 - 42

A report from the General Manager, Utilities and Environment Department is provided.

7.2 Approval Reports

7.2.1 Internal Audit Update and Reserve Transfer – Year-End 2019 [File No. CK. 1600-3 X 1815-1]

43 - 46

A report from the Chief Financial Officer is provided.

Recommendation

That the Standing Policy Committee on Finance recommend to City Council that the unspent amount of \$109,215 for the Internal Audit Program be transferred to the Internal Audit Program Reserve.

7.2.2 SREDA – Business Incentives – 2020 Tax Abatements [File No. CK. 3500-13] 47 - 49

A report from the Chief Financial Officer is provided.

Recommendation

That the Standing Policy Committee on Finance recommend to City Council that the incentive abatements as determined by the Saskatoon Regional Economic Development Authority be approved.

7.2.3 Preliminary Year-End Financial Results – December 31, 2019 [File No. CK. 1704-1 X 1815-1] 50 - 63

A report from the Chief Financial Officer is provided.

Recommendation

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

1. That the Snow and Ice deficit of \$646,610 be offset by a transfer from the Snow and Ice Management Contingency Reserve; and
2. That the year-end surplus of \$518,343 be transferred to the Fiscal Stabilization Reserve.

7.3 Decision Reports

8. URGENT BUSINESS

9. MOTIONS (notice previously given)

10. GIVING NOTICE

11. IN CAMERA SESSION

Recommendation

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

11.1 Land Matter [File No. CK. 4020-1]

11.2 Verbal Updates

11.2.1 Council Members

11.2.2 Administration

12. RISE AND REPORT

13. ADJOURNMENT



PUBLIC MINUTES
STANDING POLICY COMMITTEE ON FINANCE

Monday, March 9, 2020, 2:00 p.m.
Council Chamber, City Hall

PRESENT: Councillor A. Iwanchuk, Chair
Councillor C. Block, Vice Chair
Councillor R. Donauer
Councillor B. Dubois
Councillor M. Loewen
His Worship Mayor C. Clark (Ex-Officio) at 2:12 p.m.

ALSO PRESENT: Chief Financial Officer K. Tarasoff
Solicitor C. Bogad
Deputy City Clerk S. Bryant
Committee Assistant H. Thompson

1. CALL TO ORDER

The Chair called the meeting to order on Treaty 6 Territory and the Traditional Homeland of the Métis people.

2. CONFIRMATION OF AGENDA

Moved By: Councillor Donauer

That the agenda be confirmed as presented.

In Favour: (5): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, and Councillor Loewen

Absent (1): Mayor C. Clark

CARRIED UNANIMOUSLY

3. DECLARATION OF CONFLICT OF INTEREST

There were no declarations of conflict of interest.

4. ADOPTION OF MINUTES

Moved By: Councillor Donauer

That the minutes of Regular Meeting of the Standing Policy Committee on Finance held on February 11, 2020 be adopted.

In Favour: (5): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, and Councillor Loewen

Absent (1): Mayor C. Clark

CARRIED UNANIMOUSLY

5. UNFINISHED BUSINESS

6. COMMUNICATIONS (requiring the direction of the Committee)

6.1 Delegated Authority Matters

6.1.1 Shock Trauma Air Rescue Society (STARS) - Request for Donation [File No. CK. 1870-1]

A letter from Shari Lemon, Community Relations, STARS, dated February 10, 2020 was provided.

Moved By: Councillor Donauer

That the information be received.

In Favour: (5): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, and Councillor Loewen

Absent (1): Mayor C. Clark

CARRIED UNANIMOUSLY

6.2 Matters Requiring Direction

6.2.1 Tourism Saskatoon - 2019 Un-Audited Financial Statement [File No. CK. 1870-10]

The 2019 Un-Audited Financial Statement was provided by Tourism Saskatoon as required by the Fee for Service Agreement.

Moved By: Councillor Dubois

That the Standing Policy Committee on Finance recommend to City Council that the Tourism Saskatoon - 2019 Un-Audited Financial Statement be received as information.

In Favour: (5): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, and Councillor Loewen

Absent (1): Mayor C. Clark

CARRIED UNANIMOUSLY

6.2.2 Notice of Annual General Meetings – The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc. [File No. CK. 175-27]

A letter dated March 3, 2020 from Brenda McLean, Executive Assistant, Remail Modern Art Gallery of Saskatchewan, regarding the Notice of the Annual General Meetings of The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc. was provided.

Moved By: Councillor Block

That the Standing Policy Committee on Finance recommend to City Council that the City of Saskatoon, being a member of both The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc., appoint Charlie Clark, or in his absence, Mairin Loewen or Cynthia Block of the City of Saskatoon, in the Province of Saskatchewan, as its proxy to vote for it on its behalf at the Annual General Meetings of the members of The Saskatoon Gallery and Conservatory Corporation and The Art Gallery of Saskatchewan Inc. to be held on the 24th day of March, 2020 or at any adjournment or adjournments thereof.

In Favour: (5): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, and Councillor Loewen

Absent (1): Mayor C. Clark

CARRIED UNANIMOUSLY

6.2.3 Notice of Annual General Meeting - Saskatchewan Place Association Inc. - April 1, 2020 [File No. CK. 175-31]

A letter dated March 3, 2020 from Lori O'Brien, Recording Secretary, SaskTel Centre, regarding the Notice of Annual General Meeting of the Saskatchewan Place Association Inc. was provided.

Moved By: Councillor Dubois

That the Standing Policy Committee on Finance recommend to City Council that the City of Saskatoon, being a member of the Saskatchewan Place Association Inc., appoint Mayor Charlie Clark, or in his absence, Councillors Troy Davies or Ann Iwanchuk, of the City of Saskatoon, in the Province of Saskatchewan, as its proxy to vote for it on its behalf at the Annual General Meeting of the members of the Saskatchewan Place Association Inc., to be held on the 1st day of April, 2020, or at any adjournment or adjournments thereof.

In Favour: (5): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, and Councillor Loewen

Absent (1): Mayor C. Clark

CARRIED UNANIMOUSLY

6.3 Requests to Speak (new matters)

7. REPORTS FROM ADMINISTRATION

7.1 Information Reports

Moved By: Councillor Donauer

That the reports contained in Items 7.1.1 to 7.1.4 be received as information.

In Favour: (6): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Loewen and Mayor C. Clark

CARRIED UNANIMOUSLY

7.1.1 Repaid Productivity Improvement Loans 2019

Chief Financial Officer Tarasoff introduced the item.

General Manager, Community Services Lacroix addressed questions related to the mill rate and the subsidization of the leisure centres.

7.1.2 Fraud Risk Program Assessment [File No. CK. 1600-1]

The following reports were provided for the Committee's consideration:

- Internal Audit – City of Saskatoon Fraud Risk Program Assessment from Internal Auditors, PricewaterhouseCoopers LLP; and
- Administrative Response – Fraud Risk Program Assessment.

Jesse Radu of PricewaterhouseCoopers LLP, presented the Internal Auditors report.

Mayor Clark entered the meeting at 2:12 p.m. during discussion on the matter.

Chief Financial Officer Tarasoff reviewed the submitted Administrative Response report and addressed questions of the Committee

The Chair acknowledged the Internal Auditors, PricewaterhouseCoopers LLP for their five years of service to the City of Saskatoon.

7.1.3 Inventory Status and Write-Downs of Surplus Inventory Report - 2019 [File No. CK. 1290-1]

Chief Financial Officer Tarasoff introduced the item.

7.1.4 S&P Global Ratings – City of Saskatoon [File No. CK. 1500-4]

Moved By: Councillor Dubois

That the Standing Policy Committee recommend that the report of the CFO/General Manager, Asset and Financial Management Department, dated March 9, 2020, be forwarded to City Council for information.

In Favour: (6): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Loewen, and Mayor C. Clark

CARRIED UNANIMOUSLY

7.2 Approval Reports

7.2.1 Brighton Land Exchange Agreement [File No. CK. 4020-1]

Chief Financial Officer Tarasoff introduced the item.

Director of Saskatoon Land Long addressed questions of the Committee related to the process of land exchange agreement.

Moved By: Councillor Block

1. That the Brighton Land Exchange Agreement be approved as outlined in the report of the Chief Financial Officer dated March 9, 2020; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and City Clerk be authorized to execute the agreement under the Corporate Seal.

In Favour: (6): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Loewen, and Mayor C. Clark

CARRIED UNANIMOUSLY

7.2.2 2020 Tag Days [File No. CK. 200-3]

Moved By: Councillor Donauer

That the eight applications for 2020 Tag Days, as outlined in the report of the Chief Financial Officer dated March 9, 2020, be approved.

In Favour: (6): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Loewen, and Mayor C. Clark

CARRIED UNANIMOUSLY

7.2.3 Acquisition of Land for Future Development – Northwest Growth Area [File No. CK. 4020-1]

Chief Financial Officer Tarasoff introduced the item.

Moved By: Councillor Dubois

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

1. That the Administration be authorized to purchase LSD 13 and 14 of NW 5385 W3, Ext 102, (ISC Surface Parcel Nos. 203367843 and 145175452) comprising of approximately 69.66 acres at a purchase price of \$250,000; 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: (6): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Loewen, and Mayor C. Clark

CARRIED UNANIMOUSLY

7.3 Decision Reports

8. URGENT BUSINESS

9. MOTIONS (notice previously given)

10. GIVING NOTICE

11. IN CAMERA SESSION

Moved By: Councillor Dubois

That the following items be considered *In Camera*.

In Favour: (6): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, Councillor Loewen, and Mayor C. Clark

CARRIED UNANIMOUSLY

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

[In Camera - Personal Information - Section 28 and Section 16(1)(b) and (d) of LAFOIPP]

12. RISE AND REPORT

The Standing Policy Committee on Finance convened *In Camera* at 2:35 p.m. in Committee Room A, City Hall with Councillors Iwanchuk (Chair), Block, Donauer, Dubois, and Loewen and Mayor Clark present.

The following members of the Administration were also present: Solicitor Bogad and Deputy City Clerk Bryant.

Also present was Jesse Radu, Internal Auditor, PricewaterhouseCoopers LLP at 2:38 p.m. to 2:50 p.m.

The *In Camera* portion of the meeting concluded at 2:55 p.m.

The Committee reconvened publicly in the Council Chamber at 3:00 p.m. Councillors Iwanchuk (Chair), Block, Donauer, Dubois, and Loewen present.

The Committee reported further as follows:

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

[In Camera - Personal Information - Section 28 and Section 16(1)(b) and (d) of LAFOIPP]

Moved By: Councillor Block

That the information be received and the discussion and report remain *In Camera* under Sections 28 and 16(1)(b) and (d) of *LAFOIPP*.

In Favour: (5): Councillor Iwanchuk, Councillor Block, Councillor Donauer, Councillor Dubois, and Councillor Loewen

Absent (1): Mayor Clark

CARRIED UNANIMOUSLY

13. ADJOURNMENT

The meeting adjourned at 3:02 p.m.

Councillor A. Iwanchuk, Chair

Deputy City Clerk S. Bryant

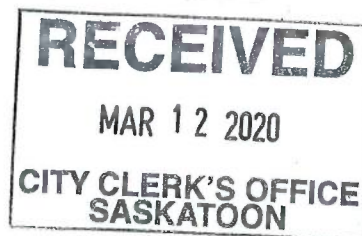


FEDERATION
OF CANADIAN
MUNICIPALITIES

FÉDÉRATION
CANADIENNE DES
MUNICIPALITÉS

Invoice / Facture

24, rue Clarence Street, Ottawa,
Ontario, K1N 5P3
T. 613-241-5221 F. 613-241-7440



Jorgenson, Jeff
City of Saskatoon
222-3rd Avenue North
Saskatoon, Saskatchewan S7K 0J5

Invoice / Facture: ORD-31833-M2T6B3

DATE: 2019-12-04

ACCOUNT/COMPTE: 92

DUE DATE/DATE LIMITE: 2020-04-01

ITEM/DESCRIPTION	QTY/QTE	RATE/TAUX	TAX/TAXE	TOTAL
OPTIONAL contribution towards a travel fund that supports the participation of elected officials from small communities in FCM's National Board of Directors	246,376	\$0.0500	\$615.94	\$12,934.74
GST/TPS (5%):				\$615.94
TOTAL:				\$12,934.74

PAYMENT/PAIEMENT

By cheque payable to:
Federation of Canadian Municipalities
Par chèque à l'ordre de:

Fédération canadienne des municipalités

24, rue Clarence Street
Ottawa, Ontario K1N 5P3

HST # / No. de TVH: 11891 3938 RT0001
QST # / No. de TVQ: 1202728231DQ0001

By Electronic Funds Transfer/Par transfert électronique de fonds

Royal Bank of Canada (RBC)

90 Sparks St, Ottawa, ON K1P 5T7

Transit Number/Numéro de transit: 00006

Account Number/Numéro de compte: 1113307

accountsreceivable@fcm.ca/comptesrecevables@fcm.ca

Ref No. / No. de référence : 92

A message from FCM and SUMA

Dear elected officials and members of SUMA,

The FCM Travel Fund provides financial support to local government elected officials from Saskatchewan attending the Federation of Canadian Municipalities (FCM) Board and Standing Committee meetings. The travel fund is intended to ensure that smaller communities are represented at FCM and have the financial means to participate.

The voluntary dues contribution is collected from Saskatchewan urban local governments by FCM and is remitted annually to the Saskatchewan Urban Municipalities Association. SUMA manages the funds and administers the program to recipients.

In order to be eligible for reimbursement of travel expenses, recipients must meet the following criteria:

- A local government elected official from an urban municipality;
- From a community outside Regina, Saskatoon, Moose Jaw, and Prince Albert;
- From a community that contributes to the fund; and
- Elected to FCM's Board OR appointed to an FCM Standing Committee.

The long-term financial sustainability of the FCM Travel Fund is reliant on the voluntary contributions from Saskatchewan local governments and ensures that local governments of all sizes and locations in Saskatchewan have an equal opportunity to be represented at FCM.

SUMA asks that each member give consideration to the voluntary contribution and the positive benefit that results from a united and inclusive voice from local governments large and small.

Thank you.

A handwritten signature in black ink, appearing to read "Gordon Barnhart".

GORDON BARNHART, C.M., S.O.M., Ph.D.
SUMA President

A handwritten signature in black ink, appearing to read "Bill Karsten".

BILL KARSTEN
FCM President

rRemai mModern

Ph +1 306 975-7610
remainmodern.org

P.O. Box 569
Saskatoon SK S7K 3L6 Canada

March 31, 2020

VIA EMAIL

City Clerk's Office
City of Saskatoon

Attention: Shellie Bryant

Dear Shellie,

The purpose of this letter is to request new Instruments of Proxy for the Annual General Meeting of the Saskatoon Gallery and Conservatory Corporation and for the Annual General Meeting of the Art Gallery of Saskatchewan.

The Annual General Meetings were originally scheduled for March 24, 2020 but due to the COVID-19 situation, the meetings have been rescheduled to April 28, 2020.

Thank you for your assistance with this matter.

Sincerely,



Brenda McLean
Executive Assistant

/blm

cc: Doug Matheson, Board Chair
Lynn McMaster, Interim Executive Director & CEO
Christine Bogad, Director of Legal Services, City Solicitor's Office

AGENDA

ANNUAL GENERAL MEETING OF THE MEMBER THE ART GALLERY OF SASKATCHEWAN INC.

4th Floor Conference Room, Remail Modern, Saskatoon, SK

Tuesday March 24, 2020 at 5:30 PM

(Immediately following the adjournment of the Annual General Meeting
of The Saskatoon Gallery and Conservatory Corporation)

- I. ROLL CALL
- II. APPOINTMENT TO BOARD OF DIRECTORS
- III. NOTICE OF WAIVER OF IRREGULARITIES
- IV. APPROVAL OF AGENDA
- V. APPROVAL OF MINUTES
 - a. Annual General Meeting – March 26, 2019
- VI. INSTRUMENT OF PROXY
- VII. ANNUAL REPORTS
 - a. Annual Report of the Treasurer
 - i. Review of Financial Statements by Sean Makahonuk of PricewaterhouseCoopers
 - ii. Approval of Financial Statements
- VIII. APPOINTMENT OF AUDITORS
- IX. ADJOURNMENT

III. NOTICE OF WAIVER OF IRREGULARITIES

The Chair advised the members that a Notice of Waiver of Irregularities was prepared for those members present, to be filed so as to form part of the minutes as follows:

The Art Gallery of Saskatchewan Inc. Notice of the Annual General Meeting of the Member held at Remai Modern, Saskatoon, SK, on Tuesday, March 24, 2020, commencing at 5:30 PM. The undersigned hereby acknowledges notice and waive any irregularities therein or with respect thereto and agree to be bound by the proceedings at the meeting and any adjournment thereof.

DRAFT MINUTES

ANNUAL GENERAL MEETING OF THE MEMBERS THE ART GALLERY OF SASKATCHEWAN INC.

**Fourth Floor Conference Room, Remai Modern Art Gallery, Saskatoon, SK
Tuesday March 26, 2019 at 5:30 p.m.**

I. ROLL CALL

Trent Bester – Vice Chair
Beau Atkins
Fatima Coovadia
Grant Stoneham
Councillor Cynthia Block
Councillor Mairin Loewen
Debra Pozega Osburn
Louis Christ
Doug Matheson
Allison Lachance
Celene Anger, Interim CEO and COO
Dean Summach, Director of Finance and Strategy
Carolyn Knafelc, Interim Director of Human Resources
Dianne Romphf – Admin Assistant
Sean Makahonak – PWC

Absent – Scott Verity, Alison Norlen, Jenna Richards, Veronica Gamracy, Karen Chad, Garnet McElree,

II. APPOINTMENT TO BOARD OF DIRECTORS

Moved and seconded by Councillor Mairin Loewen,

That all members of the 2019 Board of Directors appointed by the City of Saskatoon be appointed

CARRIED

III. NOTICE OF WAIVER OF IRREGULARITIES

Moved and second by Councillor Mairin Loewen

THAT the Notice of Waiver of Irregularities be waived

CARRIED

IV. APPROVAL OF AGENDA

Moved and second by Councillor Mairin Loewen,

That the agenda be approved as follows:

- I. ROLL CALL
- II. APPOINTMENT TO BOARD OF DIRECTORS
- III. NOTICE OF WAIVER OF IRREGULARITIES
- IV. APPROVAL OF AGENDA

- V. APROVAL OF MINUTES
-Annual General Meeting – March 20, 2018
- VI. INSTRUMENT OF PROXY
- VII. ANNUAL REPORTS
 - a. Annual Report of the Treasurer
 - i. Review of financial statements by Sean Makahonuk of Price Waterhouse Cooper
 - ii. Approval of financial statements
 - b. Remail Modern 2018 Annual Report
- VIII. APPOINTMENT OF AUDITORS
- IX. ADJOURNMENT

CARRIED

V. APROVAL OF MINUTES

-Annual General Meeting – March 20, 2018

Moved and seconded by Councillor Mairin Loewen,

THAT the minutes of the Annual General Meeting of The Art Gallery of Saskatchewan held March 20, 2018, be approved.

CARRIED

VI. INSTRUMENT OF PROXY

Moved and seconded by Councillor Mairin Loewen,

THAT the Instrument of Proxy was submitted on behalf for the City of Saskatoon and attached herein.

CARRIED

VII. ANNUAL REPORTS

- c. Annual Report of the Treasurer
 - iii. Review of financial statements by Sean Makahonuk of Price Waterhouse Cooper
 - iv. Approval of financial statements

Moved and seconded by Councillor Mairin Loewen,

THAT the financial statement for the Art Gallery of Saskatchewan Inc. as received at the Annual General Meeting of the Art Gallery of Saskatchewan Inc. be accepted.

CARRIED

- d. Remail Modern 2018 Annual Report

Moved and seconded by Councillor Mairin Loewen

That the annual report of the Art Gallery of Saskatchewan Inc. for the year 2018, be accepted.

CARRIED

VIII. APPOINTMENT OF AUDITORS

There was a question regarding how often the Auditor's contract was renewed. There is a request for a Proposal (RFP) process to renew the auditors, the frequency of the RFP process is unknown.

Moved and seconded by Councillor Mairin Loewen

THAT the auditors of the Art Gallery of Saskatchewan for the year 2019 be the firm of PricewaterhouseCoopers LLP, 200 – 123 2nd Avenue South, Saskatoon

CARRIED

IX. ADJOURNMENT

Moved and seconded by Councillor Mairin Loewen

THAT the meeting adjourn

The meeting adjourned at 5:55

REMAI MODERN ART GALLERY OF SASKATCHEWAN AND
SASKATOON GALLERY AND CONSERVATORY CORPORATION
INSTRUMENT OF PROXY

THAT the City's representative be instructed to vote the City's proxy at the 2020 Annual General Meetings of the Remai Modern Art Gallery of Saskatchewan Board of Directors and the Saskatoon Gallery and Conservatory Corporation Board of Trustees for the reappointments of Councillors Cynthia Block and Mairin Loewen throughout a term expiring at the conclusion of the 2021 Annual General Meetings; and

THAT the City's representative be instructed to vote the City's proxy at the 2020 Annual General Meetings of the Remai Modern Art Gallery of Saskatchewan Board of Directors and the Saskatoon Gallery and Conservatory Corporation Board of Trustees for the appointments of Jeffrey Burgess, Crystal Fafard, Candice Grant, Jeremy Morgan, and Shoshanna Paul throughout a term expiring at the conclusion of the 2022 Annual General Meetings.

Signed this 20th day of December, 2019.



Mayor – The City of Saskatoon



City Clerk – The City of Saskatoon

AGENDA

**ANNUAL GENERAL MEETING OF THE MEMBERS
THE SASKATOON GALLERY AND CONSERVATORY CORPORATION
4th Floor Conference Room, Remail Modern, Saskatoon, SK
Tuesday March 24, 2020 at 5:00 PM**

- I. ROLL CALL
- II. APPOINTMENT TO BOARD OF DIRECTORS
- III. NOTICE OF WAIVER OF IRREGULARITIES
- IV. APPROVAL OF AGENDA
- V. APPROVAL OF MINUTES
 - a. Annual General Meeting – March 26, 2019
- VI. INSTRUMENT OF PROXY
- VII. ANNUAL REPORTS
 - a. Annual Report of the Treasurer
 - i. Review of Financial Statements by PricewaterhouseCoopers
 - ii. Approval of Financial Statements
- VIII. APPOINTMENT OF AUDITORS
- IX. ADJOURNMENT

III. NOTICE OF WAIVER OF IRREGULARITIES

The Chair advised the members that a Notice of Waiver of Irregularities was prepared for those members present, to be filed so as to form part of the minutes as follows:

The Saskatoon Gallery and Conservatory Corporation Notice of the Annual General Meeting of the Member held at Remai Modern, Saskatoon, SK, on Tuesday, March 24, 2020, commencing at 5:00 PM. The undersigned hereby acknowledges notice and waive any irregularities therein or with respect thereto and agree to be bound by the proceedings at the meeting and any adjournment thereof.

DRAFT MINUTES

ANNUAL GENERAL MEETING OF THE MEMBERS THE SASKATOON GALLERY AND CONSERVATORY CORPORATION Fourth Floor Conference Room, Rемаi Modern Art Gallery, Saskatoon, SK Tuesday March 26, 2019 at 5:00 p.m.

I. ROLL CALL

Trent Bester – Vice Chair
Beau Atkins
Fatima Coovadia
Grant Stoneham
Councillor Cynthia Block
Councillor Mairin Loewen
Debra Pozega Osburn
Louis Christ
Celene Anger, Interim CEO and COO
Dean Summach, Director of Finance and Strategy
Dianne Romphf – Admin Assistant
Sean Makahonak – PWC

Absent – Scott Verity, Alison Norlen, Jenna Richards, Veronica Gamracy, Karen Chad,
Garnet McElree, Doug Matheson, Allison Lachance

II. APPOINTMENT TO BOARD OF DIRECTORS *

Moved and seconded by Councillor Mairin Loewen,

That all members of the 2019 Board of Directors approved by the City of Saskatoon
be appointed

CARRIED

III. NOTICE OF WAIVER OF IRREGULARITIES

Moved and second by Councillor Mairin Loewen,

THAT the Notice of Waiver of Irregularities be waived

CARRIED

IV. APPROVAL OF AGENDA

Moved and second by Councillor Mairin Loewen,

THAT the agenda be amended to remove VII. b. Rемаi Modern 2018 Annual Report
and thereafter be approved as follows:

- I. Roll Call
- II. Appointment to Board of Directors
- III. Notice of Waiver of Irregularities
- IV. Approval of Agenda
- V. Approval of Minutes

- a. Annual General Meeting – March 20, 2018
- VI. Instrument of Proxy
- VII. Annual Reports
 - a. Annual Report of the Treasurer
 - i. Review of financial statements by Sean Makahonuk of Price Waterhouse Cooper
 - ii. Approval of financial statements
- VIII. Appointment of Auditors
- IX. Adjournment

CARRIED

V. APPROVAL OF MINUTES

a. Annual General Meeting – March 20, 2018

Moved and seconded by Councillor Mairin Loewen,

THAT the minutes of the meeting of the Annual General Meeting of The Saskatoon Gallery and Conservatory Corporation held March 20, 2018 be approved

CARRIED

VI. INSTRUMENT OF PROXY

Moved and seconded by Councillor Mairin Loewen,

THAT the instrument of Proxy was submitted on behalf of the City of Saskatoon and attached herein

CARRIED

VII. ANNUAL REPORTS

- a. Annual Report of the Treasurer
 - iii. Review of financial statements by Sean Makahonuk of Price Waterhouse Cooper
 - iv. Approval of financial statements

Moved and seconded by Councillor Mairin Loewen,

THAT the financial statements for the Art Gallery of Saskatchewan Inc. as received at the Annual General Meeting of the Saskatoon Gallery and Conservatory Corporation, be accepted.

CARRIED

VIII. APPOINTMENT OF AUDITORS

Moved and seconded by Councillor Mairin Loewen,

THAT the auditors of the Saskatoon Gallery and Conservatory Corporation. for the year 2019 be the firm of PricewaterhouseCoopers LLP, 200 – 123 2nd Avenue South, Saskatoon.

CARRIED

IX. ADJOURMENT

Moved and seconded by Councillor Mairin Loewen,

THAT the meeting adjourn.

The meeting adjourned at 5:25 p.m.

REMAI MODERN ART GALLERY OF SASKATCHEWAN AND
SASKATOON GALLERY AND CONSERVATORY CORPORATION
INSTRUMENT OF PROXY


THAT the City's representative be instructed to vote the City's proxy at the 2020 Annual General Meetings of the Remai Modern Art Gallery of Saskatchewan Board of Directors and the Saskatoon Gallery and Conservatory Corporation Board of Trustees for the reappointments of Councillors Cynthia Block and Mairin Loewen throughout a term expiring at the conclusion of the 2021 Annual General Meetings; and

THAT the City's representative be instructed to vote the City's proxy at the 2020 Annual General Meetings of the Remai Modern Art Gallery of Saskatchewan Board of Directors and the Saskatoon Gallery and Conservatory Corporation Board of Trustees for the appointments of Jeffrey Burgess, Crystal Fafard, Candice Grant, Jeremy Morgan, and Shoshanna Paul throughout a term expiring at the conclusion of the 2022 Annual General Meetings.

Signed this 20th day of December, 2019.



Mayor – The City of Saskatoon



City Clerk – The City of Saskatoon



March 31, 2020

His Worship the Mayor and City Council
City Clerk's Office
City Hall
222 3rd Avenue North
Saskatoon SK S7K 0J5

Dear Sirs/Mesdames:

**NOTICE OF ANNUAL GENERAL MEETING
SASKATCHEWAN PLACE ASSOCIATION INC.**

Please take note of the following meeting of the above-mentioned committee:

Date: Wednesday, April 29, 2020

Time: 2:00 p.m.

Location: City Hall

Please confirm your attendance with Lori O'Brien by email (lobrien@sasktelcentre.com) or telephone (306-291-5432).

Kind regards,

A handwritten signature in blue ink, appearing to read "L. O'Brien".

Lori O'Brien, Recording Secretary
SaskTel Centre

Cc: Will Lofdahl, Chief Executive Officer
Board of Directors, Saskatchewan Place Association Inc.
Byron Mack, MNP

Enclosures: Agenda
Minutes of May 1, 2019 Annual General Meeting

SASKATCHEWAN PLACE ASSOCIATION INC.

ANNUAL GENERAL MEETING

WEDNESDAY, APRIL 29, 2020

2:00 P.M.

A G E N D A

1. Reading of the Notice of Meeting
2. Call to Order
3. Proxies
4. Minutes of Previous Meeting
5. Business arising
6. Chair's Report
7. Treasurer's Report
8. Auditor's Report
9. Resignation of Directors
10. Appointment of Directors
11. Appointment of Auditor
12. Appointment of Solicitor
13. Ratification of Board of Directors' Actions
14. Other Business
15. Motion for Adjournment

Saskatchewan Place Association Inc. Board of Directors
Annual General Meeting
Wednesday, May 1, 2019 at 5:30 p.m.
Committee Room E, City Hall

ANNUAL GENERAL MEETING MINUTES

Present: Councillor Ann Iwanchuk, Proxy
Art Postle
Blair Davidson
Adele Buettner
Derek Lothian
Paul Jaspar
Will Lofdahl, Chief Executive Officer
Kirby Wirchenko
Corina Farbacher
Mark Arcand
Todd Peterson
Mubarka Butt, Chief Strategy and People Officer
Lori O'Brien, Recording Secretary

Also Present: Trevor James, Director of Finance & Ticketing

Regrets: Mayor Charlie Clark
Councillor Troy Davies
Leanne Johnson
Russel Marcoux
Bryan McCrea

- 1. Reading of the Notice of Meeting**
Moved, seconded and approved by Chair Iwanchuk
- 2. Call to Order**
Chair Iwanchuk called the meeting to order at 5:50 p.m. and welcomed everyone to the Saskatchewan Place Association Annual General Meeting.
- 3. Proxy Designated by Mayor Clark**
Chair Iwanchuk moved, seconded and carried herself as Proxy.
- 4. Minutes of May 2, 2018 Annual General Meeting**
Chair Iwanchuk moved, seconded and adopted the minutes as provided.
- 5. Business Arising from the Minutes**
There was no business arising from the minutes.
- 6. Chair's Report**
Chair Iwanchuk moved, seconded and adopted the Chair's Report as provided.

7. Treasurer's Report

Chair Iwanchuk moved, seconded and adopted the Treasurer's Report as provided.

8. Auditor's Report

Chair Iwanchuk moved, seconded and adopted the Auditor's Report as provided.

9. Resignation of Directors

Chair Iwanchuk moved, seconded and accepted the resignation of Directors: Adele Buettner, Kirby Wirchenko and Derek Lothian.

10. Appointment of Directors

Chair Iwanchuk moved, seconded and carried the reappointment of all the current Directors and the appointment of new Directors: Todd Peterson, Mark Arcand and Bryan McCrea.

11. Appointment of Auditor

Chair Iwanchuk moved, seconded and carried the reappointment of MNP LLP as the auditor.

12. Appointment of Solicitor

Chair Iwanchuk moved, seconded and carried the motion that the City Solicitor's Office be reappointed as the Solicitor.

13. Ratification of Board of Director's Actions

Chair Iwanchuk moved, seconded and carried ratification of the Board of Director's actions.

14. Other Business

There was no other Business.

15. Motion of Adjournment

The meeting was adjourned at 5:54 p.m.

Councillor Iwanchuk, Chair



SASKATOON'S
ARTS & CONVENTION
CENTRE

April 1, 2020

To: City Council

Re: Notice of Meeting

The Annual General Meeting of the Saskatoon Centennial Auditorium & Convention Centre Corporation Membership will be held on Thursday April 30, 2020 at 12:00 pm at TCU Place.

The Annual General Meeting of the Saskatoon Centennial Auditorium Foundation Membership will be held on Thursday April 30, 2020 at 12:15 pm at TCU Place.

Sincerely,

Chris Knihnitski
Director of Finance
TCU Place – Saskatoon's Arts & Convention Centre
cknihnitski@tcuplace.com
(306) 975-7778



AGENDA

ANNUAL GENERAL MEETING OF THE MEMBERSHIP

**THE CENTENNIAL AUDITORIUM & CONVENTION CENTRE CORPORATION, &
THE SASKATOON CENTENNIAL AUDITORIUM FOUNDATION (inactive)**

Thursday, April 30, 2020 at 12:00 pm
TCU Place

1. Call to order
2. Notice of meeting
3. Approval of agenda
4. Approval of April 25, 2019 AGM minutes
5. President's report – Corporation
6. Treasurer's report – Corporation
7. President's and Treasurer's reports – Foundation (inactive)
8. Presentation of Audited Financial Statements
 - 8.1 Corporation – 2019 Audited Financial Statements
 - 8.2 Foundation – Inactive (no statements)
9. Appointment of auditors
10. Appointment of directors
11. Confirmation of proceedings
12. Adjournment



MINUTES
ANNUAL GENERAL MEETING OF THE MEMBERSHIP
THE CENTENNIAL AUDITORIUM & CONVENTION CENTRE CORPORATION, &
THE SASKATOON CENTENNIAL AUDITORIUM FOUNDATION (inactive)

Thursday, April 25, 2019 at 12:00 pm
TCU Place – Gallery A

PRESENT: Councillor Bev Dubois (meeting Chair) Morris Smsynuik, President Jennifer Pereira, Vice President Bryn Richards, Treasurer Brian Bentley Councillor Ann Iwanchuk Darren Kent, Secretary Jocelyne Kost Trevor Maber Councillor Sarina Gersher	REGRETS: Mayor Charlie Clark City Manager Jeff Jorgenson
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INCUMBENTS: Trevor Batters

1. CALL TO ORDER

Councillor Bev Dubois called the meeting to order at 12:35 pm.

2. NOTICE OF MEETING

Saskatoon City Council received notice of the Annual General Meeting of the Saskatoon Centennial Auditorium & Convention Centre Corporation and the Saskatoon Centennial Auditorium Foundation. Notice was provided to the City of Saskatoon on February 19, 2019. As the sole member of the organization, the City of Saskatoon has designated its representative, Councillor Bev Dubois, to conduct the meeting and vote on its behalf.

Motion: That the Notice of Meeting be accepted as received.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

3. CONFIRMATION OF AGENDA

Motion: That the Agenda be confirmed as presented.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

4. APPROVAL OF APRIL 26, 2018 MINUTES

Motion: That the minutes of the April 26, 2018 Annual General Meeting of the Centennial Auditorium & Convention Centre Corporation and the Saskatoon Centennial Auditorium Foundation membership be approved as presented.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

5. PRESIDENT'S REPORT – CORPORATION

Morris Smysnuik presented the President's report.

Motion: That the President's report be accepted as presented.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

6. TREASURER'S REPORT – CORPORATION

Bryn Richards presented the Treasurer's report.

Motion: That the Treasurer's report be accepted as presented.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

7. PRESIDENT'S REPORT AND TREASURER'S REPORT – FOUNDATION

Motion: Be it moved that as the Foundation is inactive, the President's and Treasurer's reports be dispensed with.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

8. APPROVAL OF AUDITED FINANCIAL STATEMENTS

8.1 Corporation

Motion: That the 2018 Centennial Auditorium & Convention Centre Corporation Audited Financial Statements be approved as presented.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

8.2 Foundation

Motion: Be it moved that as the Saskatoon Centennial Auditorium Foundation has been inactive during 2018, there are no financial statements to approve.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

9. APPOINTMENT OF AUDITORS

Motion: That KPMG be appointed as auditors for the Centennial Auditorium & Convention Centre Corporation and the Saskatoon Centennial Auditorium Foundation for the 2018 fiscal year.

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

10. APPOINTMENT OF DIRECTORS

Motion: That the appointment of directors for the Centennial Auditorium & Convention Centre Corporation and the Saskatoon Centennial Auditorium Foundation for the upcoming year as presented by the City of Saskatoon be approved as follows:

Brian Bentley

Mayor Charlie Clark

Councillor Bev Dubois

Councillor Zach Jeffries

Darren Kent

Trevor Batters

Jocelyne Kost

Trevor Maber

Jennifer Pereira

Bryn Richards

Ross Johnson

Morris Smysnuik

City Manager Jeff Jorgenson

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

11. CONFIRMATION OF PROCEEDINGS

Motion: That all bylaws, contracts, acts, and proceedings of the Board of Directors of the Centennial Auditorium & Convention Centre Corporation and the Saskatoon Centennial Auditorium Foundation enacted, made, done, or taken since the last Annual Meeting of the members be approved, ratified, and confirmed

Moved by: Councillor Dubois

Seconded by: Councillor Dubois

Carried unanimously

12. ADJOURNMENT

Motion: That the meeting be adjourned at 1:00 pm.

Moved by: Councillor Bev Dubois

Carried unanimously

Albert Community Centre Major Repair Reserve

ISSUE

The Albert Community Centre Major Repair Reserve does not support the effective renewal of the Albert Community Centre (ACC) resulting in progressively decreasing facility condition. This report outlines the impact of dedicating unspent budget from the Albert Community Centre to the building's capital reserve.

BACKGROUND

The Albert Community Centre (ACC), one of Saskatoon's "Castle Schools", opened as Albert School in 1912, and was later repurposed as a community centre beginning in 1984. With its current usage, the ACC is home to multiple tenants, ranging from a dance studio to a preschool. In addition, the third floor or "attic" space is often rented for various gatherings and functions, such as weddings.

City Council, at its 2019 Preliminary Business Plan and Budget deliberations, passed the following resolution:

"That the Administration report back on the impact of dedicating any unspent budget from the Albert Community Centre to the building's capital reserve, beginning at the end of 2019."

Bylaw No. 6774, The Capital Reserve Bylaw, 1993, for the Albert Community Centre Major Repair Reserve states, in part:

"This Reserve shall be funded annually from an authorized provision in the City's Operating Budget. The provision shall be equal to 0.3342% of one mill (or an equivalent value resulting from future reassessments) applied to the City's taxable property assessment of the previous year."

CURRENT STATUS

The purpose of the ACC Major Repair Reserve (Reserve) is to finance the cost of repairs to the ACC. A summary of cumulative Reserve contributions, capital expenditures, and a list of major required repairs for the facility for the last ten years, are included in Appendix 1 - ACC Reserve Fund Analysis, as well as summarized in Table 1 below.

ACC Reserve Contributions	Capital Expenditures	Upcoming Capital Renewal Requirements
\$392,000	\$256,000	\$2,050,000

Table 1. ACC Funding Analysis over the Past 10 years

In 2019, revisions to the budget included an increase of \$33,500 to revenue, closely matching the 2018 actual revenue, along with a corresponding budget increase of

\$25,000 to the capital reserve. This budget adjustment captures a portion of the unspent surplus from the operating budget and directs it to the capital reserve. The unspent funds from the operational budget was \$37,700 in 2019, with an average of \$53,000 on an annual basis over the past 10 years.

Based on recent building condition assessments, it is estimated that the ACC requires approximately \$2.05M worth of repairs of which \$710K are considered high priority and are required in the next 2 years. The remaining repairs require completion within the next five years. Currently, there is \$136,000 of funding available, therefore the reserve does not have sufficient funding to support the upcoming repairs required at the ACC.

DISCUSSION/ANALYSIS

Capital renewal programs for civic facilities support proactive planning for future capital renewal projects and prevents the need for large unfunded capital expenditures.

Currently, civic facilities that are built or purchased by the City are governed by the Civic Building Capital Maintenance (CBCM) reserve, which contributes 1.2% of the new replacement value of the facility to the reserve on an annual basis. Civic facility new replacement values are determined on an annual basis by an independent evaluator. The 2019 new replacement value of the ACC is approximately \$12,500,000. The ACC is not funded in accordance with the CBCM reserve, as it was donated to the City, and is funded through a separate funding formula based on 0.3342% of one mill according to the Capital Reserve Bylaw. If the ACC capital renewal program was funded in accordance with the CBCM reserve, the annual contribution would require approximately \$150,000 based on the current new replacement value of the facility.

IMPLICATIONS

Maintaining the current level of reserve contributions will result in continued facility deterioration, and subsequent facility closures for major repairs. This will require significant capital funding, which requires a funding source.

If the budget surplus from 2019 is transferred to the reserve, an additional \$37,700 would be transferred to the reserve to support capital renewal requirements. While the transfer of surplus funds would support improved asset management of the ACC in the future, the surplus is currently used to offset any overall City deficit. The corporate yearend surplus for 2019 is \$518,343. If the budget surplus from the ACC operating budget is transferred to the ACC reserve, the yearend corporate surplus will be decreased to \$480,643. However, the surplus is not sufficient, by itself, to address the current capital renewal requirements over the next five years.

If changes were made to the contributions to the reserve, there would be policy implications to amend the Capital Reserve Bylaw, to allow the diversion of surplus funds to support the capital renewal program.

NEXT STEPS

The capital renewal strategy for all City facilities will be aligned with the City's Corporate Asset Management Plan developed to ensure City assets are capable of meeting the levels of service required to support the City of Saskatoon's goals. The Facilities Asset Management Plan is currently under development and will guide future funding, assisting in the stewardship of assets and delivery of services through the provision of options for selecting condition and expenditure levels. Key considerations of the plan will be total cost of ownership (renewal vs replacement recommendations), capital reserve sufficiency, and unique considerations for historic sites. Funding options to address the capital renewal requirements for the ACC will be addressed in the Asset Management Plan.

APPENDICES

1. Albert Community Centre Reserve Fund Analysis

REPORT APPROVAL

Written by: Craig Senick, Facilities Manager, Facilities Management

Reviewed by: Troy LaFreniere, Director of Facilities Management
Kari Smith, Senior Financial Business Partner
Andrea Charlie, Senior Solicitor, City Solicitor's Office

Approved by: Angela Gardiner, General Manager, Utilities & Environment Department

Admin Report - Albert Community Centre Major Repair Reserve

Albert Community Centre Reserve Fund Analysis

	Building Evaluation NRV	Current Contribution to Reserve	Current Contribution to Capital Project P0677	Annual Operating Budget Surplus	Comparable CBCM Contribution 1.2 % of NRV
2010	\$ 7,784,243.00	\$ 142,400.00	\$ 113,000.00	\$ 39,212.00	\$ 93,410.92
2011	\$ 7,927,085.00	\$ 21,100.00	\$ 35,000.00	\$ 52,780.00	\$ 95,125.02
2012	\$ 8,236,241.00	\$ 21,700.00	\$ 20,000.00	\$ 47,135.00	\$ 98,834.89
2013	\$ 11,151,000.00	\$ 21,700.00	\$ 20,000.00	\$ 62,754.00	\$ 133,812.00
2014	\$ 11,374,000.00	\$ 21,700.00	\$ 20,000.00	\$ 71,968.00	\$ 136,488.00
2015	\$ 11,635,600.00	\$ 21,700.00	-	\$ 38,878.00	\$ 139,627.20
2016	\$ 11,635,600.00	\$ 21,700.00	\$ 50,000.00	\$ 32,854.00	\$ 139,627.20
2017	\$ 11,542,500.00	\$ 24,500.00	-	\$ 68,928.00	\$ 138,510.00
2018	\$ 11,533,300.00	\$ 25,000.00	-	\$ 83,134.00	\$ 138,399.60
2019	\$ 12,500,000.00	\$ 50,000.00	\$ 100,000.00	\$ 37,700.00	\$ 150,000.00
		\$ 392,000.00	\$ 392,000.00	\$ 535,343.00	\$ 1,263,834.83

Albert Community Centre Capital Renewal Requirements

Main Floor Kitchen Floor	\$ 20,000.00	NRV is New Replacement Value
Interior South Entrance Wall	\$ 40,000.00 *	
Roof Anchor System for Fall Arrest	\$ 25,000.00 *	
Repoint Exterior Brick (Possible	\$ 100,000.00 *	
Exterior Windows	\$ 250,000.00 **	
Upgrade Exterior Doors	\$ 40,000.00	
Roofing and Water Management	\$ 185,000.00 *	
Washroom Upgrades	\$ 180,000.00	
3rd Floor Vinyl Flooring	\$ 100,000.00	
Install 2nd Floor Air Conditioner	\$ 60,000.00	
Replace Steam Boiler	\$ 100,000.00 **	
Domestic Water Heater	\$ 40,000.00 **	
Structural Components	\$ 210,000.00 *	
Sprinkler Room	\$ 150,000.00 *	
Interior Doors and Hardware	\$ 75,000.00	
Ceiling Repairs	\$ 225,000.00	
Other Misc items	\$ 250,000.00	
Total	\$ 2,050,000.00	
*High Priority (next two years)	\$ 710,000.00	
**Within Five years	\$ 390,000.00	

Internal Audit Update and Reserve Transfer – Year-End 2019

ISSUE

This report provides an update on internal audit and consulting services provided to the City of Saskatoon (City) for the year ending December 31, 2019, and also seeks City Council approval to transfer the Internal Audit Program's unexpended funds of \$109,215 to the Internal Audit Program Reserve.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council that the unspent amount of \$109,215 for the Internal Audit Program be transferred to the Internal Audit Program Reserve.

BACKGROUND

On February 27, 2017, City Council approved an amendment to Council Policy No. C03-003, Reserves for Future Expenditures, to establish an Internal Audit Program Reserve (Reserve). The Reserve is funded from the annual Operating Budget in an amount equal to any unexpended funds in the City's Internal Audit Program.

Internal audit and consulting services are funded through an annual base amount of \$427,000. The Reserve also has an unallocated balance of \$145,579 funded from previous years' unspent audit funds.

As the internal audit services contract ended on December 31, 2019, the Administration is undertaking the necessary actions to implement a co-sourced Internal Audit Function.

DISCUSSION/ANALYSIS

Internal Audit Plan

As of December 31, 2019, 97% of the total approved internal audit hours have been completed. The internal auditor has completed the final project under contract for internal audit services.

Additional Consulting/Auditing Funds

As of December 31, 2019, 100% of total approved consulting hours have been completed although only 90% of total approved dollars have been paid. MNP LLP and Hemson Consulting Ltd. have completed fieldwork activities associated with the review of the City's development levies and are finalizing their report for presentation to the Standing Policy Committee on Finance in spring 2020. A holdback on the project in the amount of \$16,000 is expected to be released in 2020.

Appendix 1 provides detailed information regarding each project conducted in 2019.

Internal Audit Update and Reserve Transfer – Year-End 2019

Audit Reserve

Overall, \$317,785 of the total annual budget of \$427,000 was spent in 2019 on internal audit and additional consulting projects. Unexpended funding of \$109,215 is being recommended for transfer to the Reserve, resulting in a year-end reserve balance of \$403,722 as shown in the following table:

	Internal Audit Plan		Additional Projects	Total
	Dollars	Hours	Dollars	Dollars
Approved 2019 Operating Budget	\$222,600	1,400.0	\$204,400	\$427,000
Carryover from 2018	54,855	345.0	(54,855)	-
Professional Services Provided	(166,950)	(1,050.0)	(7,600)	(174,550)
Disbursements Incurred	-	-	(10,307)	(10,307)
Additional Consulting Project	-	-	(132,928)	(132,928)
Transfer to Reserve	\$110,505	695.0	(\$1,290)	\$109,215
Opening Reserve Balance	-	-	-	294,507
Ending Reserve Balance	-	-	-	\$403,722

OTHER IMPLICATIONS

There are no financial, privacy, legal, social or environmental implications identified.

NEXT STEPS

No further action regarding this report is required.

APPENDICES

1. Internal Audit Budget Status Report – December 2019

REPORT APPROVAL

Written by: Nicole Garman, Corporate Risk Manager

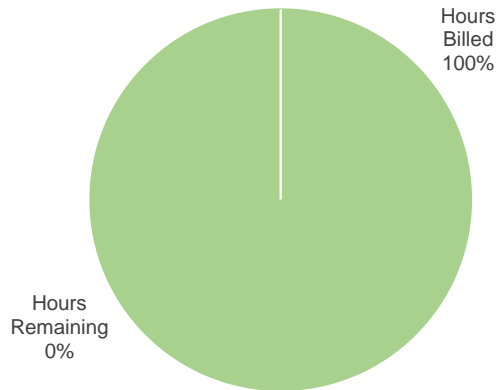
Approved by: Kerry Tarasoff, Chief Financial Officer

Admin Report - Internal Audit Update and Reserve Transfer – Year-End 2019.docx

Internal Audit Budget Status Report - December 2019

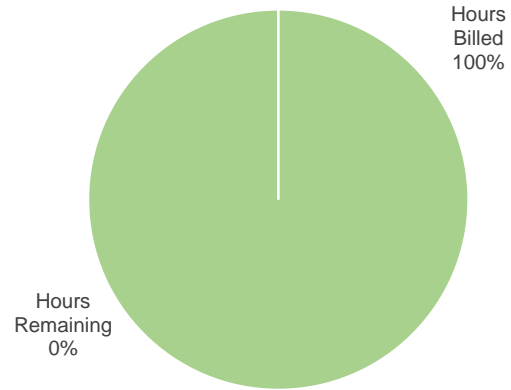
Internal Audit Projects

Privacy Assessment
(Budget: 240 hours \$38,160)



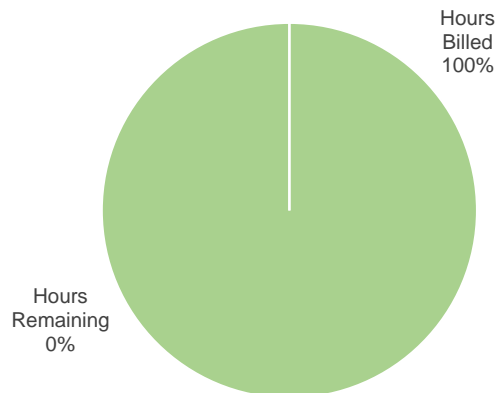
Notes: Audit report presented to Committee on March 11, 2019.

Infrastructure Investment Evaluation
(Budget: 450 hours \$71,550)



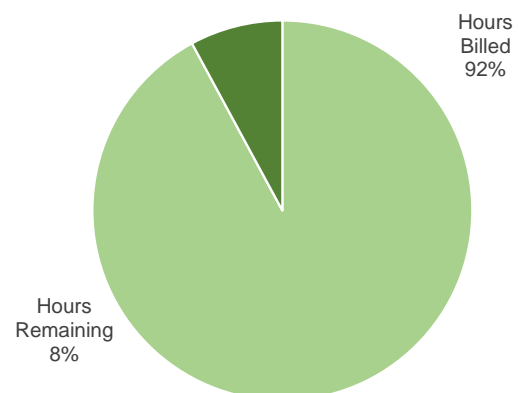
Notes: Audit report presented to Committee on September 16, 2019.

Fraud Risk Assessment
(Budget: 400 hours \$63,600)



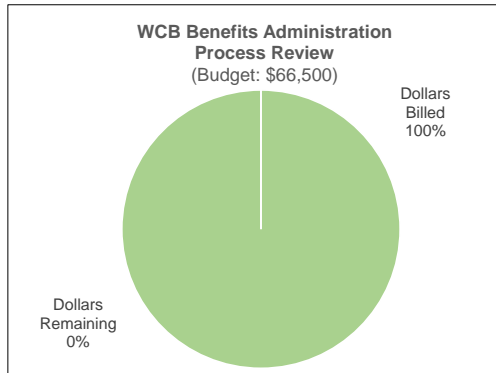
Notes: Statement of Work approved by Committee on May 13, 2019. Audit fieldwork complete and audit report undergoing final review by the Administration.

Disability Assistance Program
(Budget: 380 hours \$60,420)

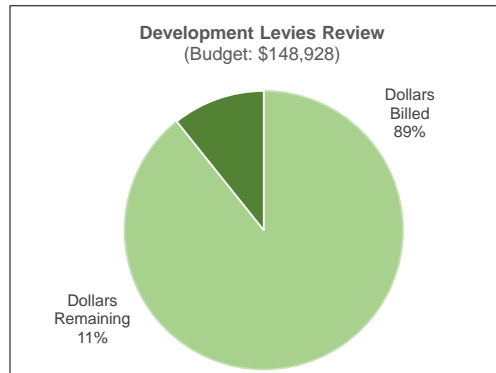


Notes: Audit report presented to Committee on October 15, 2019.

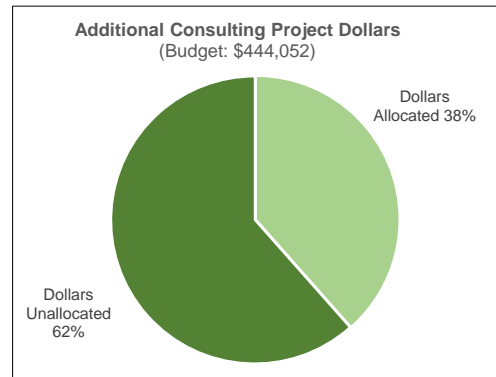
Additional Consulting Projects



Notes: Detailed report submitted to Administration. Summary report presented to Committee on May 13, 2019.

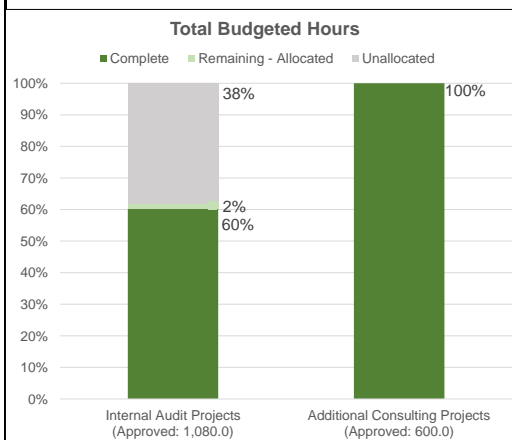


Notes: Project approved by Committee on May 13, 2019. Project fieldwork complete and draft report being reviewed by the Administration and industry stakeholders.



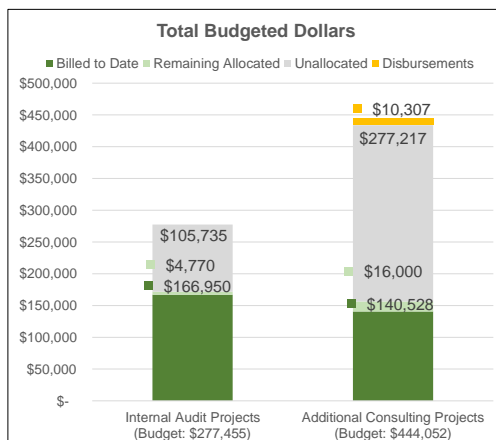
Notes: 38% of additional consulting project dollars have been allocated to specific consulting projects and disbursements to date.

Overall Internal Audit Program



Notes: A total of 1,050.0 hours of internal audit work and 600.0 hours of additional consulting work have been billed to December 31, 2019. This represents 97% of the approved internal audit plan hours (1,080 hours) and 100% of the approved additional consulting hours (600 hours).

There are 665 hours (38%) in the internal audit plan that were not allocated to specific internal audit projects.



Notes: A total of \$317,784.69 has been billed to December 31, 2019, for internal audit services, consulting services and disbursements. This represents 44% of the total available funding for 2019.

SREDA – Business Incentives – 2020 Tax Abatements

ISSUE

City Council approval is required to process the 2020 property tax abatements to businesses, as approved under Council Policy No. C09-014 – Business Development Incentives.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council that the incentive abatements as determined by the Saskatoon Regional Economic Development Authority be approved.

BACKGROUND

The Business Development Incentives Policy makes incentives available to businesses meeting the eligibility requirements. Throughout the year, as applications are received, SREDA requests City Council to approve tax abatements for business incentive purposes. The incentives are based on the value of new construction, the creation of a specified number of jobs, and the maintenance of certain financial requirements. On an annual basis following the approval of the incentive, SREDA staff meet with each company to ensure that all of the requirements are being fulfilled.

DISCUSSION/ANALYSIS

SREDA staff have met with each of the businesses eligible to receive a tax abatement for 2020. Reviews were conducted to determine if the terms and conditions outlined in the individual agreements were met. Appendix 1 is a letter from SREDA with the results of its 2020 audit. The letter identifies those companies (ten in total) that have met all conditions of their incentive agreements for 2020. The total tax abatement amount is \$582,534.

Business incentives are meant to drive investment and encourage growth in Saskatoon. SREDA's audit results of the eligible businesses showed an increase of 71 full-time equivalent positions during 2019. In addition, these eligible businesses have expanded their facilities which has led to an increase in their properties' assessed value totalling \$44,168,200. Using 2020 tax rates, the amount of increased total tax due to the increase in assessed value is \$700,365; however, due to the various incentive agreements, \$582,534 will be abated in 2020. This total tax increase will be fully realized by 2024 when all current incentive agreements expire.

FINANCIAL IMPLICATIONS

Property tax abatements approved under Council Policy No. C09-014 result in the deferral of the increased taxes that the new construction creates. As a result, there is no immediate impact other than deferral. The abatements decline over a five-year period.

OTHER IMPLICATIONS

There are no privacy, legal, social or environmental implications identified.

NEXT STEPS

City Council approval to process tax abatements is required by the end of April in order to apply the abatements to the current tax year before tax billing at the beginning of May.

APPENDICES

1. Letter from Joanne Baczuk, Director, Business Development and Economic Analysis, dated February 24, 2020

REPORT APPROVAL

Written by: Stephanie Green, Property Tax and Accounting Control Manager

Reviewed by: Mike Voth, Director of Corporate Revenue

Approved by: Kerry Tarasoff, Chief Financial Officer

Admin Report – SREDA 2020 Tax Abatements.docx

February 24, 2020

Mr. Kerry Tarasoff, FCPA, FCMA
 Chief Financial Officer
 City of Saskatoon
 222 3rd Avenue North
 Saskatoon, SK S7K 0J5

Re: 2020 Property Tax Abatements

Dear Mr. Tarasoff:

This letter is to confirm that the following companies comply with the terms and conditions outlined in each of their Business Development Incentives Agreements with the City of Saskatoon and qualify for 2020 tax abatements:

- Brandt Properties Ltd. (834 58th Street E)
- Howatt Enterprise Ltd. (220 Gladstone Crescent)
- The Saskatchewan Food Industry Development Centre Inc. (2335 Schuyler Street)
- ABC Canada Technology Group Ltd. (1801 Quebec Avenue)
- 9 Mile Legacy Brewing Company (229 20th Street West)
- Axiom Industries Ltd. (3603 Burron Avenue)
- Fire Sand Real Estate LTD. (3639 Burron Avenue)
- Gemini Freight Systems Inc. (2610 11th Street West)
- JNE Welding (3915 Thatcher Avenue)
- Deca Industries Ltd. (310 and 322 Robin Way, and 111 Robin Crescent)

Please contact me at 306-664-0728 or at jbaczuk@sreda.com if there are any questions.

Sincerely,



Joanne Baczuk
 Director, Business Development



Preliminary Year-End Financial Results – December 31, 2019

ISSUE

This report is to inform City Council of the preliminary year-end financial results for the fiscal year ending December 31, 2019. In addition, the Administration is requesting City Council approval of the following recommendations, resulting in an overall 2019 year-end surplus of \$518,343 (after the stabilization of fuel and the Snow and Ice program), subject to the confirmation of the external audit.

RECOMMENDATION

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

1. That the Snow and Ice deficit of \$646,610 be offset by a transfer from the Snow and Ice Management Contingency Reserve; and
2. That the year-end surplus of \$518,343 be transferred to the Fiscal Stabilization Reserve.

BACKGROUND

Prior to the external audit of the City of Saskatoon's (City) year-end financial statements, the Administration tables a report to inform City Council and the public about the preliminary year-end financial results.

The external audit of the financial statements is expected to be completed in May, at which time the audited financial statements will be presented to City Council for approval at the next possible meeting. At that time, the year-end financial results will be confirmed or adjusted based on recommendations of the external audit.

DISCUSSION/ANALYSIS

Appendix 1 provides a summary of the financial results by Business Line for the year ending December 31, 2019. Appendix 2 provides a detailed overview of the 2019 Preliminary Year-End Financial results.

The preliminary results indicate a \$518,343 surplus, subject to City Council approval of the transfer from the Snow and Ice Stabilization Reserve to balance that program. This surplus is equivalent to a 0.10% variance from the total 2019 budget of \$510.36 million. Both revenues (0.33% favourable) and expenditures (0.23% unfavourable) were marginally higher than budget resulting in the overall 0.10% surplus from budget.

Although Appendix 2 provides a detailed overview of the significant variances from budget, a summary of these variances is also presented as follows:

Detailed Results – Unfavourable Variances

- Waste Handling Services experienced a \$1.3 million unfavourable variance related to a shortfall in Landfill revenue and increased expenditures in the Green Cart and Compost Depot programs.

- Fines and Penalties experienced a net \$802,500 unfavourable variance mainly related to a \$1.0 million shortfall in Parking Ticket Violation revenue.
- Snow and Ice Management experienced a \$646,610 unfavourable variance due to the number of extreme winter/icy conditions in early 2019, resulting in increased street sanding.
- Leisure Centres experienced a \$531,100 unfavourable variance as paid admissions experienced a decline in sales revenue partially due to temporary Leisure Centre closures.
- Facilities Management experienced a \$459,900 unfavourable variance resulting from salary-related expenditure increases to standby and after-hours emergency response pay.

Detailed Results – Favourable Variances

- Municipal Revenue Sharing Grants experienced a \$1.6 million favourable variance due to the revision to the Provincial Sales Tax (PST) formula that the Province of Saskatchewan tabled in its March 2019 Budget.
- General Revenues posted an overall \$766,100 favourable variance due to a number of favourable revenue outcomes, including interest earnings, civic-owned rental revenues and commission revenue.
- Corporate Support experienced a \$531,800 favourable variance due to temporary staff vacancies and lower collective bargaining settlements than anticipated.
- Road Maintenance experienced a \$526,300 favourable variance due to increased cost recoveries from a higher number of utility cuts performed.
- General Services posted a \$522,900 favourable variance due to the accrual and payment of negotiated contract settlements.
- The City experienced a marginal fuel surplus in the amount of \$69,072 which is being transferred to the Fuel Stabilization Reserve, resulting in a \$423,482 balance in this reserve at year-end.

Civic Utility Results

Saskatoon Light & Power	\$1,071,307 Surplus
Water Utility	\$3,295,737 Deficit
Waste Water Utility	\$ 480,305 Surplus
Storm Water Utility	\$ 747,250 Surplus
Waste Services Utility	\$ 612,440 Deficit

The Utility surpluses have been transferred to their respective utility stabilization reserves while the deficits have been offset by transfers from their respective stabilization reserves, as outlined in Council Policy No. C03-003, Reserve for Future Expenditures.

Statutory Boards and Controlled Corporation Results

The City's Statutory Boards and Controlled Corporations all experienced surpluses in 2019 with the exception of Remai Modern. Due to the deficit in Remai Modern, this amount has been included as part of the City's year-end results within the Arts, Culture and Event Venues Business Line.

Both surpluses for TCU Place and SaskTel Centre are held within their respective organizations and applied to their own stabilization reserves. These are not included within the City's final year-end results. In addition, the Saskatoon Police Service (SPS) surplus has been incorporated into the City's year-end results. The results for the Statutory Boards and Controlled Corporations are as follows:

SPS	\$305,333 surplus
TCU Place	\$1,198,528 surplus
SaskTel Centre	\$1,356,154 surplus
Remai Modern	\$259,462 deficit

Recommended Transfers

- 1) Snow and Ice Management Contingency Reserve: This reserve was established to accumulate funds for the purpose of offsetting any over-expenditures in the City's Snow and Ice Management budget resulting from variations in winter weather conditions. As per Council Policy No. C03-003, City Council approval is required when the cumulative withdrawal during the fiscal year exceeds 10% of the Snow and Ice Management service line which is the case for 2019.

The Snow and Ice program experienced a \$646,610 deficit resulting from a number of extreme ice conditions during the first half of 2019. The Administration is recommending that a transfer from the Snow and Ice Management Contingency Reserve be made to fully offset the Snow and Ice program's deficit and in doing so, offset the civic deficit.

- 2) Fiscal Stabilization Reserve: The corporate surplus of \$518,343 will be transferred to the Fiscal Stabilization Reserve.

FINANCIAL IMPLICATIONS

The City's surplus is \$518,343, assuming City Council approval of the transfer from the Snow and Ice Management Contingency Reserve as per Council Policy No. C03-003.

OTHER IMPLICATIONS

There are no privacy, legal, social or environmental implications identified.

NEXT STEPS

The external audit is underway and is expected to be completed in May after which time the Standing Policy Committee on Finance will review the preliminary financial statements and forward the approved Consolidated Financial Statements and other financial-related reports to City Council.

APPENDICES

1. Preliminary Financial Results - Year Ending December 31, 2019
2. Detailed Overview of Preliminary Year-End Financial Results

REPORT APPROVAL

Written by: James Nechiporenko, Corporate Budget Manager
Reviewed by: Kari Smith, Senior Financial Business Partner
David Reynolds, Director of Finance
Approved by: Kerry Tarasoff, Chief Financial Officer

Admin Report - Preliminary Year-End Financial Results – December 31, 2019.docx

**Preliminary Financial Results by Business Line -
Year Ending December 31, 2019**

2019 Preliminary Year-End Results (in 000's)			
Civic Operating Programs	2019 Total Budget	2019 Year-End Actuals	2019 Variance Budget vs. Actuals
Arts, Culture & Events Venues	8,249	8,531	282
Community Support	15,959	15,664	(295)
Corporate Asset Management	11,061	11,664	604
Corporate Governance & Finance	60,539	58,432	(2,106)
Environmental Health	14,755	16,026	1,271
Land Development	-	-	-
Recreation & Culture	31,106	31,310	204
Saskatoon Fire	49,877	52,411	2,535
Saskatoon Police Service	94,604	94,298	(305)
Taxation & General Revenues	(407,777)	(409,681)	(1,904)
Transportation	115,145	115,091	(53)
Urban Planning & Development	6,483	6,312	(171)
Transfer From Snow & Ice Management Contingency Reserve	-	(647)	(647)
Transfer To Fuel Stabilization Reserve	-	69	69
Total Operating (Surplus) Deficit		(\$518)	(\$518)

Utility Programs	2019 Total Budget	2019 Year-End Actuals	2019 Variance Budget vs. Actuals
Saskatoon Light & Power	-	(1,071)	(1,071)
Saskatoon Storm Water Utility	-	(747)	(747)
Saskatoon Water Utility	-	3,296	3,296
Saskatoon Waste Water Utility	-	(480)	(480)
Saskatoon Waste Services Utility	-	612	612
Utility Deficit Prior to Transfers		1,609	1,609
Transfer to/(from) Stabilization Reserves		(1,609)	(1,609)
Total Utility (Surplus) Deficit		-	-

Detailed Overview of the 2019 Preliminary Year-End Financial Results

City of Saskatoon General Fund – 2019 Summary				
Account	2019 Budget	2019 Actuals	2019 Variance (\$)	2019 Variance (%)
Revenues	\$ (510,361,100)	\$ (512,069,342)	\$ (1,708,242)	0.33%
Expenditures	\$ 510,361,100	\$ 511,550,999	\$ 1,189,899	0.23%
(Surplus)/Deficit	\$ -	\$ -	\$ (518,343)	0.10%

2019 Year-End Mill Rate Results

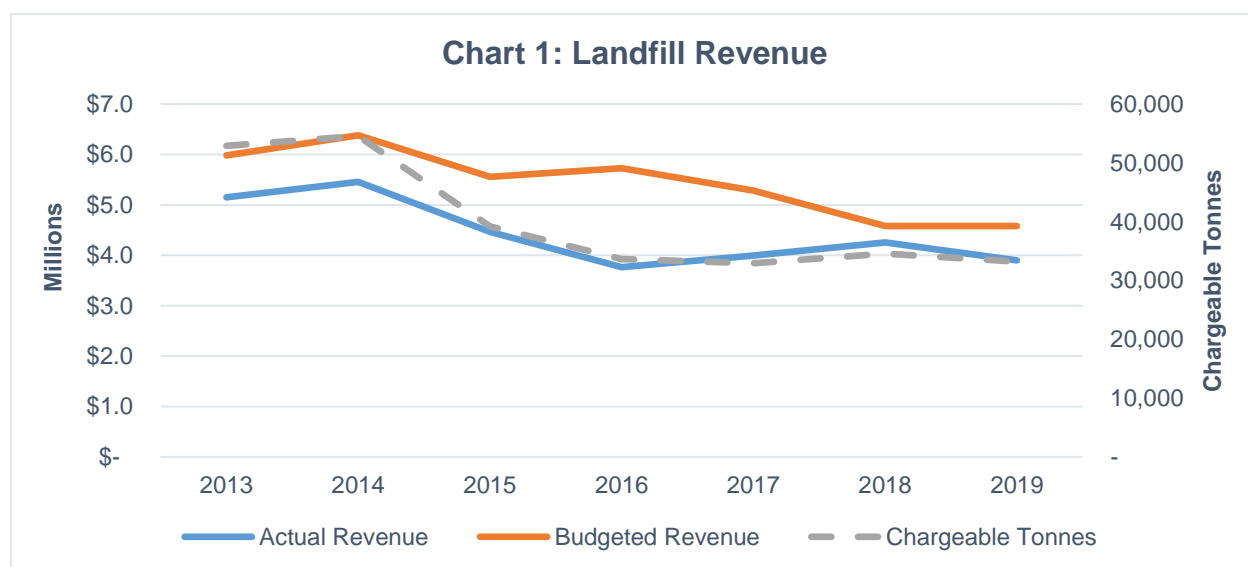
The preliminary surplus including reserve transfer adjustments for the City's mill rate operations is \$518,343, equivalent to a 0.10% favourable variance from budget. Reasons for the variance are provided in greater detail within this appendix.

Waste Handling

Waste Handling Services experienced a \$1.3 million deficit, equivalent to a 16.2% unfavourable variance from budget. The deficit is a result of lower than anticipated revenues and higher than anticipated expenditures in Waste Handling Services.

Specifically, revenues were \$719,800 lower than budget, all from lower than anticipated landfill revenues. The Landfill's revenue shortfall is a perpetual ongoing financial risk and is largely due to the operation of two competing landfills in the Saskatoon metropolitan area. These competing landfills have shifted collection volumes away from the Saskatoon Landfill resulting in lower sales revenues.

Chart 1 illustrates the gap between budget and actual landfill revenues over the last 7 years, overlaid with collection volumes, described as chargeable tonnes. As the chart details, Landfill tonnages and associated revenues have remained relatively flat in recent years, after previous years of downward trends.



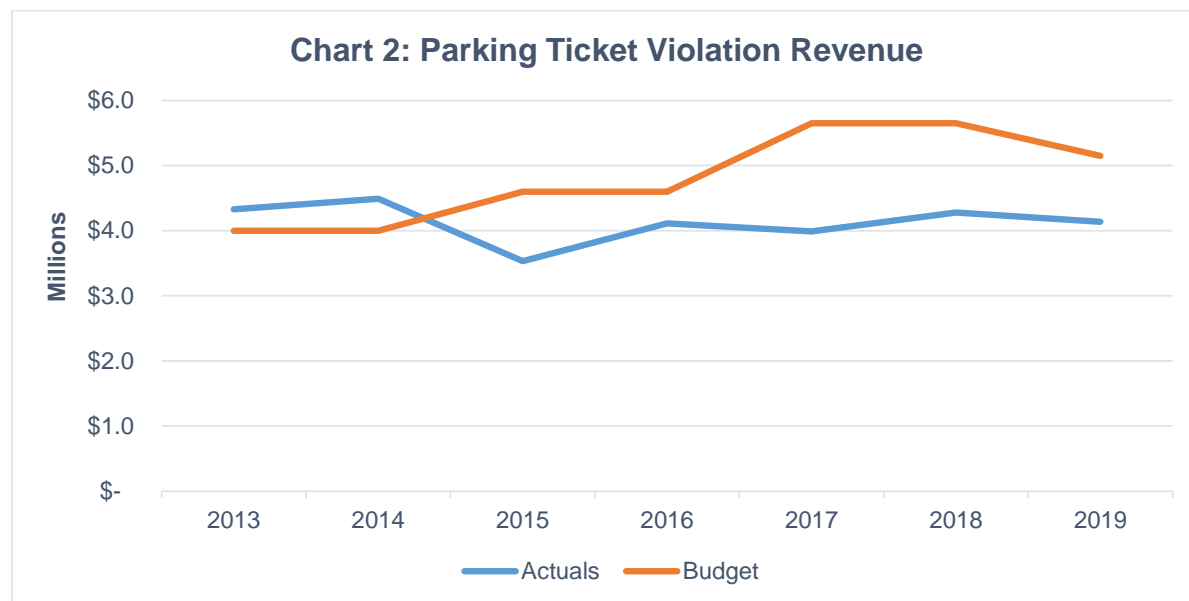
Expenditures were \$593,200 higher than budget, as a result of the continued subsidization of the Waste Services Utility program.

Tax supported subsidies of \$175,700 and \$503,600 were provided to the Green Cart and Compost Depot programs respectively. The expenditure increases in these two programs were directly related to increased public demand for waste diversion. Specifically, Green Cart subscriptions experienced a 15.0% increase from the 2018 fiscal year (from 8,570 to 9,856), and the Compost Depots experienced a 16.0% increase in customer visits (from 46,200 to 53,600) relative to 2018.

Fines and Penalties

The Fines and Penalties program experienced an \$802,500 deficit, equivalent to a 9.4% unfavourable variance from budget. This deficit was mainly related to a \$1.0 million shortfall in parking ticket violation revenue.

The ease of the parking application technology (described as pay-by-plate) has created a system of increased compliance resulting in the issuance of lower numbers of parking violations, equating to reduced parking revenues as detailed in Chart 2.

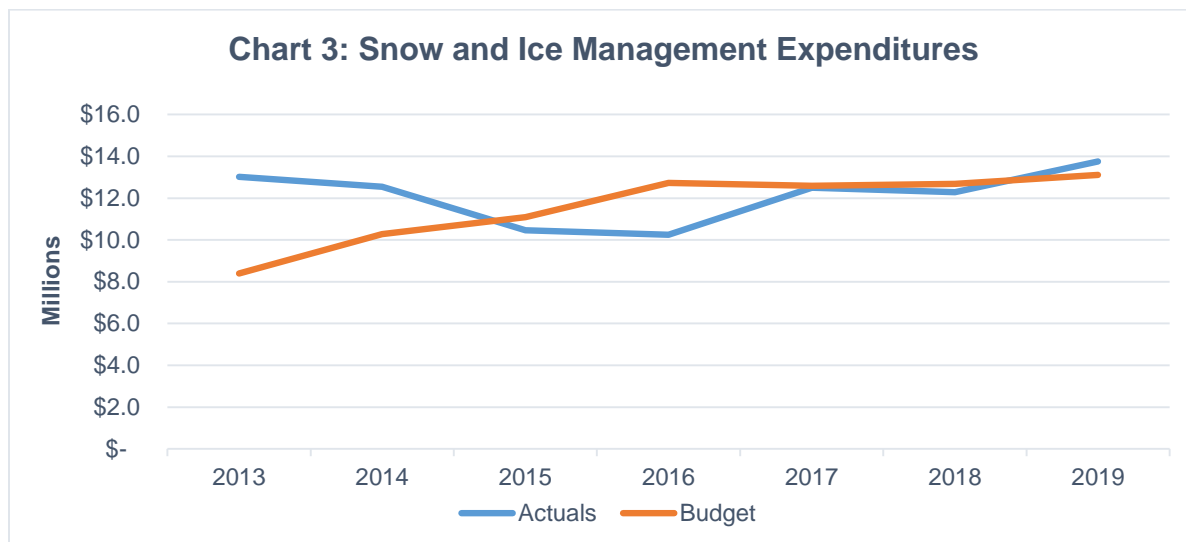


Snow and Ice Management

The Snow and Ice Management program experienced a \$646,610 deficit, equivalent to a 4.9% unfavourable variance from budget. This variance was due to weather variability creating extreme winter/icy conditions, causing an increase in overtime worked as well as an increase in the usage of winter vehicles and equipment.

The 2019 year was variable in terms of weather events, and in addition to a number of contributing factors, there was a substantial change in the winter aggregate material contract. Unit pricing and the overall amount of aggregate used increased in 2019. Helping to offset this deficit was a decrease in winter special services assistance contractors.

Chart 3 illustrates the variability in the Snow and Ice Management program from year to year. This variability is caused by the variations in weather patterns year-over-year, making budget predictions challenging. As detailed in Chart 3, the last several years have seen more efficient predictions.



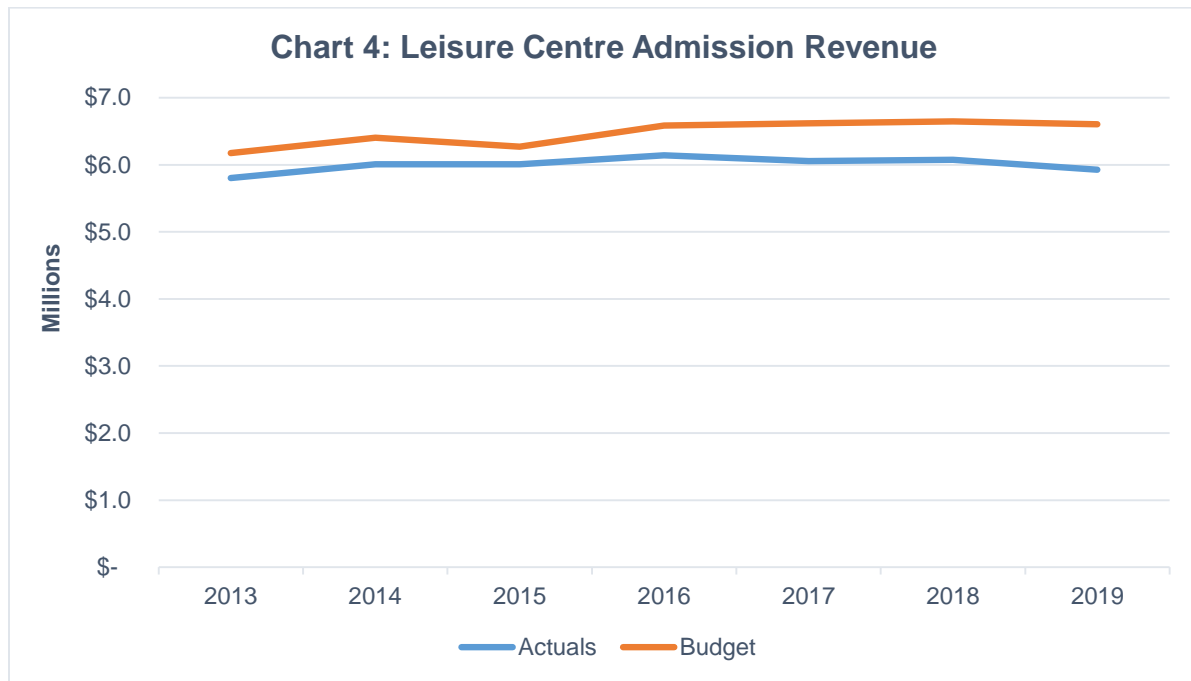
Leisure Centres

Leisure Centres experienced a \$531,100 deficit, equivalent to a 10.5% unfavourable variance from budget.

Revenues were \$679,900 lower than budget due to the following primary factors:

- Paid admission revenues were \$616,000 less than budget due to temporary closures for maintenance of the Saskatoon Field House, Harry Bailey and the Shaw Centre facilities.
- School usage of civic facilities revenue was \$78,000 less than budget due to school budget constraints, new safety policies, and civic facility closures.

Chart 4 illustrates the perpetual gap in budgeted revenues versus actual revenues for Leisure Centre admissions. The Administration does not anticipate similar revenue challenges in 2020 as experienced in 2019, and is currently reviewing and developing new admission options and promotions to address any future revenue shortfalls.



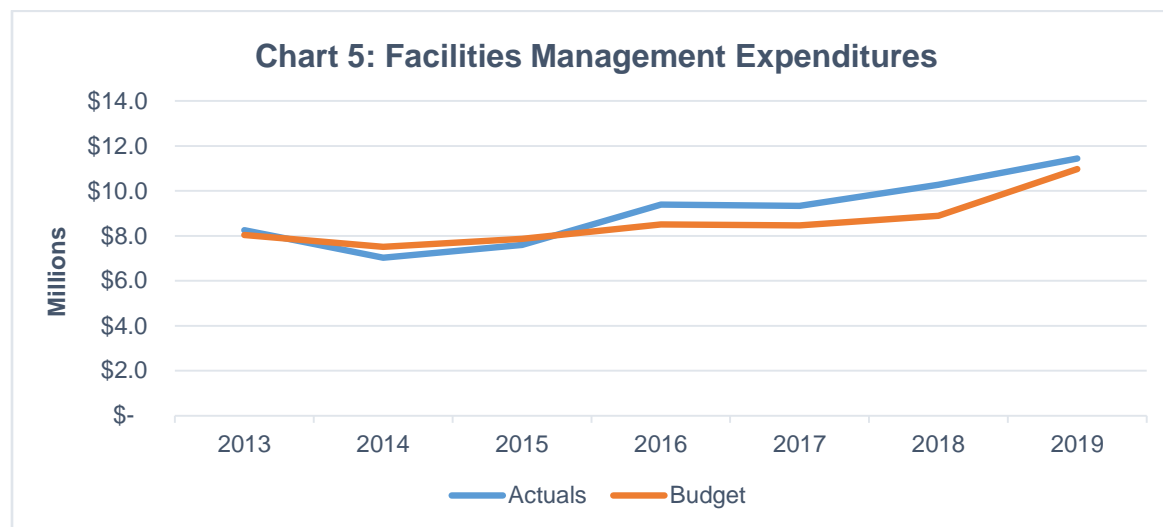
Additionally, expenditures were \$152,100 lower than budgeted due to staff savings from the temporary facility closures and discretionary spending measures put in place.

Facilities Management

Facilities Management experienced a \$459,900 deficit, equivalent to a 4.2% unfavourable variance from budget.

The deficit was largely driven by a \$318,200 expenditure increase for salary related expenditures from standby pay. The standby program is designed to provide after-hours emergency response for facility related issues. In 2020, a new standby-pay program is will designed and implemented to help mitigate these challenging issues. The remaining deficit was attributed to salary overtime costs associated to after-hour emergency responses and stat holiday pay.

Chart 5 details expenditure trends for Facilities Management, illustrating that the gap between actual and budgeted expenditures was widening from 2016 to 2018; however, mitigation efforts by the Administration narrowed the gap in 2019.



Municipal Revenue Sharing Grant

The Municipal Revenue Sharing Grant Program (MRSGP) experienced a \$1.6 million surplus, equivalent to a 3.7% favourable variance from budget. This was due to the provincial consultation process and subsequent changes to the MRSGP, which were officially announced in the 2019 Provincial Budget. The Provincial Budget was delivered after the City adopted its 2019 Business Plan and Budget.

General Revenue

General Revenues experienced a \$766,100 surplus, equivalent to a 1.1% favourable variance from budget due to the following factors:

- \$300,000 unfavourable variance in Return on Investments (ROI) due to a change in the agreement for water ROI, moving to a percentage of revenue model from a fixed-base model;
- \$646,700 favourable variance in interest earnings due to higher earnings held in bank;
- \$286,300 favourable variance in Land surplus due to a combination of: (a) additional lease revenues associated with the sale of a parking lot that did not close in 2019 as anticipated; and (b) the City entering into new lease agreements; and
- \$193,100 favourable variance in commission revenue as a result of the receipt of previously uncollected Goods and Services Tax (GST) (5%) on Sask911 service fees from SaskTel.

Corporate Support

Corporate Support experienced a \$531,800 surplus, equivalent to a 2.6% favourable variance from budget. The surplus is largely due to temporary staff vacancies and lower union/association retro pay due to settlements occurring at mid-year instead of the beginning of the year. It should be noted that this is an area that has the potential to cause some uncertainty from year to year due to the nature of budgets being approved prior to the ratification of most negotiated agreements.

Road Maintenance

Road Maintenance experienced a \$526,300 surplus, equivalent to a 1.2% favourable variance from budget. This surplus was mainly associated to an increase in cost recoveries for performing more utility cuts than anticipated (correlated to the number of extreme winter events creating the need to repair underground utilities).

To better manage its expenditures, this program reduced its reliance on special service assistance contractors as the overall road conditions throughout the city have been improving. Dry weather during the spring resulted in less repairs than anticipated on paved and earth streets, resulting in additional cost savings.

General Services

General Services experienced a \$522,900 surplus, equivalent to a 28.3% favourable variance from budget due to the following factors:

- \$336,600 unfavourable variance in general expenditures due to Department Head recruitment (including moving expenditures) and criminal record check costs;
- \$200,000 unfavourable variance in water administrative recoveries due to a change in agreement where the previously fixed calculation has been replaced by a percentage of water revenues;
- \$187,000 unfavourable variance in general payroll expenditures due to recent legislative changes in pension, CPP and EI employer contributions. This variance was also influenced by group insurance and long-term disability actual rates settling at differing values than anticipated; and
- \$2.8 million favourable variance in the Budgetary Adjustment cost center due to contract settlements being paid and accrued in the appropriate service lines but budgeted for within this service line. The Budgetary Adjustment cost center budget holds a corporate contingency for all contract settlements which was used to offset the unfavourable variance in Fire Services.

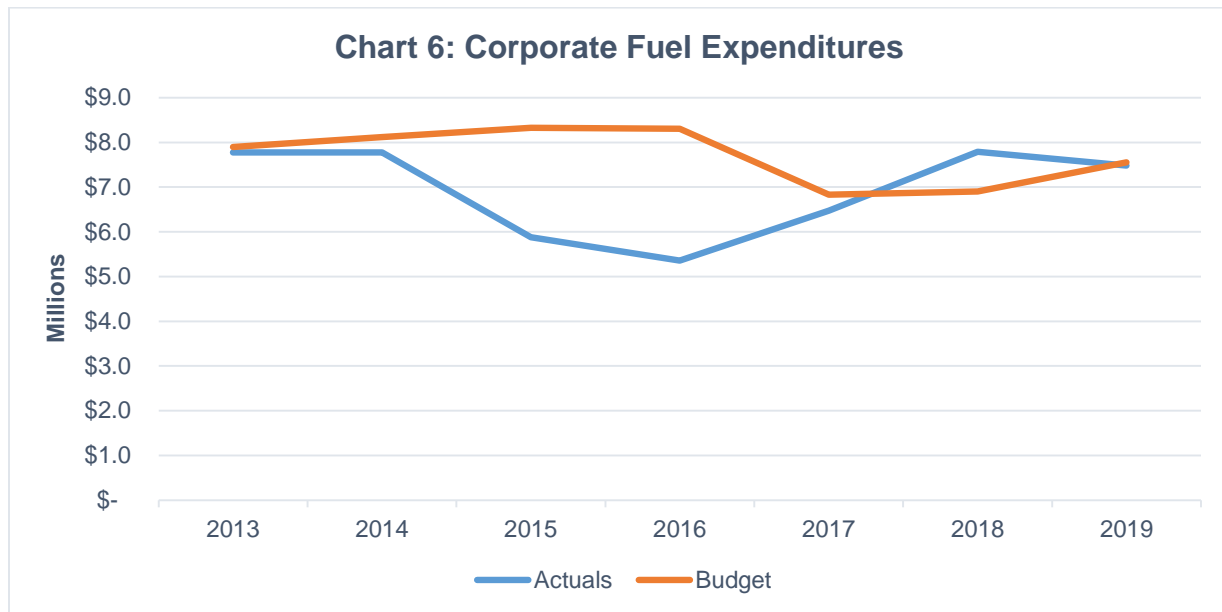
Saskatoon Fire

Saskatoon Fire experienced a \$2.5 million deficit, equivalent to a 5.1% unfavourable variance from budget. The deficit was mainly due to the payment and accrual of union/association contracts which was offset by the corporate contingency held within General Services.

Corporate Fuel

The City experienced marginally favourable fuel prices throughout 2019, resulting in a mill rate fuel surplus of \$69,072 which is being transferred to the Fuel Stabilization Reserve.

Chart 6 illustrates the volatility in fuel expenditures between budget and actuals, which prompts this type of year-end transfer to/from reserve to mitigate any mill-rate impact. The Director of Finance has the authority to effect this type of year-end transfer which is consistent with Council Policy No. C03-003.

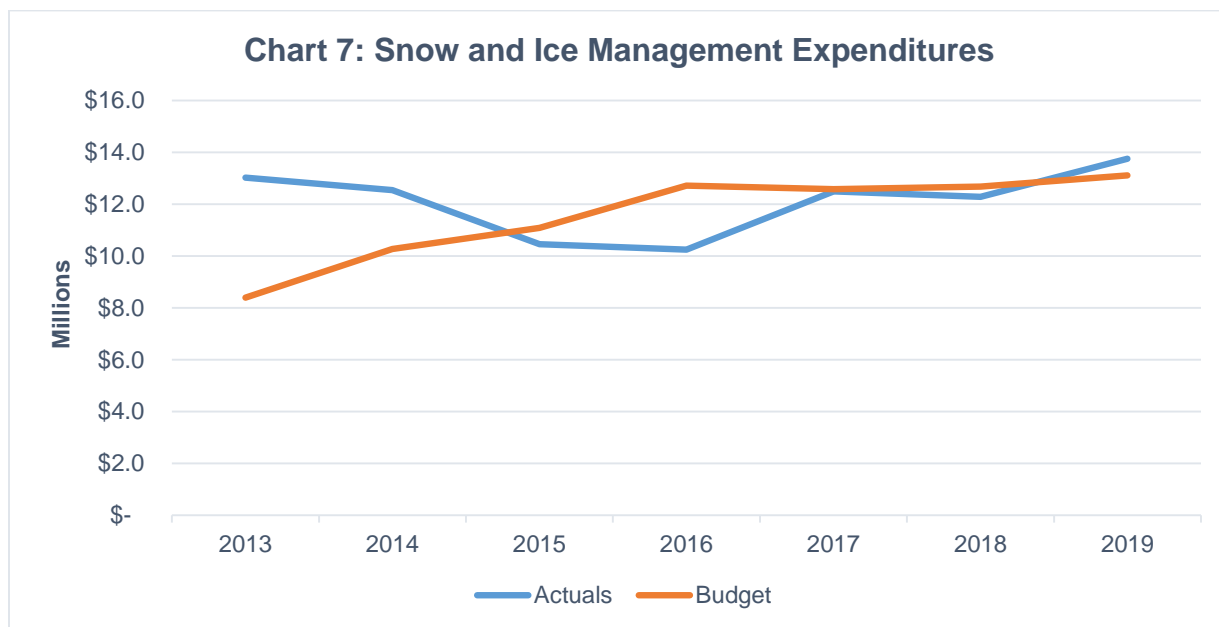


Recommended Transfers

As a result of the total corporate surplus being \$518,343 (including the Snow and Ice program transfer), the Administration is recommending the following:

- 1) That the Snow and Ice deficit of \$646,610 be transferred from the Snow and Ice Management Contingency Reserve. This was a result of a number of extreme ice conditions during the first half of 2019, creating the need for increased street sanding. The Administration is recommending that a transfer from the Snow and Ice Management Contingency Reserve be made to offset the program deficit, creating a 2019 year-end balance of \$2,965,154 in this reserve.

Chart 7 illustrates the volatility in Snow and Ice Management expenditures between budget and actuals, which prompts this type of year-end transfer to/from reserve to mitigate any mill-rate impact. This is consistent with Council Policy No. C03-003.



- 2) That the remaining corporate surplus of \$518,343 be applied to the 2019 year-end results and transferred to the Fiscal Stabilization Reserve in order to balance the budget. Currently, the Fiscal Stabilization Reserve has a balance of \$4,257,095, and if approved, the new balance would be \$4,775,438 as at December 31, 2019.

Utility Year-End Results

- Saskatoon Light & Power reported a year-end surplus of \$1,071,307. This favourable variance was mainly the result of increases in metered and unbilled revenue associated to the carbon regulatory charge implemented in April 2019 (\$2.2 million favourable). This revenue increase was offset by associated increased utility costs (\$2.4 million) and an increase in grants-in-lieu (\$621,100). In addition, there were significant savings in salaries and payroll costs (\$677,000), and also a decrease in reserve transfers due to lower than budgeted landfill gas revenue. This surplus will be transferred to the Electrical Revenue Stabilization Reserve, creating a 2019 year-end balance of \$2,462,742.
- Water Utility reported a year-end deficit of \$3,295,737. This unfavourable variance was a result of declining revenues resulting from the lowest water growth and consumption volumes in nine years (\$4.3 million unfavourable). The water maintenance program also saw the highest number of water main breaks and frozen connections in 80 years. The unfavourable revenue variance was partially offset by \$967,000 in favourable expenditure variances relating to various savings applied to the water maintenance, hydrants, and water services programs. The water deficit will be funded by the Water and Waste Water Stabilization Reserve, creating a 2019 year-end balance of \$2,832,892.

- Waste Water Utility reported a year-end surplus of \$480,305. This favourable variance was a result of unfavourable fixed and volumetric revenues, which was offset by various favourable expenditures reductions. Some of the favourable expenditures variances include: lower debt reduction, lower customer billing, lower transfers to reserve, and lower lift station costs. In addition, delayed capital and maintenance work, less chemical use for one boiler, staffing vacancies, and higher than anticipated heavy grit facility revenue also contributed to the overall marginally favourable variance. The waste water surplus will be transferred to the Water and Waste Water Stabilization Reserve, creating a 2019 year-end balance of \$2,832,892.
- Storm Water Management Utility reported a year-end surplus of \$747,250. This favourable surplus was a result of slightly higher revenues due to commercial property reassessments and properties being annexed into city limits, resulting in increased equivalent run-off units. A commercial equivalent run-off unit represents the water runoff from these properties based on size and surface type. In addition, reduced expenditures in staff vacancies, and repairs for storm sewer maintenance were less than anticipated. Low spring run-off and a moderately dry year resulted in significant savings in the drainage program. This surplus will be transferred to the Storm Water Management Stabilization Reserve, creating a 2019 year-end balance of \$2,803,235.
- Waste Services Utility reported a year-end deficit of \$612,440. This unfavourable variance stems primarily from the Compost and Leaves and Grass programs. These unfavourable variances resulted from increases in salaries to cover overtime for collection operator positions in the Green Cart program (\$140,900), and increased contract costs to process compost at the Compost Depots (\$514,600). The deficit in this utility is subsidized by the Landfill Operations budget.

Statutory Boards and Controlled Corporations Year-End Results

- Saskatoon Police Service reported a year-end surplus of \$305,333, equivalent to a 0.32% favourable variance from budget. There were no significant or explicit sources pertaining to this variance.
- TCU Place is reporting a preliminary surplus of \$1,198,528, which will be transferred to its Equipment Replacement Reserve, Capital Expansion Reserve and Stabilization Reserve respectively.
- SaskTel Centre is reporting a preliminary surplus of \$1,356,154, which will be transferred to its Equipment Replacement Reserve, Capital Enhancement Reserve and Stabilization Reserve respectively.
- Remail Modern is reporting a preliminary deficit of \$259,462, which is included as part of the Arts, Culture and Event Venues Business Lines overall deficit.