

# Shaping Our Financial Future



SASKATCHEWAN, CANADA



**2016**  
**ANNUAL REPORT**

FOR THE FISCAL YEAR  
ENDED DECEMBER 31, 2016

# Shaping Our Financial Future

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

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

The *2016 Annual Report* details our investments, projects and service levels. It gives an overview of what we accomplished in 2016 based on the priorities of our citizens and the goals set forth in our 10-Year Strategic Plan.

## Saskatoon At a Glance

Population of Saskatoon  
**265,900**

Median Age  
**34.8**

Population Growth  
**10,175**

Unemployment Rate  
**6.90**

City Area  
**236.37 km<sup>2</sup>**

Single Family  
Housing Starts  
**1,092**

Total Building  
Permits Issued  
**3,950**



# Guiding Documents

## Strategic Plan

The Strategic Plan sets out seven Strategic Goals that will guide City Council's decision-making and administrative policy-making from 2013-2023:

**A Culture of Continuous Improvement**

**Asset and Financial Sustainability**

**Quality of Life**

**Environmental Leadership**

**Sustainable Growth**

**Moving Around**

**Economic Diversity and Prosperity**

Each Strategic Goal has 10-Year Strategies and Four-Year Priorities; these represent the "how-to" component of operationalizing the vision. Implementation strategies have been developed through the annual Corporate Business Plan and Budget process. The City continues to monitor performance as we bring Saskatoon's collective community vision to life. Our *2016 Annual Report – Shaping Our Financial Future*, aligns with these goals set forth in the 2013-2023 Strategic Plan.

## Shaping Our Financial Future

### 2016 Budget: At a Glance

- **A combined Operating and Capital Investment of \$997 million**
- **Total Civic Operating Expenditures of \$458.4 million**  
– *Including \$445.1 million in Tax-Supported Operating Expenditures*
- **Land Development Operating Expenditures of \$6.4 million**
- **Total Utility Operating Expenditures of \$303.4 million**
- **Capital Budget Investment of \$228.8 million**

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**City of Saskatoon 2016 Annual Report**

Year ended December 31, 2016  
Saskatoon, Saskatchewan, Canada

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

Financial Statements presented to City Council on June 26, 2017  
Annual Report presented to City Council on August 28, 2017

## Letter of Transmittal

**July 17, 2017**

His Worship the Mayor  
and Members of City Council

I am pleased to submit the City of Saskatoon's Annual Financial Report for the year ended December 31, 2016. The Annual Financial Report is submitted pursuant to Section 155 of *The Cities Act*. The financial report includes consolidated financial statements for the City of Saskatoon reporting entity as required by the Public Sector Accounting Standards Board (PSAB).

The purpose of this report is to provide financial, statistical, and other information about the City of Saskatoon and related entities to allow readers to gain an understanding of the City and the resources available to the City.

The Annual Financial Report consists of the following sections:

- The introduction familiarizes readers with the political and organizational structure of the City, reviews the City's accomplishments over the past year, and describes the nature and scope of the services provided by the City.
- A Financial Discussion and Analysis section and the Consolidated Financial Statements.
- The Financial Statement Discussion and the Statistical Section provides additional explanation and trend analysis to provide a broader understanding of the financial statements.

The preparation and presentation of the financial statements and related information contained in this report is the responsibility of the City of Saskatoon's management. The statements have been prepared on a basis consistent with the recommendations of PSAB. Included in the consolidated financial statements are those entities that are accountable to, and owned or controlled by, the City of Saskatoon. These entities include the Saskatoon Public Library, Saskatoon Police Service, Saskatchewan Place Inc. (operating as SaskTel Centre), Saskatoon Centennial Auditorium (operating as TCU Place), and the Rемаi Modern Art Gallery of Saskatchewan (operating as Rемаi Modern).

City Council appointed the accounting firm of Deloitte LLP to perform an independent audit of the City's 2016 financial statements, and its report is included herein. The accuracy and reliability of the financial information is ensured by the City's system of internal controls. The Standing Policy Committee on Finance reviews the external auditor's plan and

ensures corrective action is taken for weaknesses identified in the City's internal control system. An internal audit function through the services of PricewaterhouseCoopers also reports to the Standing Policy Committee on Finance, ensuring internal controls and procedures are in place and adhered to through a series of internal audits and reviews, with a focus on the City's Risk Management program.

As noted, the consolidated financial statements include information on the City's financial position and operating results, along with those of several related entities. The City's operations are typically segmented (General Operating, General Capital, Utility Operating, and Capital) for budgeting and reporting purposes. For the purpose of the consolidated financial statements, the financial position and results of all the segments are brought together.

The financial statements included herein reveal that the City ended the year with an operational surplus of \$653,900 (see Schedule 4 within the Consolidated Financial Statements on page 98).

The City's 2016 capital program included planned expenditures of \$228.8 million. These expenditures were financed from reserves, development levies, contributions from developers, Federal and Provincial grants, gas tax revenues from the Federal Government, and borrowing.

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

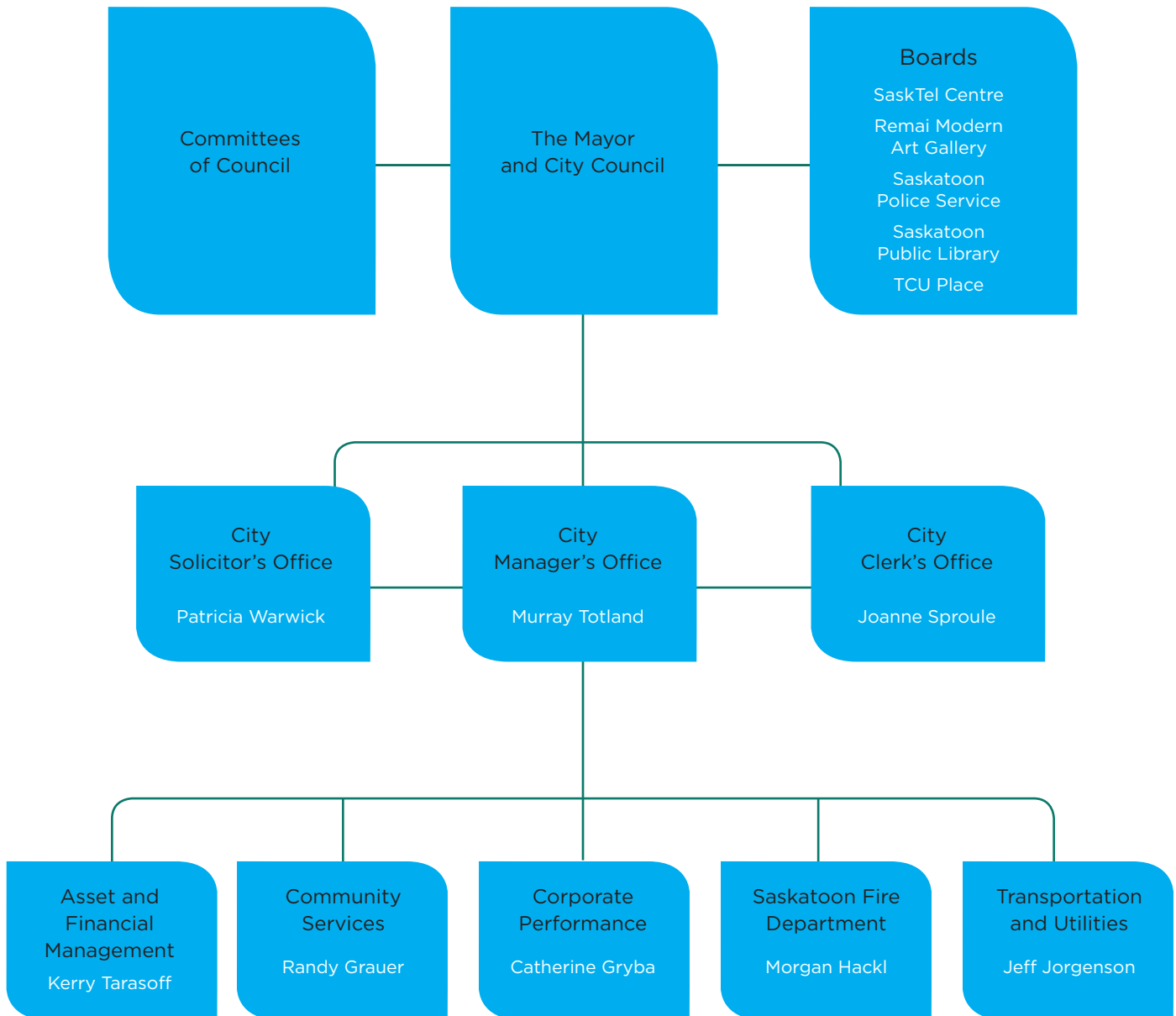
Respectfully submitted,



**Kerry Tarasoff, FCPA, FCMA**

**CFO/General Manager,  
Asset and Financial Management**

# City of Saskatoon Organizational Chart 2016





## Message from the Mayor

*“Sustaining that success and prosperity means focusing on the areas that provide a high quality of life for every family wherever they may live in our community.”*

Saskatoon is a city with a balanced economy, a vibrant city centre, bustling neighbourhoods and families who care deeply about our community. This is the Saskatoon advantage. Our task as a City and Council is sustaining that advantage through challenging economic times. We accept that challenge. In 2015, City Council approved a plan that builds on our successes and focuses on continuing to create a great city.

Saskatoon is one of the top two most competitive cities in western North America according to KPMG. Our tax rates are competitive, our labour force is well trained and ready to go to work and our centres of education continue to provide graduates every year who decide to remain in Saskatoon to pursue their careers and raise their families.

In the past 15 years, more than 90,000 people have chosen to move to Saskatoon. In the past decade, more than 50,000 jobs have been created and our economy has grown by 70 per cent. Sustaining that success and prosperity means focusing on the areas that provide a high quality of life for every family wherever they may live in our community.

Building bridges, rehabilitating roadways and enhanced infrastructure connectivity improves the quality of life for the 270,000 citizens who call Saskatoon home. In 2015, work began on the North Commuter Parkway Bridge and Traffic Bridge Replacement Project. Both bridges and the nearly 10 km of connecting roadway are set to open in the fall of 2018.

The 2015 Building Better Roads program showed what smart planning and wise investments can bring to a community. More than \$38.5 million was invested in roadways and sidewalks. More than 220 lane km of roadways were rehabilitated bringing the two-year total to more than 420 lane km. In addition, another \$20 million was invested in back lanes, street sweeping and snow clearing. These are unprecedented investments in a great city.

The Civic Operations Centre project is on time and on budget and scheduled to open in early January 2017. This will create incredible redevelopment possibilities in the historic neighbourhood of Caswell Hill.

The Continuous Improvement Strategy is identifying efficiencies in the Corporation while providing savings to taxpayers. The Administration identified \$1.37 million in sustainable savings which reduced the mill rate impact. In addition, more than \$25 million in increased operational efficiencies, capital savings and service level enhancements were identified.

The Administration is instituting performance measures to monitor its progress toward achieving the goals set out in the 10-Year Strategic Plan. Innovative approaches to both operations and capital projects are creating real savings in both financial terms and enhanced productivity.

Strong leadership means choosing the right path and not the easy one. As we continue to build a successful, prosperous community in the midst of economic headwinds we make tough choices. Each decision builds great neighbourhoods which in turn build a great city. This is how we are sustaining the Saskatoon advantage.

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

**Charlie Clark**  
Mayor



# City Council 2016

Effective October 26, 2016

The City of Saskatoon is governed by an act of legislation of the Province of Saskatchewan known as *The Cities Act*. The Mayor is the Chief Executive Officer of the City.

Administrative powers and duties have been delegated to the City Manager who is appointed by City Council.

The municipal election of October 26, 2016 saw Saskatoon voters decide on a new mayor and four new councillors. The incoming City Council consists of six women and five men.



— City of —  
**Saskatoon**

## Saskatoon City Council (post Civic Election – held October 26, 2016)



**MAYOR  
CHARLIE CLARK**



**COUNCILLOR  
DARREN HILL**  
Ward 1



**COUNCILLOR  
HILARY GOUGH**  
Ward 2



**COUNCILLOR  
ANN IWANCHUK**  
Ward 3



**COUNCILLOR  
TROY DAVIES**  
Ward 4



**COUNCILLOR  
RANDY DONAUER**  
Ward 5



**COUNCILLOR  
CYNTHIA BLOCK**  
Ward 6



**COUNCILLOR  
MAIRIN LOEWEN**  
Ward 7



**COUNCILLOR  
SARINA GERSHER**  
Ward 8



**COUNCILLOR  
BEV DUBOIS**  
Ward 9



**COUNCILLOR  
ZACH JEFFRIES**  
Ward 10

# City Council 2016

To October 26, 2016

The City of Saskatoon is governed by an act of legislation of the Province of Saskatchewan known as *The Cities Act*. The Mayor is the Chief Executive Officer of the City.

Administrative powers and duties have been delegated to the City Manager who is appointed by City Council. The Council consists of the Mayor and ten Councillors, elected for a period of four years. Each Councillor represents a specific ward or area of the city.



— City of —  
**Saskatoon**

## Saskatoon City Council 2016 (to October 26, 2016)



MAYOR  
DONALD ATCHISON



COUNCILLOR  
DARREN HILL  
Ward 1



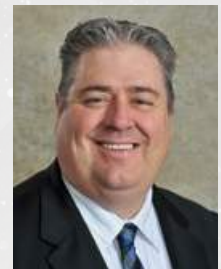
COUNCILLOR  
PAT LORJE  
Ward 2



COUNCILLOR  
ANN IWANCHUK  
Ward 3



COUNCILLOR  
TROY DAVIES  
Ward 4



COUNCILLOR  
RANDY DONAUER  
Ward 5



COUNCILLOR  
CHARLIE CLARK  
Ward 6



COUNCILLOR  
MAIRIN LOEWEN  
Ward 7



COUNCILLOR  
ERIC OLASON  
Ward 8



COUNCILLOR  
TIFFANY PAULSEN  
Ward 9



COUNCILLOR  
ZACH JEFFRIES  
Ward 10



## Message from the City Manager

*“...we continue our work on building a better city and delivering high quality public services... guided by strong financial planning which helps to keep us fiscally responsible.”*

The City of Saskatoon strives for achieving excellence in all that we do. I am happy to report that in 2016 we accomplished many of the priorities directed by City Council and made progress on achieving the goals of the City's Strategic Plan. In doing so, we moved several important initiatives forward that ultimately make Saskatoon a better place for everyone.

Our 2016 Annual Report provides a forum to share our many accomplishments with you, whether it's featuring the launch of a new service or unveiling a new project. There are many things happening behind the scenes that will allow us to make progress in building a better city for the years to come.

Our efforts are being recognized by the citizens we serve. According to the results of the 2016 Civic Services Survey on Citizen Satisfaction, 88 per cent of respondents rate our quality of life as very high and 75 per cent of respondents agreed that the City is on the right track to being a better place 10 years from now.

This response provides a strong indication that our investments are making a positive difference in our community. None of this would have been possible without all the hard work done by City employees who, on a daily basis, continue to work to meet the needs of more than 260,000 citizens.

As we continue our work on building a better city and delivering high-quality public services, the City's decision-making process is guided by strong financial planning which helps to keep us fiscally responsible. Our strong financial footing, combined with a solid foundation for planning and a commitment to listening to the public is part of what makes Saskatoon a leader in municipal government.

Once again, our approach to financial management was strongly endorsed by an independent credit rating agency. In 2016, we received another 'AAA' Stable Credit rating from S&P Global Ratings, recognizing the City's strong commitment to financial stewardship and transparency.

In this challenging economic climate, we are always looking for ways to enhance productivity and reduce costs wherever possible. As regular practice, we challenge ourselves to find efficiencies, improve our performance and maintain desired service levels. In doing so we have focused on:

- fine-tuning our budgets to ensure we are managing our costs efficiently;
- managing our infrastructure projects and investing more strategically; and
- providing short- and long-term value for taxpayers, while responsibly managing our debt.

Through strong financial planning, informed decision-making, smart investments and a commitment to excellence, we will support Council in building a great place to live, work, play and invest.

I encourage you to read the information in the Annual Report to find out more about how we've invested in what matters to citizens, and the City's many accomplishments in 2016. We are dedicated to working hard with City Council, and building a great quality of life for all citizens as we shape Saskatoon's financial future.

**Murray Totland, P.Eng., MBA**

City Manager

## How Do Others See the City?

### A Great Place to Work

In 2016, the City of Saskatoon was proud to be named one of Canada's Best Diversity Employers and also one of Saskatchewan's Top 50 Employers – for the fifth year in a row.

### A City Where Business Investment Dollars Go Farther

According to the C.D. Howe Institute, a lower business tax burden allows Saskatoon to still lead the way with one of the most business-friendly competitive tax rates among major Canadian cities, leading to one of the best business tax environments.

### A Vibrant City with Lots Happening!

With the city's thriving arts and food scene, revitalized downtown-area historic neighbourhoods and the exciting anticipation of the Remai Modern, *WestJet Magazine* included Saskatoon on its "Where to Go in 2016" list.

### One of the Best Places to Do Business

An affordable lifestyle, great quality of life and business-friendly taxation/regulation that continue to lend strong support for local business ventures, and the string of multinational companies that have set up shop, landed

Saskatoon as third best city in Canada for business in 2016 according to *Profitguide.com*.

### Financially Sound Future

Demonstrating strong and prudent financial policies and solid management, the City of Saskatoon once again earned a 'AAA'/Stable Credit Rating – the highest possible rating from international bond rating agency, Standard & Poor's. The 'AAA' credit rating allows the City the financial flexibility to explore innovative and alternative ways to fund, finance and deliver important infrastructure projects.

### An Energetic City with a Youthful Vibe

Stating reasons to visit such as the art, music, food scene and our scenery – the Canadian travel website *Vacay.ca* put Saskatoon on its "20 Best Places to Visit in Canada for 2016", a lofty inclusion amid other places listed like Ireland and Cuba.

### A Fresh Experience, A City Gathering Cred Amid the Prairies

Saskatoon was featured on *Vogue.com* in 2016, "A trip to Canada's prairies – vaguely exotic, totally obscure, and an absolute must-visit destination."

## How Citizens See the City

### A Walk in the Park

*"My husband and I recently discovered the Donna Birkmaier Park and wish to let the City know that it is awesome. It was such a treat to be in a natural park with sloughs and all the flora and fauna that sloughs attract and support. We've long admired and used the MVA (Meewasin Valley Authority) trails, and we're pleased to look forward to enjoying the DB Park too. Thank you!"*

### People Like Us

After a presentation to Grade 7 and 8 students at École River Heights about the City's public art program, one of the students commented on the latest City public art project, Panama Filipino Mural on 3rd Avenue South: "Finally there is a beautiful mural in the city with a kid like us."

### Putting Our Best Face Forward

*"I drive Circle South on my daily commute and I wanted to pass on that I think the grass cutting crews are doing wonderful work. It is neat and tidy, and most especially, I have in the past often seen examples of plastic sheeting or other litter that has just been shredded up and left behind by the mowers, and*

*I haven't seen that once this year. I think many people who come to Saskatoon or even just pass through it do so via Circle Drive, and I'm glad that we're working to keep spaces like these well-maintained as part of our 'public' face."*

### The City on the Web

*"Just a quick note to thank the City Hall staff for the excellent website for our city. Every web page I found was beautifully and helpfully presented. Lots of useful information. I can imagine that a new resident to Saskatoon would be delighted to have so much useful information at hand to make their 'settling in' period easier."*

### The Crew that Saved Christmas

*"Every couple of years, tree roots plug our sewer line and as luck would have it, it happened again on Christmas morning. I called the City emergency number and talked to a very patient and professional woman. The contract crew arrived at 7:00 p.m. and did a great job. We were able to thank them but I wasn't able to thank the woman who answered my distress call. I think she has a hard job and she does it well."*

# 2016 Civic Services Survey

The City of Saskatoon has conducted the Civic Services Survey annually since the early 1990s. Its purpose is to gain insight into perceptions on the quality of life in Saskatoon and to learn citizens' views on the importance of and satisfaction with the wide variety of civic services provided by the City. 500 telephone surveys and 803 online surveys were completed. A strong majority of respondents (75 per cent) felt the City is on the right track to being a better place 10 years from now. Key findings include:

## Quality of Life: Satisfaction with Civic Services

Quality of life in Saskatoon was reported as very positive, increasing to a satisfaction response rate of 88 per cent, up from 86 per cent in 2015.

## Most Important Issues Facing the City

When asked to identify the most important issues facing the City respondents most commonly cited roads and sidewalks, but the feeling was these are significantly less of an issue since 2013. Crime and policing, traffic flow and congestion and planning for city growth were also identified as important issues.

## Delivering Civic Services – Key Strengths in 2016

- Quality of drinking water
- Fire protection
- Electrical services reliability
- Garbage collection (black bin)
- Removing contaminants from wastewater to make it suitable for disposal in the natural environment
- Repair of water main breaks
- Police services (policing, safety and law enforcement)
- Recycling (blue bin or cart)

Maintenance of major roadways and freeways was identified as a key weakness, along with snow and ice road maintenance, traffic management, and planning for growth.

## On Citizen Preferences in 2016

Survey responses indicated increased user fees and property taxes are preferred over reducing services to help the City balance its annual budget.

Responses revealed a desire for more road maintenance, affordable housing, snow and ice maintenance, street crime and traffic management. Less spending was preferred around arts, cultural groups and community organizations.

## 2016 Highlights: New Service, New Enhancements

### City Invited Citizens to *Have Their Say* on Proposed 2016 Budget

Spend more, spend less or spend about the same? The City of Saskatoon encouraged residents to participate in the annual budget by asking them for their input through the educational online tool, Citizen Budget. In its second year of use, the tool offered residents a chance to shape the city's budget deliberations by indicating their priorities and investment preferences for 2016. Public feedback gathered through Citizen Budget and other budget engagement activities was considered by City Council and the Administration, and helped to make more informed decisions on how best to allocate resources to the proposed projects, programs and services in the 2016 Budget.

### Helping You Connect

2016 saw public Wi-Fi provided to five new locations, including two arenas, an outdoor pool and golf course club house as well as Saskatoon Police headquarters. Residents and visitors can sign up for access when visiting these or any of the 10 other City facilities where the service is already available.

Communications technology also engaged behind the scenes, with the ongoing installation of about 50,000 advanced automated meters that allow for actual monthly usage readings. This greatly improves service and provides data to Saskatoon Light & Power to identify issues before they become problems.

### Special Event Planning Enhanced – Applications Up 70 Per Cent Over Six Years

There's always something new to do in Saskatoon, in part due to the wonderful individuals and groups that organize special events for our city. Long-running special events like the SaskTel Saskatchewan Jazz Festival and the Broadway Street Fair are joined by exciting new attractions such as PotashCorp Winter Shines, YXE Street Food Festival and Saskatoon Ribfest – and exciting new festivals continue to be added each year!

To provide more efficient service for event organizers, the Recreation and Community Development division continued to streamline their best practices and processes – offering various planning workshops for event organizers, a single point of contact with the City and improving application forms by moving them online. These continuous improvements saved City staff and event organizers hundreds of planning hours.

### Setting up for Success with the Launch of Service Saskatoon

What if there was a “one-stop shop,” a single place where a resident could go to get all the services you need from the City of Saskatoon?

This was the concept behind the creation of Service Saskatoon, the City's new customer service model. Service Saskatoon greatly improves access to answers and services online, over the phone, and over the counter. The five-year initiative was launched with a focus on five piloted services: water outages and connections; hydrant issues; water service turn-ons and turn-offs; water and sewer locates; and sewer backups. So far, Service Saskatoon has delivered about \$164,000 in efficiencies and savings – resources that are being reallocated to continuous improvement.

### Leveraging Technology for Improving Performance

It's 3:00 a.m. – do you know where the City sanders are? In 2016, 19 tandem sanders were equipped with GPS units to monitor location, time, and the product applied to the City's road networks. The goal was to optimize the sanding process and minimize the amount of material applied.

GPS units were also installed on other vehicles within the city's fleet as part of a pilot project to determine potential costs and benefits. These include accidents and recovery of stolen assets and improved safety for employees, for example when working alone or in case of emergency.

Safety was also top of mind with the creation of a new swipe card access at the Water Treatment Plant, improving security against criminal or other unwanted activities.

### Helping Property Owners: Making it Easier to Do Business with the City

New building and renovation jobs can be complicated, but the related paperwork shouldn't be! This year, newly created customer-focused information guided property owners through the Building and Development Permit process, by offering residents new brochures and handouts on building decks, site plans, secondary suites and inspections.

Likewise, the garden and garage suite review process was streamlined by creating a single document that includes all the information required by different departments. It's made the process easier, and fewer applications were rejected due to missing information and miscommunication.

This year, the Landlord Agreement process was automated to allow new landlords to register for the program for utility accounts. This means they don't need to call in to have an

account placed in their name; this is done automatically where an agreement is in place.

*"I am in the process of building an in-fill house, which has involved more interaction with the accounts department at the City than would be typical. I have spoken to a number of different people, in-person and over the phone through this process. Each and every time, they have been kind and extremely helpful. For what has been a somewhat trying process at times, I have certainly found the City's customer service to be a bright light."*

### Building Better Roads: City Crews Working Day and Night

In 2016, about 45 of the 233 lane kilometres planned for the construction season were completed at night – that's about the distance from City Hall to Delisle! The inclusion of night work contributed to the repair progress because it allowed large projects to be completed with minimal disruption to commuters. Night work typically occurred between 8:00 pm and 6:00 am on high-traffic roads where noise would not interrupt residential areas, and primarily in warmer months when water trucks, paving and concrete products were required. The result? Increased citizen satisfaction through the City's roadway improvement program.

### New Online Tool Makes Reporting a Traffic Issue Easier!

A new online tool was launched in 2016, allowing residents to report traffic-related concerns more accurately and efficiently. The new addition of the interactive mapping tool provides citizens with the opportunity to report a traffic issue or concern associated with traffic, road signage/signals and safety on any Saskatoon street.

### Transit Service Enhanced

Thanks in part to the Government of Canada's Public Transit Infrastructure Fund, Saskatoon Transit will continue to enhance its fleet with the addition of 15 low-floor buses and up to five Access Transit buses. This move will help Transit toward its goal of reducing the fleet's average age from 11.9 years to 7.3 years.



### Transit Goes High Tech with Addition of New Customer App

Wondering where your bus is? Why not download the new Transit App and check it in real time? 2016 saw the development of Saskatoon Transit's new app to aid transit customers with their trip planning, reducing their wait times and missed connections. The City's Transit App was made available on Apple's App Store or Google Play, while people who prefer Google Transit can access the service on their phone or desktop.

*"I've been using the application (Transit App) for a few months already and it's been really good at keeping me on time for the bus. Even has a reminder you can set to make sure you don't miss it."*



### Walking the Walk: Rolling Out Better Ways to Tackle Daily Operations

According to the City's Annual Civic Services Survey, about 20 to 30 per cent of people identify road and sidewalk maintenance as the most important issue facing the city – but this number has been dropping since 2013. Satisfaction with our roads and sidewalks is on the rise!

A new walkway initiative rolled out a number of better ways to tackle daily operations in 2016. This included improved maintenance and scheduling for problem areas, needle disposal training, new mowing methods, and improved handling of garbage and recycling. Nearly 10 kilometres of sidewalk were rehabilitated in 2016!

# Our Performance Measures

## 2016 Progress Update

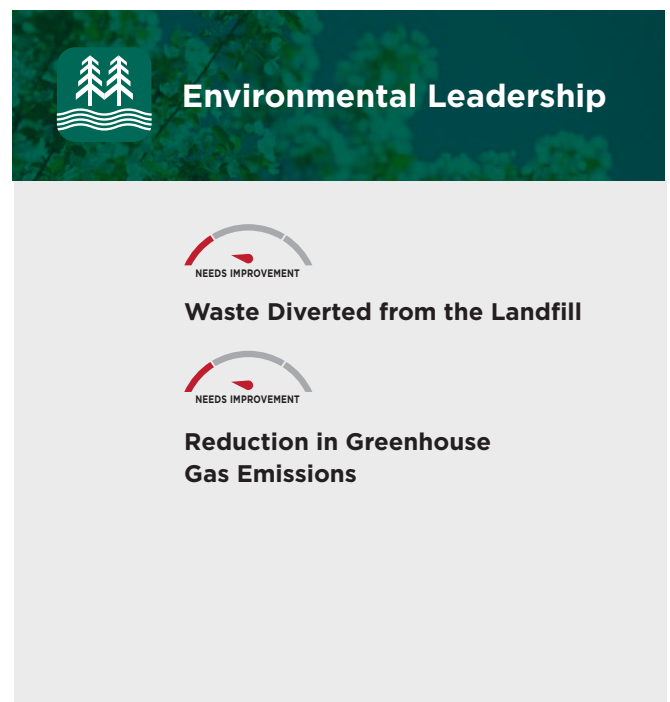
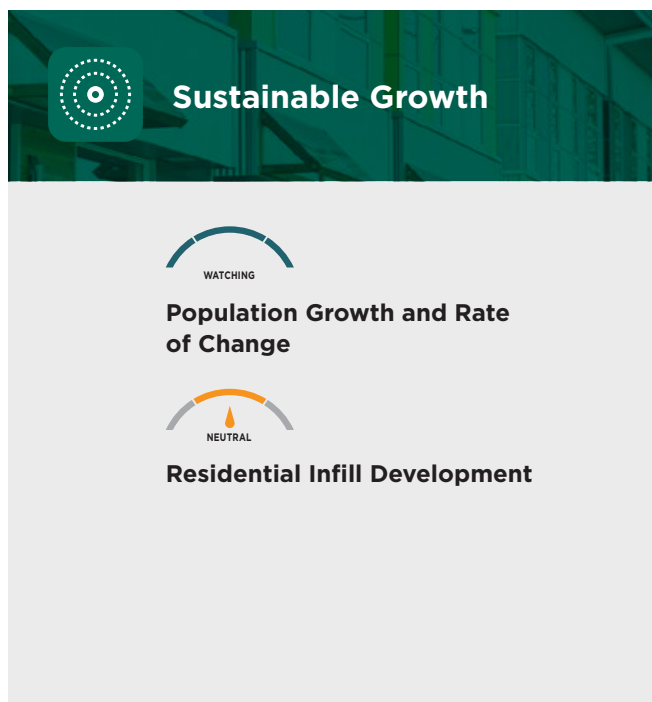
Our Corporate Strategic Goals emerged through citywide consultations with citizens of Saskatoon. Guiding our vision, mission and annual investment decisions, seven Strategic Goals provide a road map for our decision making and planning through to 2023.

To advance the City's goals and monitor our progress, in 2015 we created a dashboard of performance measures and indicators each providing a snapshot of our current standing as they connect to specific performance measures, City Council priorities and strategic outcomes.

Our progress to the end of 2016 is reflected in these performance dashboards, each showing where we are succeeding, and the areas where we need to improve.

For 2017, annual performance targets will be adopted, to further support measurement of our strides and successes.

A more detailed overview of each goal, related performance measure, key strategies and our progress is available at [saskatoon.ca/strides](http://saskatoon.ca/strides).





## Moving Around



**Transit Rides per Capita**



**Transportation Choices**



**Kilometres of Cycling-Specific Infrastructure**



**Traffic Collisions**

## Economic Diversity and Prosperity



**Amount and Value of Building Activities**



**Business Growth**



**Supply of Residential and Industrial Land**

## Continuous Improvement



**Overall Satisfaction with Civic Services of 90% or more**



**Workforce Diversity**



**Lost Time Injury Frequency**

## Asset and Financial Stability



**Municipal Property Tax per Capita**



**Annual Municipal Property Tax Increase**



**Municipal Property Tax as a Percentage of Total Revenues**



**Debt Supported by Taxes**



**Key Civic Infrastructure Status**



# Introduction to Business Line Reporting

The City of Saskatoon implemented major changes to its planning and budgeting process in 2011 that established a new business plan and integrated the City's operating and capital budgets. In part, this was done for the following reasons:

The City of Saskatoon believes that the resources allocated to the various programs, services, and projects should be tied to clear and achievable plans.

Because the City of Saskatoon's capital investments have a direct impact on the day-to-day operations, the City believes that by integrating the operating and capital budgets, it enables more effective management of the City's financial resources.

By combining the operating and capital budgets, the full costs of funding the City's business lines are more clearly understood.

The City's approach to business planning and budgeting is intended to:

- Improve transparency and decision-making by providing City Council and citizens with more information about where City funds are used, linking service costs to service levels and outcomes, and better connecting long-term goals to short-term spending decisions.
- Increase the City's accountability in delivering services to citizens effectively and efficiently, while maintaining its focus on a sustainable future.
- Help the City transform its organization by providing for more regular, ongoing, and thorough examination of City services to ensure that services are relevant to citizens' needs and priorities.

# Business Line Overview

|   |  |
|---|--|
| <b>Arts, Culture and Events Venues</b>  | Provides opportunities for citizens to participate in and enjoy the benefits of arts, culture and events.  |
| <b>Community Support</b>                | Provides support and community investment to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighbourhood-based associations and organizations.   |
| <b>Corporate Asset Management</b>       | Provides building operation and maintenance services for the City's buildings and structures and manages its fleet of vehicles and equipment.  |
| <b>Corporate Governance and Finance</b> | Provides administrative, human resources, information technology and finance supports for all other business lines.  |
| <b>Environmental Health</b>             | Preserves and protects the long-term health of our urban environment.  |
| <b>Fire Services</b>                    | Provides fire prevention, public fire and life safety education, emergency response, and the direction and coordination of the City's emergency planning and preparedness.   |
| <b>Land Development</b>                 | Operates on a level playing field with the private sector, and ensures adequate levels of serviced inventory for both residential and industrial land are maintained to meet demand.   |
| <b>Policing</b>                         | Works in partnership with the community to develop collaborative strategies to reduce crime and victimization. In partnership with City Council and the community, continues enforcement with proactive prevention, education, and early intervention strategies.  |
| <b>Recreation and Culture</b>           | Provides opportunities for citizens to participate in and enjoy the benefits of sport, recreation, culture, and park activities.   |
| <b>Taxation and General Revenues</b>    | The property levy is the amount required from property taxes to balance the operating budget. This levy includes growth in the assessment roll over the previous year plus the requirements to fund the current year's budget. Supplementary taxes are levied on properties that were changed in the current taxation year and not a part of the original levy. Other corporate revenues, including the Municipal Operating Grant, are applied to the general fund and are included in this business line. |
| <b>Transportation</b>                   | Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.  |
| <b>Urban Planning and Development</b>   | A proactive approach to addressing future opportunities and pressures on our community that accommodates growth and change (e.g. population, diversity of public services and amenities, broader scope of education, research, business), while balancing long-term economic, environmental, and social needs and achieving the desired quality of life expressed by our citizens.   |
| <b>Utilities</b>                        | Provides cost-effective and high-quality electricity (Saskatoon Light & Power), quality drinking water, treatment of wastewater, recycling, and storm water management (Water and Sewer).  |



# Arts, Culture and Events Venues

## Overview

### Remail Modern

Remail Modern is a facility that is five times the size of the former Mendel gallery. Leading up to the opening of the new gallery, operating funds are being phased in based on the business plan and the City’s ability to fund the increase. Remail Modern is poised to become the premier Western Canadian art gallery, celebrating the region’s contribution to the visual arts world while maintaining an uncompromising commitment to public accessibility. It will be recognized across Canada as one of the top art galleries in the country, and will become a hub of arts and culture for Saskatoon.

Remail Modern will serve as a vital resource for local and regional art galleries, artist-run centres, museums, arts organizations, schools, universities and the diverse cultural communities of Saskatchewan.

The four-storey Remail Modern will be a year-round key destination in River Landing for both residents and visitors. Together with Persephone Theatre and planned residential and commercial development on the adjoining site, the Gallery will help to animate the riverfront and connect with downtown.

### SaskTel Centre

SaskTel Centre provides world-class culture, sport and live entertainment experiences for the social and cultural enrichment of the region, and does so by focusing on the programs, place and the people. The core values that define SaskTel Centre’s operations are: Excellence in Safety, Exemplary Customer Service, Strong Fiscal Management and Environmental Stewardship.

### TCU Place

TCU Place provides a wealth of opportunities for citizens to participate in and enjoy the benefits of business and culture in Saskatoon. Strategically, TCU Place’s key goal is to encourage the many citizens of Saskatoon to take advantage of the cultural activities available to them. These activities are the heart of TCU Place’s quality of life agenda in promoting individual and community well-being.

The facility offers a total of 120,000 sq. ft. of multi-purpose space on three separate floors including a 22,400 sq. ft. ballroom. The Sid Buckwold Theatre, with a seating capacity of 2,074 gives the facility additional flexibility to host a convention general session, a concert or theatrical

**Operating Budget:** \$7.2 million

**Capital Budget:** \$0.8 million

**Strategic Goal:**



**Quality of Life**

performance. The theatre also works in partnership with and is home to the Saskatoon Symphony Orchestra.

## At a Glance

### Remai Modern

- 220,000 visits anticipated per year
- 2017 is the year the new gallery will open
- Five times the collection area of the Mendel Art Gallery
- Four stories tall

### SaskTel Centre

- 800,000 visits per year
- 15,000 people can be seated
- Thousands of volunteers
- 600 contracted staff
- 28 years of operation

### TCU Place

- 900,000 visits per year
- 120,000 sq. ft. of multi-purpose space
- 22,400 sq. ft. ballroom
- 2,074 people can be seated in the Sid Buckwold Theatre
- 800 events organized by Convention Services
- 60 booking dates in the Theatre

## Major Projects and Initiatives

### Remai Modern

- Leading up to the 2017 opening of the new Gallery, operating funds are being phased in based on the business plan and for the City's ability to fund the increase.

### SaskTel Centre

- To expand the self-promoted event category and reduce reliance on major touring shows, in 2016, SaskTel Centre continued to operate Taste of Saskatchewan and Rock the River with tremendous (sold-out) success. SaskTel Centre added a NHL pre-season game to the schedule for 2016 and announced another game for 2017. Motorsports Spectacular, Saskatoon Spring Rodeo and PBR also were also successfully self-promoted events in 2016.
- Expanded programs and service offerings to increase revenue streams, included the addition of the Saskatchewan Rush as a tenant and added points-of-sale on the concourse.
- SaskTel Centre continued to implement building and system upgrades and replacements in 2016 as follows; LED-motion lighting added in stairwells, suite upgrades, kitchen upgrades, one concession and one bar location were refurbished, exterior LED lighting installed, air-handling unit upgrades, new ice-plant, and 15 security cameras added.

### TCU Place

- Work continued with the City of Saskatoon on the development of a new business model for future expansion/enhancement of the facility. In 2016, TCU Place, along with SaskTel Centre engaged HLT Advisory Group and Conventional Wisdom to develop a plan with the purpose of ensuring the future success of Saskatoon's two primary public assembly facilities.
- Capital upgrades in 2016 for the building included new carpet in the Salon and Gallery areas (\$260K) and server and networking system upgrades (\$57K). Funding for these projects was provided by both TCU Place and City of Saskatoon Facilities and Fleet Management Division. Access to Midtown Plaza now complete.
- Continued development of a cultural diversity action plan to meet the needs of changing population demographics.
- There are planned upgrades to kitchen, caretaking, sound, lighting, and maintenance equipment to ensure continued service quality in meeting customer expectations.
- Continued to support the "Quality of Life" Strategic Goal, emphasizing the delivery of diverse and popular programming in the Sid Buckwold Theatre.



# Community Support

## Overview

Saskatoon consistently ranks among the top cities in North America for quality of life. The City of Saskatoon defines quality of life as the sense of well-being achieved when people are physically and emotionally healthy, economically secure, safe, have adequate shelter, a sense of belonging, and share cultural and social connections.

Achieving quality of life for residents of Saskatoon requires the combined commitment of individuals, families, community organizations, service providers and the City of Saskatoon. The Community Support business line provides both human and financial supports for community groups, as well as a broad range of City-led initiatives. These initiatives are aimed at building capacity in sport, recreation, culture, heritage and social organizations, and enhancing neighbourhood-based associations. The Community Support business line also provides subsidized or no-cost programs where cost is a barrier for families or individuals. In addition, within this business line are services respecting dignity and addressing cost as a barrier in the services provided by Cemeteries and the Animal Control program. Further, economic development, tourism and protection of our river valley are supported through contributions to the Saskatoon Regional Economic Development Authority (SREDA), Tourism Saskatoon and the Meewasin Valley Authority (MVA).

Community supports often take the form of investments in community-based organizations. This approach ensures a balance between municipal leadership and community involvement in the development and revitalization of facilities, programs and services, and the protection of Saskatoon's heritage buildings and structures. Partnerships and community collaboration continue to be keys to the success of this service delivery approach. Further, the human and financial leveraging facilitated through this approach is exponential.

## At a Glance

*Supports the participation in sport, recreation and culture programs:*

- 937,000 visits to cultural facilities
- 161,300 community association program participants
- 60,000 sport, culture and recreation program hours

**Operating Budget:** \$13.7 million

**Capital Budget:** \$0.3 million

**Strategic Goal:**



**Quality of Life**

**Support and community investments provided to:**

- 65 social agencies
- 52 community outdoor rinks
- 50 sports organizations
- 47 community associations
- 23 community gardens
- 17 major arts, cultural and heritage organizations

Leverages many millions in self-generated revenue as well as human resources in the community-based organizations, including 125,000 Community Association volunteer hours.

**Subsidies:**

- 87,200 Leisure Access visits to leisure facilities subsidized a year
- 500 burials and 40 subsidized burials annually at Woodlawn Cemetery
- 200 spay or neuter surgeries subsidized a year



## Major Projects and Initiatives

### Aboriginal Engagement and Leadership

- Worked with the Office of the Treaty Commissioner, Saskatoon Tribal Council, Central Urban Métis Federation Inc., and 54 supporting organizations to launch a month-long series of activities to promote Reconciliation in Saskatoon.
- Participated in developing the *Saskatoon Aboriginal Community Action Plan* – a community based partnership comprised of local agencies and businesses committed to improving the lives of Aboriginal citizens of Saskatoon and the greater Saskatoon community.
- Cultivated new partnerships and programs – including a pilot *Wanska* Aboriginal youth leadership program and summer *Atoske* programs – for the Urban Aboriginal Leadership Program.
- Partnered with the U of S and 2J2 Consulting to establish the *Aboriginal Fitness Leaders* preparatory pilot program.
- Partnered with United Way, the Saskatoon Health Region and other community organizations to plan, promote, and implement the *2016 Wicihitowin Conference*.
- Co-developed the youth component of the *World Indigenous Business Forum*.

### An Age-Friendly City

- Participated in the information session “*Adapting to Aging Communities: Developing a Strategy for your Municipality*”.
- Collaborated with the Saskatoon Council on Aging to present the *Age Friendly Saskatoon Initiative: Implementation and Evaluation Report* to City Council, which approved the City’s request to have Saskatoon join the World Health Organization’s network of Age Friendly Cities.

### Corporate Accessibility Plan

- Continued to implement the *Corporate Accessibility Action Plan*, an ongoing effort to address accessibility of civic facilities, programs, services, and infrastructure.
- Met with the Saskatoon Accessibility Advisory Committee to review the progress made on the Plan and to establish recommendations for upcoming initiatives.
- Met with representatives from Saskatchewan Human Rights Commission to review information included in the plan.
- Reviewed status of the *Accessible Design Guidelines* as they relate to the provincial initiative to review building code standards for accessibility.

## Major Projects and Initiatives

### Engaging Youth

- Worked with the Saskatoon Children's Festival to incorporate the *I Am the Bridge* anti-racism education campaign into Children's Festival programming; submitted a funding request for the campaign to the Canada 150 project.
- Met with the Community Steering Committee from *Youth Speak YXE* – an interactive forum that engages youth and adult allies on topics ranging from civic engagement to discrimination – to help develop a youth engagement strategy.

### Supporting Newcomers

- Continued to implement the *Immigration Action Plan* to ensure that City programs and services are changing along with the community.
- Assisted with community response to the Syrian refugee crisis – and more generally with refugee response and follow up – by developing education and awareness campaigns, producing communications materials and connecting initiatives with the city's *Culture Plan*.
- Worked with the Institute for Canadian Citizenship and the Saskatoon Police Service to host a Community Citizenship ceremony where 50 people took their oath of citizenship.
- Coordinated Treaty education and awareness for newcomers.
- Updated the "New to Saskatoon" map.
- Began to establish a Local Immigration Partnership for the Saskatoon community.

### Supporting Arts & Culture

- Continued to implement *Culture Plan* recommendations with a focus on a long-term investment to support the cultural sector in Saskatoon.
- Outlined revisions to the *Culture Grant Program*, which were submitted to City Council for the 2017 budget.
- Planned and implemented *Culture Days 2016*, a three-day showcase of artists, creators, heritage experts, architects, curators, designers and other creative professionals.
- Met with the Planning and Development Division to discuss how to integrate *Culture Plan* objectives into the *Official Community Plan*, and to develop priorities and recommendations for the 2018-2022 period.
- Developed a database and map of Saskatoon cultural facilities, public art, heritage and civic institutions, and artist studio spaces.
- Participated in *Cultural Statistics Strategy*, a partnership of national, provincial, and municipal partners led by the Department of Canadian Heritage that measures the economic importance of culture, the arts, heritage, and sport on the Canadian economy.
- Reviewed the latest report from the Federal Department of Canadian Heritage regarding the GDP economic impact of arts, culture and sport in Canada.
- Joined with seven cities to participate in a mid-sized study of *Indirect Cultural Investment*, with a goal to have a better understanding of non-cash contributions (in-kind; reduced rent etc.) from municipalities to the cultural sector.



# Corporate Asset Management

## Overview

The Corporate Asset Management business line provides support and services for all civic programs and departments including building operations and maintenance services for City buildings and structures such as leisure facilities, fire halls, transit buildings, civic offices, libraries and galleries, police headquarters, and other associated services for TCU Place and SaskTel Centre. The Fleet Services program within this business line provides equipment management services for the Corporation's vehicles and equipment fleet, including purchasing, leasing, maintenance and repair, fuel distribution and operator training.

The City employs an asset management and comprehensive maintenance program for the preservation of civic facilities and fleet infrastructure. This program combines preventive maintenance with cyclical infrastructure renewal to ensure facility and fleet assets are optimized for longevity.

## At a Glance

- 3.5 million litres of diesel/gasoline provided per year via six separate fueling stations
- 360,000 square metres of building area managed
- 376 buildings valued at \$1.58 billion with contents valued at \$294.3 million
- 92,000 square metres of parking lots
- 29,000 park furnishings in 233 parks
- 11,500 Facility Work Requests issued with an average of 44 per working day
- 9,800 Fleet Services Work Requests issued with an average of 39 per working day
- 9,300 assets maintained via the Comprehensive Maintenance Program
- 1,450 radios and related infrastructure valued at \$15.0 million
- 1,088 vehicles and equipment with a book value of \$73.0 million
- 184 play structures valued at \$8.5 million
- 55 user groups supported by Fleet Services within the Corporation
- 32 paddling pools, 19 spray parks, and 10 pools



**Operating Budget:** \$8.1 million

**Capital Budget:** \$14.7 million

**Strategic Goal:**



**Asset and  
Financial Sustainability**

## Major Projects and Initiatives

### Asset Management Plan

- Continued to partner with the Major Projects Division to oversee the transition into the new Remai Modern, which is expected to open in 2017. Worked with representatives from the Remai Modern, Persephone, and River Landing groups to formalize an Operations Plan and service level agreement that covers day-to-day operations. Worked with the Project Management Team to prepare for the upcoming opening.

### Core Capital Renewal Principles

- Continued site assessment and work on individual park facility play structure and spray pad projects. Completed valuations for play structures.

### Continuous Improvement

- Revised and began to implement new components of the *Corporate Security Plan* for all civic facilities to address access and emergency protocols.
- Reviewed an initial draft of service level agreements, with an aim to reflect the requirements and expectations of customers and user-groups and support program delivery.
- Identified and began implementing continuous improvement initiatives as part of the *Fleet Services Civic Service and Business Model Review*. Initiatives included a revised front entrance layout, parking lot optimization, new Service Agreements and extended work week.

# Corporate Governance and Finance

## Overview

The Corporate Governance and Finance business line provides essential direction and support for the City of Saskatoon in three main areas:

- **Governance**
- **Finance**
- **Performance**

The leadership and expertise that City staff provides in these important areas help ensure the smooth, seamless delivery of programs and services to citizens, businesses, organizations and other stakeholders.

Corporate governance oversees legislative and legal compliance and implements strategic corporate programs to support City Council and the Administration. Corporate governance includes the Offices of the City Manager, the City Solicitor and the City Clerk, and carries out the legislated duties of the Corporation, as defined in the *Saskatchewan Cities Act*.

The Chief Financial Officer (CFO) provides corporate financial leadership to City Council and the Administration. The CFO reports to the City Manager and partners with the General Managers on the overall development and deployment of financial plans and strategies to enable effective program and service delivery. The CFO administers the Corporate Risk-Based Management System, which is intended to ensure that significant risks facing the City are addressed in a positive, systematic and productive way. The CFO is also the General Manager of the Asset and Financial Management Department.

A key function of the Corporate Governance and Finance business line is to operationalize the City of Saskatoon's mission and vision by aligning organizational performance with the Strategic Plan. Through sound management and strong governance the business line supports other divisions within the organization in achieving the seven Strategic Goals.

By focusing on continuous improvement and performance measurement, the organization is making strides to provide the best possible services in both an innovative and creative manner. Enhancing effectiveness and improving efficiency allows for the delivery of affordable and sustainable programs to citizens. This ensures the Administration continues to focus on its long-term goal of managing the Corporation in a smart, sustainable way.



**Operating Budget:** \$51.4 million

**Capital Budget:** \$2.1 million

### Strategic Goals:



**Asset and  
Financial Sustainability**



**Culture of Continuous  
Improvement**

The Corporate Governance and Finance business line contains several additional employee and organizational services that ensure corporate support functions work together to help front-line staff deliver quality services to the citizens of Saskatoon. Keeping citizens informed through community engagement and employing corporate communications are two important functions of the Corporate Governance and Finance business line.

Employee and organizational services include:

- Human resources
- Strategic and business planning
- Government relations
- Aboriginal affairs
- Corporate communications
- Customer service
- Information technology
- Billing and collection of revenue

### At a Glance

- \$41.7 billion of assessed property in Saskatoon
- \$33.3 billion of taxable property

- \$458.4 million in the 2016 Civic Operating Budget (excluding utilities)
- \$228.8 million of projects in the 2016 Capital Budget
- 70,000 parcels of land are managed in our GIS system; 5,000 devices and 60 locations supported by Information Technology (IT)
- 3,918 permanent full-time, part-time, and job-share employees throughout the City
- 3,602 full-time equivalent positions throughout the City
- 2,600 citizens visited the online citizen budget tool in 2016; 803 submitted feedback
- 1,600 Service Alerts in 2015 regarding service disruptions
- 30 boards, commissions, and committees plus three major tribunals
- 18 Joint Occupational Health and Safety Committees
- 12 unions and associations within the City's organizational structure
- 11 elected officials including the Mayor and 10 Councillors

## Major Projects and Initiatives

### Continuous Improvement

- Converted Landlord Tenant Agreements and 2016 Service Accounts Receivables (SARs) to digital records and began work on daily investment and banking information conversions. Continued to explore opportunities to convert paper records to reduce current office storage requirements, allow for easier access to historical records, and assist with records security and efficiencies.
- Completed strategic risk registers for the City's high- and medium-ranking risks, which were reviewed by the Corporate Risk Committee and received by the Standing Policy Committee on Finance.
- Established guidelines and contractor standards and created a central asbestos database as part of ongoing efforts to implement the Corporate Asbestos Management Program for Buildings.
- Conducted health and safety audits for Parks, Construction and Design, Public Works, Saskatoon Water, Water and Waste Stream Management, and Roadways and Operations divisions.

### Improving Customer Service

- Launched *Service Saskatoon*, a brand built on four pillars: Citizen Input, Staffing, Systems and Standards. Developed a dedicated webpage for the public to receive updates and the status of projects for each pillar. Launched the City's complimentary public Wi-Fi initiative in partnership with Shaw Communications.
- Introduced the Citizen Advisory Panel and sent three surveys to help define preferred City services, develop City budgets, and obtain input on the City's Leisure Guide.
- Initiated an Engagement Civic Services Review, which maps current engagement tools, techniques and processes used by the City. Wrote an action plan to coordinate efforts to develop a longer-term engagement strategy and framework. Developed an engagement SharePoint site to improve coordination and consistency of the engagement calendar and allow internal staff to request surveys from the Citizen Advisory Panel.
- Increased eBill adoption by 17 per cent, the result of successful conservation-themed marketing campaign.

## Major Projects and Initiatives

### Diversity and Inclusion

- Transitioned the *Saskatoon Aboriginal Employment Partnership (SAEP)* from SREDA to the Gabriel Dumont Institute (GDI) for a six-month interim period. Completed phase two of the project; phase three funding will flow through the City Of Saskatoon with a service agreement with GDI. Began to transition SAEP to non-profit status.
- Shared final research and data for an Equity and Inclusion framework with the Leadership Team as part of an effort to address the *Truth and Reconciliation Commission (TRC) Calls to Action*. The framework includes an equity and inclusion lens developed by the *Systemic Initiative Program* through CLASSIC (Community Legal Assistance Services for Saskatoon Inner City) – a program overseen by the University of Saskatchewan – and compares diversity, equity and inclusion programs administered by municipalities across Canada.
- Collaborated with the Office of the Treaty Commissioner (OTC), the University of Saskatchewan, the Police Service, and other community partners to respond to the *TRC Call to Action #57*. Compiled a list of community elders and residential school survivors to serve as speakers in future events. A final report back to City Council is scheduled for development in the spring of 2017.

### Website Enhancements

- Continued to review third-party applications against digital standards to support efforts to enhance the City's new website. Began work to develop a single landing page on Saskatoon.ca for all available online services.

### Taking Care of City Business

- Completed the *Internet Publishing* module and began work on the Report Manager module – components of the Electronic Agenda and Meeting Management initiative designed to streamline processes and improve access to information from City Council and Standing Policy Committees.
- Initiated a service review for Corporate Payroll with completion planned in 2017.
- Completed a review of Capital Reserve Bylaw and Reserve Policies, making update recommendations to align with best practices.
- Continued to expand the *Asset Management Program* by producing a report for budget deliberations with sections that addressed improvements in the City's Parks, Transit, Water Distribution, Roadways, Sidewalks, Bridges and Structures.

Continued work on other asset management reports such as Fleet, Facilities and Saskatoon Light & Power.

- Wrote a report for the Standing Policy Committee on Finance that outlined a process and methodology for a *Corporate Asset Management Plan*.
- Continued to develop and implement enterprise-based strategies for the City's architecture, data, asset management and other core functions. Completed evaluations of portfolio and capital projects and established a committee that will deliver further recommendations to the City's Leadership Team.
- Approved capital funds for a comprehensive system to consolidate current financial, payroll and human resource systems. Completed preliminary work on the project and will continue to execute next steps in early 2017. A Request for Proposals will be issued in the first quarter of 2017 to address the viability of a cloud-based component for the system.
- Used Civic Service Reviews (CSR) and Internal Process Reviews (IPR) to improve collaboration across multiple divisions, which resulted in enhanced service delivery in Urban Forestry, Fire Prevention, Special Events, Building and Development Permit, Fleet Services and other areas.
- Highlighted projects that could benefit from CSR and IPR program support. Began discussions with division leads to ensure efforts aligned with Service Saskatoon and the Internal Audit Plan. Completed a list of CSRs/IPRs for 2017 and began planning for 2018-2020 initiatives.
- Collaborated with the Saskatoon Fire Department to help them fulfill their officer training requirements for 2017-2018.
- Developed four key IT strategies to respond to the 'systems' pillar of Service Saskatoon: *Best Managed City, Citizen Center Services, Smarter City, and Strategic Business Partner*. Each strategy contains programs that provide integration roadmaps to deliver the new service model to city residents.



# Environmental Health

## Overview

A healthy environment is essential to a healthy population, now and in the future. The City of Saskatoon demonstrates Environmental Leadership through a number of programs, services and activities under the Environmental Health business line. Saskatoon's waste handling services form the core of this business line. Plans, policies and environmental regulations guide air, water and land protection, along with efforts to reduce the impact of our activities for the benefit of citizens today and tomorrow.

Programs and services include: collection and management of solid waste; recycling and composting program development and management; implementation of environmental programs to reduce energy use and the emission of greenhouse gases; stewardship of household hazardous waste; responsible management or remediation of City-owned contaminated sites; water and air quality protection efforts; management of Saskatoon's urban forest; prevention of the spread of insect and plant pests; wildlife management; and environmental policy development. These programs and services are delivered by three divisions:

The Public Works Division is responsible for Waste Handling, the Parks Division delivers Pest Management and Urban Forestry services and the Environmental & Corporate Initiatives Division is responsible for the Environmental Program and components of the Waste Reduction and Resource Recovery program.

**Operating Budget:** \$12.7 million

**Capital Budget:** \$1.6 million

### Strategic Goal:



**Environmental Leadership**

## At a Glance

### Urban Forest: Parks

- 110,000 trees with approximately 60 per cent of the inventory lining city streets and 40 per cent located within civic parks
- 10,000 trees proactively pruned each year
- 2,500 citizen requests for tree health assessments, pruning and clearing of broken/hanging branches, tree removals, and clarification of tree ownership

### Pest Management: Parks

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

### Garbage: Waste Handling Services

- 2.8 million residential containers collected each year with a 99.9 per cent success rate

- 112,000 tonnes of garbage received at the Landfill annually; 55 per cent is residential garbage
- 68,500 single-family homes and 23,000 multi-unit residential properties receive garbage collection services by a fleet of 18 garbage trucks

#### **Environment: Environmental Programs**

- \$7.3 million saved on construction projects involving contaminated soil while also improving environmental

stewardship of materials of concern to human or environmental health

- 14 civic buildings contain sophisticated utility monitoring equipment to prepare for extensive energy efficiency upgrades that will save hundreds of thousands of dollars in future annual utility costs
- Nine waste diversion programs divert 21 per cent of the waste generated in the community away from the Landfill

## Major Projects and Initiatives

### Protecting Air, Water, Soil and Trees

- Developed documentation for the *Efficient Waste System Initiative* and the Energy Performance Contracting Project Charter.
- Put in place management tools for the *Soils Handling Strategy* and continue to develop procedures for the Corporate Spill Response.
- Established benchmarks for Civic environmental performance in energy, waste diversion and reduction, and alternative transportation.
- Created a single *Green Infrastructure Strategy* project charter, which includes sections that cover Natural Areas, Stormwater Utilities, and Stormwater Management. Research for the charter is ongoing.
- New tree inventory software was purchased to help plan, manage workflow and prepare for impacts of climate change. The software provides greater accuracy on tree location and condition.
- The Dutch Elm disease program included an awareness campaign that included Facebook ads, a pruning ban PSA, a news tour, a utility bill insert, radio commercials and signs at the compost depots. Additional surveillance focused on less-frequently surveyed areas, and elm inventory data was collected throughout the season. No cases of Dutch Elm Disease were detected during the season. Strategy for the 2017 season is to maintain regular elm surveillance and increase pruning in shelterbelts.
- Graduated emergency response plans were completed for Dutch Elm disease and Emerald Ash borer. These will be reviewed annually to ensure effective levels of response to insect and disease activity.

### Working with Employees

- Developed an environmental training program to help civic employees understand the environmental implications of their work, along with an awareness campaign to remind

employees how they can make small changes to decrease their environmental footprint.

- Developed a new guidance document for Project Managers and Report Writers, which will be rolled out in early 2017.
- Significantly reduced safety incidents by implementing recommendations from the *Waste Handling Civic Service Review*. Training programs have been fully implemented.
- Established an online carpool-sharing site for City employees.
- Continued to advance Sustainability training.

### Improving the Green Cart Program

- Completed improvements for the Green Cart registration process, which was turned over to operations. Completed the knowledge base for the *Integrated Waste Management Customer Service* initiative.

### Diverting and Managing Waste

- Completed analysis of four residential and business waste audits and began developing a *Draft Waste Diversion Plan*. Audit data will be used to generate program options for increasing diversion based on best practices across Canada.
- Approved a business plan and concept for Recovery Park, a 'one-stop' waste diversion facility located west of the landfill that has the potential to increase waste diversion to 30 per cent. City Council approved a capital budget for completion of design and construction of Phase 1 for 2017.
- Launched the *Healthy Yards* program for 2016 and held several curbside swaps. Completed the Student Action for a Sustainable Future program and launched the Master Naturalist program. Developed materials for the Healthy Yards, Water Conservation, and Recycling Education and Communications programs, which will re-launch in 2017.

### Recycling at Civic Facilities

- Updated recycling bins in City Hall and Civic Square East meeting rooms and foyers.



Photo Credit: Greg Pender

# Fire Services

## Overview

The Saskatoon Fire Department (SFD) is responsible for emergency planning and response to mitigate all incidents of concern within the City of Saskatoon and surrounding RMs that are covered by applicable service agreements. The Department's responsibility to enforce the above initiatives is through both *The Fire Prevention Act 1992* (soon to be *The Fire Safety Act*) and *The Emergency Planning Act*. The responsibilities of the SFD are enabled through *The Cities Act* and then Saskatoon Fire and Protective Services Bylaw 7990 within Part II, Section 4, and codified June 18, 2012. The SFD combines enforcement with proactive prevention and education to align with the City's Strategic Goals of Public Safety and Quality of Life.

**Operating Budget:** \$46.6 million

**Capital Budget:** \$2.4 million

### Strategic Goal:



**Quality of Life**

## At a Glance

- 334 staff within the Operations, Administration, Prevention, Training, Emergency Measures, and Support Divisions
- 12 front-line engines, two rescue trucks and two aerials are operated out of nine fire stations
- 12,623 emergency and non-emergency calls required crews to respond, not including inspection activity or community engagement events
- 2,363 complaints which generated 3,190 inspections and re-inspections were received by the Fire Prevention Division
- 221 fire investigations resulting in five criminal charges
- 24 students in Grades 9, 10 and 11 from five high schools participated in the F.I.R.E. Cadet Program, an eight-week fire training program
- Three graduates from the F.I.R.E. Cadet Program were employed with the Saskatoon Fire Department during July and August for property maintenance, fire prevention initiatives, and community relations events



## Major Projects and Initiatives

### Continuous Improvement

- Modified response configurations and relocated apparatus to optimize SFD staffing levels. Implemented an *Automated Vehicle Locator* pilot project that will improve safety for operations and inspections and enable SFD dispatchers to choose equipment based where an emergency incident occurs.
- Worked with Local 80 to revise the SFD Training Model. Partnered with Martensville Fire to strengthen regional relationships and improve safety training and performance.
- Undertook a thorough continuous improvement review which included assessments of SFD revenue sources, operating expenditures, operational effectiveness and staff deployment. Successfully developed a rural fire dispatch for communities surrounding Saskatoon as part of a regional partnership plan.
- Undertook an Internal Process Review to determine efficiencies in the Fire Prevention Division. Produced report-based Review findings to take forward to committee.

### Upgrading and Expanding Locations

- Worked with Saskatoon Land to acquire land to house future upgrades of the department training and mechanical maintenance shop. The North Industrial Fire Station will facilitate efficient operation of local divisions as part of a 10-year SFD Infrastructure plan.
- Worked with Transportation to finalize the closing of the alley to the north of Fire Station No. 1, which will add to the design flexibility for the new station.
- Advanced architectural drawings for the new Fire Station No. 3, which are nearly complete. Construction is set to begin in early 2017.

### Working Together

- SFD and Emergency Measures Operations (EMO) continue to forge a partnership with EMFS to address disaster response. SFD also began to manage fire dispatch for areas surrounding Saskatoon and will continue to partner with EMFS to develop an *Emergency Services System* and Emergency Planning protocols related to forest fires. SFD also renewed its commitment to redeploy the HUSAR Task Force team, which focuses on Heavy Urban Rescue.
- Continued discussions with Community Services to determine best practices for property maintenance within the City.



# Land Development

## Overview

This document includes the City of Saskatoon's 2016 Land Development Operating and Capital Budgets. The document focuses on three service lines, Saskatoon Land, Corporate Projects and the Land Development-Capital program, each devoted to ensuring an adequate supply of new infrastructure is in place to accommodate new development and core civic services. A healthy land development industry plays an important role within an expanding economy. It provides the base upon which immediate and future growth will thrive.

Saskatoon has witnessed considerable economic growth in recent years – growth that would have been constrained if sufficient land had not been available for development. The Land Development business line responds to the needs of a variety of customers in the housing, commercial, institutional and industrial sectors. It invests capital dollars in the provision of municipal infrastructure and creates demand for durable products and employment. This adds value to the economy and encourages job growth, positive net migration and other important multiplier effects. Over the past five years significant investment has been made to accelerate infrastructure extensions into new developments in the Holmwood, University Heights, Blairmore and Marquis Industrial Sectors. These new growth areas and various infill developments, throughout the City, will play a vital role in providing the serviced land that will accommodate new housing and commercial investment in the City over the next five to 10 years.

Projections for growth in the community remain positive. However, most economic indicators suggest a moderation of population and employment growth will occur in Saskatoon throughout 2016. Reduced land absorption and increases in residential and industrial serviced land inventories have occurred in the Saskatoon market over the last two years, requiring developers to reevaluate previously planned servicing. The 2016 Land Development Budget includes several adjustments to previously approved capital funding requests to accommodate changing market conditions and revisions to the timing of proceeding with servicing phases noted in the Three Year Land Development Report. New infrastructure investments, originally thought to be required in Saskatoon Land's ownership in the Elk Point and Brighton neighbourhoods, have been deferred to future years. Should significant changes in demand for serviced land in Saskatoon occur, subsequent annual capital budget submissions will be adjusted.

**Operating Budget:** \$6.4 million

**Capital Budget:** \$51.5 million

### Strategic Goals:



**Asset and Financial Sustainability**



**Sustainable Growth**

The City of Saskatoon is unique in that it is a land developer. Saskatoon Land operates on a level playing field with the private sector. It is mandated to:

- ensure adequate levels of serviced residential, institutional and industrial lands are available at competitive market values,
- to provide innovation and leadership in design for new growth, and
- to provide financial returns at competitive rates of return on investment to the City for allocation to civic projects and programs. Saskatoon Land is operated on a for-profit basis, with 100 per cent of the surplus funds allocated for reinvestment in the community.

Another essential element in ensuring success of the land development business objectives is performed by Real Estate Services. This Section of Saskatoon Land is responsible for all real estate functions and activities for the Corporation including the acquisition of future development lands and all corporate land requirements, administering of both internal and external leases, coordinating and overseeing the maintenance of lands held for future development, providing valuations and providing real estate advice to the Corporation as a whole. This section is also responsible for the planning and implementation of the City of Saskatoon's corporate accommodations plan.

The Land Development-Capital program includes the construction of arterial roadways, trunk sewers, primary water mains, roadway interchanges, lift stations and suburban park development. These projects are funded from the collection of offsite levies collected from all land developers and are necessary for the City to support continuous urban growth.

## Major Projects and Initiatives

### Neighbourhood Updates

- **Aspen Ridge:** Phase A1 and A2 are serviced and ready for sale in 2017 to accommodate new dwelling construction in the Northeast.
- **Blairmore:** Completed a *Draft Neighborhood Concept Plan* for Blairmore 3; submission of the draft plan will take place once development phasing is determined.
- **University Heights:** Completed most of the initial studies and preliminary design options for University Heights Suburban Development area and began a detailed design phase for the project.
- **Elk Point:** Completed a *Concept Plan* for the Elk Point neighborhood; submission to Committees and City Council expected to take place in spring 2017.

### At a Glance

- \$123.3 million in net proceeds from land development investments in Hampton Village, Willowgrove, Evergreen, and Rosewood have been allocated by City Council to operating budgets and various capital projects since 2007
- \$63,425,600 in total sales revenues for 2015
- 7,000 acres of future development land is managed/maintained
- 1,850 acres of land has been acquired over the past two years for civic projects and future development
- 159 residential lots were sold for a total of \$23,207,900
- 80 leases of land and buildings are managed totaling approximately \$1.925 million in annual revenue
- 10 industrial parcels totaling 20.96 acres were sold for a total of \$11,429,000
- Eight institutional and multi-family parcels totaling 30.17 acres were sold for a total of \$28,788,700
- 51 internal projects were delivered and received technical services for private development from Construction and Design; servicing Major Projects, Urban Design, Transportation, Saskatoon Land, and Public Works

### New Land Development:

- 4,400m of new water mains
- 3,810m of new sanitary sewer mains
- 3,510m of new storm sewer mains
- 12.6 lane kms of new local and collector roads
- 1.7 lane kms of new arterial roads

### Infrastructure Development

- **Roads:** Opened Arterial road construction at Zimmerman Road, which requires a further 400m of sidewalk and landscaping. Began construction on the McOrmond Drive North projects, which is scheduled for completion in 2017. Posted the Fedoruk Drive project for tender.
- **Sewer:** All trunk sewer extensions are completed in Aspen Ridge, Brighton and the Marquis Industrial area. The storm ponds in Aspen Ridge and Brighton are completed and the Marquis pond is scheduled for completion in 2017.
- **Water:** Continued construction on Marquis Industrial primary water main projects and began area grading on the Aspen Ridge project; both are scheduled for completion in 2017. Saskatoon Water and Dream Developments continued to

## Major Projects and Initiatives

evaluate options to put the Brighton primary water main into service.

### New Saskatoon Fire Stations

- Acquired the north parking lot of St. Martin's Church, which will become the location of a new Fire Station.
- Continued discussions with the University of Saskatchewan in an effort to secure a site in the University's College Quarter development to accommodate relocation of Fire Station No. 5.

### Parks

- Completed construction drawings in Rosewood Mackay Park and Glen Penner Park; the projects will be tendered in spring 2017, with landscape construction scheduled to be complete in summer 2017. Commenced design work on Struthers Park.
- Began construction and completed grading operations at District Park and Secondary Core Park in Evergreen. Completed all operations in Funk Park.
- Completed 25th Street Streetscape Extension planting. Deficiencies and potential plant mortality due to weather conditions will be addressed in the spring of 2017.
- Established the seed mix needed to reduce mowing frequency on City of Saskatoon Open Space in Kensington neighborhood. Properties and ongoing performance of grass species will be monitored in 2017 to determine if expanded use is warranted.

### North Downtown

- Completed the *North Downtown Master plan* design; Saskatoon Land is now undertaking a review of possible funding models to deliver the project.

### Continuous Improvement

- Identified immediate opportunities to provide co-located efficiencies for several City divisions in an effort to reduce pressure for office space in City Hall and area. The physical aspect of these opportunities will be rolled out in early 2017.
- Began development of a new website and live mapping tool for Saskatoon Land and its building customers to market City communities and land parcels. Full implementation of website and live inventory mapping is scheduled for spring 2017.
- Undertook survey and research to identify immediate and short-term space needs for a several City divisions. Formed a new committee to consider future space requirements and identify preferred satellite locations to ensure that services will be provided in the most efficient and effective way possible.



# Policing

## Overview

The 2015 Inshtrix Community Satisfaction Survey indicates that 92 per cent of the respondents are satisfied with the Saskatoon Police Service (SPS). Public safety is key to this perception and is also essential in a healthy, growing community. Individuals, families, community groups, social agencies, businesses, and visitors all benefit from the many programs and services offered through the Policing business line.

The SPS completed a core service review and decided upon its core responsibilities: Emergency Response, Quality Investigations, Traffic and Community Involvement. The redeployment in 2007 positioned the SPS in a very operational stance, with almost all sworn members directly dealing with the public. A further redeployment to put police officers on the street took place in 2015. The Board of Police Commissioners will also examine the options for a complete operational review of the SPS in 2016.

The SPS works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Service, in partnership with the Saskatoon Tribal Council, Federation of Sovereign Indigenous Nations and the Saskatoon Health Region have formed an Action Accord to reduce the number of intoxicated persons held in police cells.

The SPS has also taken a lead position to implement community mobilization with the HUB model bringing together Social Services, Education, Health and Mental Health to help high risk individuals and families.

## At a Glance

- 639.61 staff members at SPS:
  - 448 police officers
  - 58.5 special constables
  - 133.11 civilians
- 261,251 calls received at by the communication centre including 78,277 calls to 911 and cars dispatched to 76,745 calls for service
- 10,659 arrests processed through the detention area
- 29,638 traffic tickets issued

**Operating Budget:** \$84.3 million

**Capital Budget:** \$2.2 million

**Strategic Goal:**



**Quality of Life**

## Major Projects and Initiatives

### Major Initiatives

- A work of art honouring missing and murdered Indigenous women was commissioned, with the bronze memorial to be on permanent display outside Saskatoon's police headquarters. The unveiling is scheduled for May 2017.
- Continued focus on reducing street crime, with emphasis on robberies, thefts and mischief; reduction of 14 per cent Robberies, reduction of 7.8 per cent Mischief, increase of 19.6 per cent Theft. Due to an influx of methamphetamine, total property crime (break and enter, theft, mischief, graffiti, theft of motor vehicles) rose 13.6 per cent. Similar increases occurred in Calgary, Edmonton, Regina, and Winnipeg.
- Completion of a five-year business plan 2015-2019; a Business Plan was created and approved by the Board of Police Commissioners.

### Continuous Improvement

- An Operational review of the entire SPS was undertaken, with the balance of the Operational review expected to be completed fall of 2017.
- The SPS partnered with the City of Saskatoon for a corporate approach to a new payroll and scheduling system. SPS to follow the timelines established by the City initiative.
- No additional vehicles were purchased due to a freeze on Criminal Investigation Division vehicle purchases.
- No additional radios purchased due to purchasing freeze.
- 16 officers were redeployed to patrol from various areas of the SPS. This increased our number of uniformed frontline responders and helped to reduce this major pressure point. This redeployment delayed the need for additional staffing. Redeployment continued to be effective, increasing the number of officers in patrol and improved response time.
- Now fully staffed, the Police and Crisis Team Unit (PACT) consists of two Police Officers and two Mental Health Workers. The Unit reduces the number of frontline police responses to deal with mental health issues, and is also reducing the amount of time officers are having to spend waiting at hospitals. The PACT unit proves very effective in responding to persons suffering from mental illness.
- HUB – Community Mobilization Project where Police and other agencies partner to attempt to reduce the underlying issues which often lead to future police involvement.
- Centre of Responsibility (COR) is a multi-sector team that uses multi-sector analytics to collect data to inform best practices. The COR is meant to challenge the system to find better ways of doing business that will reduce risk and increase community safety and well-being. The Province however, abandoned the COR concept and is no longer funding the initiative.
- A partnership among the Government of Saskatchewan, the Saskatoon Police Service and the University of Saskatchewan was created. The premise of the Predictive Analytics Laboratory is that Saskatoon Police data, if analyzed by modelling experts, may improve community safety and diminish harm to victims. The Analytics Lab is progressing, with data sharing agreements pending.
- A four-year agreement with Prairie Land Exhibition has helped to reduce the amount of police overtime required for traffic control at the Exhibition by increasing the amount of paid special duty. The Prairieland Exhibition has agreed to increased funding for paid special duty.
- Alternative Measures Program (AMP) – Approved Retail Loss Prevention Officers worked in conjunction with the SPS on certain cases of theft from retail stores to report and release offenders without Police having to attend. Authorization to release the offender is made by a police sergeant over the phone. The program has proven effective with an increase of pre-charge diversion. It has also streamlined the time police spend at these calls because Loss Prevention Officers now complete reports prior to police arrival.



# Recreation and Culture

## Overview

Participation in physical recreation is essential to building healthy, active individuals from children to older adults. To enable participation in active recreation experiences for people of all ages, the Recreation and Culture business line provides opportunities to participate in and enjoy the benefits of sport, recreation, culture and park activities. Saskatoon values its people and their strong sense of community; its education, recreation, sport and park resources are central to the City's quality of life.

The Recreation and Culture business line can enhance recreation and parks benefits by providing and offering recreation and parks facilities, spaces and programs directly and in partnerships with others. To get more people, more active, more often, the Recreation and Culture business line provides indoor and outdoor recreation and sport facilities, works with local community organizations to operate and provide programs for youth and adults, and provides direct program opportunity in and provides support to community-based organizations involved in delivering programs and services. Saskatoon's parks and open spaces provide areas for citizens to play sports, walk, wheel or bike along pathways, and play in playgrounds and paddling pools. In addition, river valley parks are home to many of Saskatoon's festivals and major seasonal special events enjoyed by citizens and visitors to the area.



## At a Glance

- \$3.0 million dollars of public art maintained
- 1.4 million visits to City-operated leisure centres
- 300,000 visits to the riverfront trail at River Landing
- 285,100 visits to the Forestry Farm Park & Zoo
- 276,116 tickets sold at PotashCorp Playland at Kinsmen Park (2016 being the first full season)
- 130,000 participants in the summer playground programs
- 121,200 rounds of golf played
- 33,000 hours rented to community groups at leisure facilities
- 20,200 visitor nights at the Gordon Howe Campground
- 14,820 people registered in swimming lessons
- 12,000 participants in community association and neighbourhood-based programs

**Operating Budget:** \$27.1 million

**Capital Budget:** \$6.0 million

**Strategic Goal:**



Quality of Life

- 2,500 hectares (6,178 acres) of park/open spaces
- 1,200 trees planted annually in park and reforestation projects
- 283 outdoor sports fields and six leisure centres
- 145 km of park pathways
- 17 major arts, cultural and heritage organizations supported attracting 937,000 visits
- 30 paddling pools, 17 spray pads, 11 youth centres, and two travelling program vans
- 14.8 hectares (36 acres) of pathways, green space, etc. at River Landing

## Major Projects and Initiatives

### WinterCityYXE

- Held public workshop in which participants helped plan public engagement for *WinterCityYXE 2017* with funding approved by City Council.
- Posted an inventory of existing winter-related assets to the *WinterCityYXE* web page.
- Had consultants work with recreation staff to offer programs in select neighbourhoods, promoting community-level engagement.
- Identified and contacted partners regarding potential *WinterCityYXE* initiative with Canada 150.
- Included community association outdoor rinks on the City's online map to promote existing activities.

### Continuous Improvement

- Finalized report to City Council documenting deficiencies in paddling pools and park and recreation buildings including options for sustaining these facilities with solutions from other cities.
- Improved parks maintenance job costing and tracked performance against current service levels with a Work Management system.
- Furthered system improvements with training programs for management, supervisors and staff as well as surveys for users within Parks work units.
- Completed a Special Events Internal Process Review that explored opportunities for improving efficiency and service within the application, review, and implementation stages of the current outdoor Special Events process. As part of the review, the Special Event application form and user guide was updated.
- Identified recommendations and outcomes for inclusion in the Official Community Plan in conjunction with Planning and Development division.

- Completed or began work on several recommendations as part of the *Recreation and Parks Master Plan*, including updating and enhancing the *Parks and Open Space Classification system*, updating and enhancing the *Park Development Guidelines* and the *Landscape Development Standards*, completing the feasibility study for the City Centre Recreation Facility and reviewing the fees and charges schedule for the Leisure Centres.

### Dog Parks

- Completed construction of the City's ninth off-leash dog park within Fred Mendel Park and opened it to public use.
- Finished detail design work, awarded a construction tender, and began construction on Paul Mostoway off-leash dog park, the City's tenth such park, located in Hampton Village.
- Issued a tender for upgrades to the Avalon off-leash dog park, including development of an accessible pathway.

### Leisure Centre Initiatives

- Launched *Pick Your Perk* program for long-term LeisureCard customers in efforts to increase participation at indoor Leisure Centres, featuring the following perks for signing up for a 12-month Leisure card: *Early Bird registration, 12 months for the price of 11, or a \$45 PerkCard.*
- Continued monitoring and evaluating the system throughout the year and looked into possible new admission products.

### Sport, Culture and Recreation

- Held meetings with the YMCA and Saskatoon Tribal Council (STC) to determine the best location for a single combined facility to be built in the core neighbourhoods and began pursuing two opportunities with these partners, as announced in a May news conference.
- Explored the possibility of a location in or around White Buffalo Youth Lodge with STC and a potential new partner, Saskatoon Public Schools.



## Major Projects and Initiatives

- Pursued second initiative with YMCA exploring a range of partnership models.
- Finalized an agreement with the University of Saskatchewan to provide \$1 million funding for the twin-pad arena on campus.
- Implemented the *Public Art Policy*, furthering efforts to include cultural expressions in civic spaces.
- Identified future capital projects – for 2018 and beyond - on the basis of their locations' individual cultural significance.

### Parks Update

- Awarded project management tender for satellite maintenance buildings for Lakewood, Zakreski and Hyde Parks after designs were completed. Building construction tenders were not awarded as they were significantly over budget, but five new maintenance buildings are being retendered and the capital project budget was adjusted to support higher construction costs.
- Continued work with the Meewasin Valley Authority to complete the design for Chief Whitecap Park, followed by construction of its north parking lot and installation of parking lot fencing, the off-leash dog park area, and site amenities such as garbage cans, benches and dog waste bag dispensers.
- Presented the updated master plan for Chief Whitecap Park at three public information sessions in January, receiving 82 per cent approval from the 96 people in attendance. The revised plan was presented to the *Crime Prevention Through Environmental Committee* for review and comment.
- Awarded the construction contract for the north parking lot with work completed in the third quarter of 2016.
- Continued to finalize information for the Discretionary Use Application to the Rural Municipality of Corman Park (RM) for the off-leash dog park which is subject to RM approval of the Discretionary Use conditions.



# Taxation and General Revenues

## Overview

The property levy is the amount needed from property taxes to balance the operating budget. The budget changes annually to service level changes, growth impacts, inflation and other variables. 2016 saw expenditures increase by \$23.8 million (5.3 per cent) while operating revenues increased by \$16.3 million (3.68 per cent), creating a funding gap of \$7.5 million. Therefore, an increase of 3.96 per cent from property taxes is included to balance the budget.

Grants-in-lieu are received from federal and provincial governments for their tax-exempt properties. Equivalents to property taxes are calculated and the City applies to these governments to pay this amount. The largest portion of grants-in-lieu comes from civic utilities including electricity, water, wastewater and storm water. Utilities are treated like corporations that would pay taxes for using property, both above and below the surface, to conduct their business.

Recently annexed properties are also included in the property levy. Annexation cost is amortized over the agreed-upon number of years used to calculate the annexation provision to the RM of Corman Park and is expensed as Tax Loss Compensation.

Also included in this business line are General Revenues not dedicated for any particular purpose other than general administration and provision of programs and services.

**Operating Budget:** \$(359.0) million

**Capital Budget:** \$0.0 million

### Strategic Goals:



**Asset and Financial Sustainability**



**Economic Diversity and Prosperity**

## At a Glance

### Assessment Roll for 2016:

|  |                   |
|--|-------------------|
| Total Assessment for Saskatoon:                | \$ 41,734,317,200 |
| Total Number of Properties:                    | 92,464            |
| Total Taxable Residential Condos:              | 21,144            |
| Total Taxable Residential (less than 4 units): | 63,406            |
| Total Taxable Assessment:                      | \$ 33,276,903,590 |
| Taxable portion: (77.3% of total)              | \$ 25,719,347,120 |
| Exempt portion: (22.7% of total)               | \$ 7,557,556,470  |

## Major Projects and Initiatives

- The City continued work on the 10-year strategy to investigate alternative revenue sources to help reduce reliance on residential property taxes. Work continues on proposing high-level guiding principles, identifying potential new opportunities and on planning and developing a naming and sponsorship policy.



# Transportation

## Overview

Saskatoon is growing in geographic size as well as population. As the city grows, the challenges involved in safely and efficiently moving people, services and goods around is become increasingly complex. The Transportation business line brings together a wide range of City services and programs, each of which plays an important role in meeting the transportation needs of Saskatoon residents.

Transportation involves planning, design, building, maintenance, operation and regulation of the City's expanding transportation systems. This includes facilities for all modes of travel – pedestrian, bicycle, vehicle and public transit. Saskatoon Transit provides fixed-route service on designated bus routes as well as service for people with mobility issues.

Transportation also involves traffic signal operation, parking control and enforcement, street lighting, seasonal lighting, sidewalk and back lane maintenance, traffic noise attenuation, street sweeping, and snow and ice management. In addition, it provides services for maintenance and rehabilitation (preservation) of all roadway assets including roads, bridges and overpasses, sidewalks, back lanes and pathways.

Finally, Transportation is about planning for the future. A main focus of the Transportation business line is to explore innovative ways to efficiently move people, services and goods, while minimizing environmental impact and promoting sustainability.

## At a Glance

### *Bridges and structures:*

- 48 interchanges and overpasses
- 24 pedestrian overpasses and tunnels
- Seven river crossings

### *Roads and sidewalks:*

- 4,005 lane km of paved roadways
- 1,932 km of sidewalks
- 453 km of back lanes
- 200 lane km of gravel roadways
- 163,000 potholes repaired using over 2,845 tonnes of asphalt

**Operating Budget:** \$102.2 million

**Capital Budget:** \$64.5 million

### Strategic Goal:



**Moving  
Around**

- 38,000 work requests issued from Public Works Customer Service Center
- 30,340 street lights
- 400 walkways each maintained six times between May and September

#### **Transportation:**

- 2,800 metered parking stalls
- 1,194 km of dedicated cycling facilities
- 520 traffic count stations
- 483 seasonal decorations on street lights
- 285 traffic signals

#### **Public transit:**

- 12 million riders used transit in 2015 over the 365 days a year
- 188 public transit buses: 146 conventional 40-foot diesel buses (37 high floor), 26 Access Transit buses, 10 articulating buses, and six mid-sized low floor 26-foot diesel buses
- 26 bus routes operate on 276 km of streets providing service to 1,668 bus stops
- Proportion of workers in Saskatoon commuting to work by car, truck or van, by public transit, on foot, or by bicycle, census metropolitan areas as provided by Statistics Canada, National Household Survey, 2011: Walking – 5.1 per cent; Bicycle – 2.0 per cent; Public Transit – 4.4 per cent; and, Car, Truck or Van (Driver and Passenger) – 86.5 per cent

## Major Projects and Initiatives

### **New Civic Operations Centre**

- Completed construction of the new Saskatoon Transit Operations Facility and the City's first Snow Management Facility as part of the new Civic Operations Centre.

### **Continuous Improvement**

- Determined how many staff were needed in all workgroups to improve efficient delivery of service and implemented schedule changes.
- Implemented new work tracking sheets and software to guide staffing needs in all operations, allowing staff to be reallocated and jobs created to meet demand: in Waste Stream Management, the Landfill workgroup decreased overtime by staging shifts to address peak periods, the Collections workgroup saved fuel by implementing route tracking and partially implementing the ELEMOS system, and Landscaping shifted work hours to better suit business needs.
- Reduced costs for Public Work and Urban Planning by coordinating back lane tree trimming services across all sections. The Logistics and Procurement section tendered a one-year contract for back lane tree trimming service and this contract will be used by all sections in Public Works and Urban Planning.

### **North Commuter Parkway and Traffic Bridge**

- Completed demolition and construction of all piers at the Traffic Bridge and steel erection for Span 4 (south span) is underway.
- Continued ongoing work on south embankment in Rotary Park.
- Completed Pier 1 (west pier) and Pier 2 (centre pier) at the North Commuter Parkway and the east and west abutments are nearing completion.

- Nearly completed road embankments for the associated new roadways and underground utilities are being constructed.
- Substantially completed the Attridge Drive-Central Avenue intersection with only minor cleanup items (median infills and landscaping the shoulders) remaining to be addressed in the spring of 2017.

### **Building Better Roads**

- Recognized need for interchanges at Boychuk Drive and Highway 16 at College Drive and McOrmond Drive to improve traffic flow and enhance safety as nearby areas continue to develop.
- Developed proposals in consultation with three proponents to ensure design requirements were met and awarded PCL the project.
- Established a baseline condition for the roadway network through automated and semi-automated data collection which is used to better allocate funds for rehabilitation strategies.
- Used roadway condition data to develop a three-year preservation plan which is used by a variety of divisions to help communication and planning as well as support response to questions.
- Used automated assessment technology to determine overall condition of the road network and to guide funding plans while continuously monitoring growth, construction inflationary costs, conditions of the network and treatment strategy for the upcoming three years.
- Presented annual state-of-the-roads report to City Council to ensure funding needs to maintain the level of service are known.



# Urban Planning and Development

## Overview

The primary goal of the Urban Planning and Development business line is to build an increasingly sustainable community over time with an enhanced quality of life, which is consistent with the vision and core strategies of the City's Strategic Plan. This is accomplished through the provision of several interrelated services:

## Neighbourhood Sustainability

- Renewing and sustaining existing areas of the City through local area plans, neighbourhood rejuvenation projects, CPTED reviews, incentives for supportive and attainable housing, and effective licensing and civic bylaw enforcement. This includes a renewed focus on improving the City Centre and making strategic investments to improve the public realm to enhance public spaces and attract investment and residents to the City Centre.

## Support for Economic Development

- Encouraging economic development through collaboration with local and regional business organizations, assisting the start-up of new businesses, and providing advice and timely reviews for new development applications. This means working with our regional partners to build capacity and accommodate development in an economically and environmentally sustainable region.

## Growth Plan to Half a Million

- Planning for the future growth of the City requires a development plan which links land use, transportation and infrastructure in ways that are more effective, efficient and sustainable. The City's new Growth Plan to Half a Million is in the final phase and will contain 'made for Saskatoon' growth strategies for the next 30 years which will guide Saskatoon to a more sustainable future.

## Permits, Licensing and Inspections

- Providing timely reviews of building permit and development applications, and performing building and plumbing inspections to ensure the health and safety of owners and occupants. Effective licensing of new and established businesses ensures a healthy and fair marketplace helping people and businesses to thrive.

**Operating Budget:** \$5.7 million

**Capital Budget:** \$2.4 million

## Strategic Goals:



**Economic Diversity and Prosperity**



**Quality of Life**



**Sustainable Growth**

## Quality Design

- Enhancing the quality of public spaces throughout the City through streetscape master plans and urban design projects in key areas such as the downtown, business improvement districts and growth corridors. This includes development of design guidelines for neighbourhood infill, growth corridors and strategic area development.

## Partnerships

- Working with community partners, Business Improvement Districts and builders to ensure an adequate supply of attainable housing choices, including support for homelessness initiatives. This includes continually monitoring the quality of life in our community with our partners at the University of Saskatchewan and the Saskatoon Health Region to facilitate the ongoing evaluation of our Strategic Plan performance.

In recent years, it has become increasingly apparent that the sustainability of our community, from an economic, environmental, social and cultural perspective, will require new approaches to the way we plan and build our City.

Clear, concise communication with City Council, excellent customer service for our clients and meaningful consultation with our stakeholders are foundational principles upon which the Planning and Development business line operates.

## At a Glance

- \$17.9 million in funding since 2008 produced 4,200 Attainable Housing units
- 2,395 new licensed businesses since 2008
- 17 new services added and 16 expanded since 2007 to meet the demands of one of the fastest growing cities in Canada
- 13 neighbourhoods have approved Local Area Plans. \$1.65 million in streetscaping projects completed
- 10,850 licensed businesses are expected to be operating in Saskatoon by the end of 2016
- 4,000 building permits estimated, estimated construction value of over \$850 million
- 1,500 Development Permits issued
- 560 Attainable Housing units supported through various programs in the City's Housing Business Plan
- 500 property-use complaints estimated requiring attention
- 82 Subdivision Applications processed reflecting strong demand for new, fully-serviced residential, commercial and industrial lots

- 37 Official Community Plan (OCP) amendments and Rezoning Requests received
- 21 Condominium Applications received
- 20 Discretionary Use Applications processed including garden and garage suite applications and continued strong demand for more care homes
- 18 CPTED reviews conducted on various parks, neighbourhoods and major capital projects to ensure safe design of buildings and sites
- Seven Vacant Lot Incentive Applications approved resulting in new development on chronically vacant sites and the adaptive reuse of vacant buildings in established areas

## Major Projects and Initiatives

### A New Heritage Registry

- Developed a new online Heritage Registry to be published both in print and on the City website with the print version available at heritage events and City Hall Planning and Development Division and initiated development of a pocket map to accompany the publication.

### Enhancing Relationships with First Nations

- Participated in three “*Prosperity Through Partnership*” workshops hosted by the Federation of Sovereign Indigenous Nations.
- Partnered for the series with City Administration for Regional Planning and the Director of Aboriginal Relations as well as Administration from the City of Regina, SREDA, and the federal and provincial governments.
- Participated in discussions of topics including legislative tools for easing economic development for First Nations and enhancing government-to-government partnerships to generate new opportunities.
- Included two new partners to the development of the *First Nation Community Profiles* – Thunderchild First Nation and Fishing Lake First Nation.
- Updated the “*Urban Reserves: Frequently Asked Questions*” brochure.
- Held discussions with First Nations regarding land holdings and reserves in the Saskatoon region – boundary alterations put Red Pheasant First Nation reserve land within the City’s boundary.
- Continued consultation with First Nations regarding process and agreements needed to establish urban reserves.
- Began discussions with Moosomin First Nation and Rural Municipality of Corman Park regarding a tri-party *Compatible Land Use Agreement*.
- Partnered with a summer student group provided by Saskatoon Tribal Council to develop a *First Nations Communication Protocol Handbook*.

### Growth Plan to Half a Million

- Held *Growth Plan Summit* in March 2016 to present the final Growth Plan Technical Report.
- Received City Council approval for the *Growth Plan to Half a Million*.
- Expanded the Urban Design City-Wide program with a stable funding source for continued streetscape projects under the *Growth Plan to Half a Million*.
- Recognized need for a *Corridor Area Planning Program* with urban design as a component and funding for this will be needed

through subsequent capital projects, enabling redevelopment of major corridors and development of Bus Rapid Transit facilities. Began staffing the program and considering funding possibilities.

### Streetscaping Transforms Sutherland

- Completed streetscaping from 109th Street to 112th Street as part of the *Central Avenue Streetscape Master Plan*.
- Held *Spheres of Confluence* permanent public art unveiling event.
- Began developing estimates for streetscaping from 108th Street to the railway tracks with proposed completion for 2018.

### Neighbourhood Level Infill Development Guidelines

- Completed stakeholder consultations and developed recommendations on the last phase of the *New Neighbourhood Level Infill Development Standards*. Recommendations were developed for Committee and City Council.

### New Planning Initiatives

- Engaged a consultant to develop the *Idylwyld Drive Comprehensive Corridor Project*.
- Delivered stakeholder workshop attended by more than 45 stakeholders as well as an online survey completed by over 2,800 participants.
- Completed the draft of project scope and terms of reference for the new *Long-Range Transportation Plan* focusing on ways to merge and integrate different plans for ways to get around Saskatoon into this plan.
- Completed *Holmwood Sector Plan* amendments draft – preliminary consultations with the Rural Municipality of Corman Park were held while discussions with Corman Park Council, City Council and other stakeholders will occur once the *Regional Plan Land Use Map* is released.
- Continued work on the *Grasswood Mixed Use Node Impact Study* with final revisions expected to be complete by 2017.
- Engaged SNC-Lavalin to undertake a detailed Phase II ESA and risk assessment of the former Saskatoon Transit facilities and sites. Environmental testing to begin in early 2017.
- Drafted information report for presentation to City Council on the progress of plans for the *South Caswell Redevelopment Project*.
- Drafted *Meadowgreen and Montgomery Place Local Area Plans (LAP)* for the Leadership Team Standing Policy Committee on Planning Development and Community Services, and City Council in spring 2017.
- Planned to begin the Exhibition LAP when the Meadowgreen and Montgomery Place LAPs are complete.



# Utilities

## Overview

Electricity, quality drinking water, collection and treatment of wastewater, storm water collection and residential recycling are basic amenities provided through the Utilities business line. Utilities are not only responsible for keeping the lights on, taps flowing and toilets flushing, they are also responsible for the long-term, sustainable management of Saskatoon's water and energy resources.

Saskatoon Light & Power provides safe, reliable and cost-effective electricity to its customers in an environmentally responsible way. The Water Treatment Plant and water distribution system deliver treated water to Saskatoon households, businesses and institutions, and also to users outside the City limits on a fee-for-service basis. The Wastewater Treatment Plant treats wastewater that is delivered to the Plant by an extensive network of pump stations and underground pipes, and returns high quality water back to the South Saskatchewan River. The storm water management system is a separate network designed to drain storm water away from streets and buildings. Waste Services manages the residential recycling and yard waste collection programs.

Fees generated by services within the Utilities business line are an important source of revenue for the City. In the 2016 budget, contributions of \$56.2 million are made available to the City in order to help offset property taxes and fund various municipal projects.

**Operating Budget:** \$303.4 million

**Capital Budget:** \$80.0 million

### Strategic Goals:



**Asset and  
Financial Sustainability**



**Environmental  
Leadership**

## At a Glance

### *Electricity: Saskatoon Light & Power*

- 1,171 km of overhead lines in the distribution network
- 615 km of underground power cables

### *Drinking Water: The Water Treatment Plant and Distribution System*

- 43 million cubic metres treated per year
- 71,139 service connections
- 14,302 valves
- 7,139 fire hydrants
- 1,147 km of water mains

### *Wastewater: The Wastewater Treatment Plant and Collection System*

- 33 million cubic metres of wastewater treated per year
- 71,349 service connections



- 11,586 manholes
- 1,052 km of sanitary mains, 25 sanitary sewer lift stations and 49 km of force mains

#### **Storm Water: Drainage and Collection System**

- 13,266 catch basins
- Two storm sewer lift stations
- 2,942 service connections
- 724 km of storm sewers, 42 km of sub-drainage and four km of force mains
- 20 wet ponds, eight dry ponds, three natural ponds and two constructed wetlands

#### **Recycling: Waste Services**

- 68,500 homes provided with curbside, biweekly recycling services
- 34,500 apartment and condominium units receive services
- 45,000 vehicles visit compost depots annually
- 12,500 tonnes of leaves, grass, branches, yard waste and kitchen scraps collected
- 6,000 subscribers to the Green Cart Program for food and yard waste

## Major Projects and Initiatives

### **Upgrade Street and Park Lighting**

- Investigated opportunities to upgrade street and park lighting to use LED (light-emitting diode) solutions as part of the commitment to reduce greenhouse gas emissions by 30 per cent from 2006 levels with a report to be provided to City Council providing information on phased implementation of LED street lighting.
- Established technical requirements and implications on a policy to provide more decorative lighting to be a more attractive “winter city.”

### **Implementation of Advanced Metering Infrastructure (AMI)**

- Implemented *Advanced Metering Infrastructure (AMI)* to provide the communication network for smart meter data to be sent digitally to the City, reducing lost revenues and decreasing operating costs for utilities while improving customer service by providing actual meter reads each month.
- Activated the AMI system on July 18 with the first bills using AMI data issued to Saskatoon Light & Power and Saskatoon Water customers on July 25 and all electricity and water

customers with AMI compatible meters receiving bills using AMI data.

- Expanded AMI network for Saskatoon Water in Evergreen, University Heights, and Willowgrove.

### **Power Generation Initiatives**

- Continued to explore Saskatoon Light & Power options for new green energy generation projects.
- Entered an agreement with SES Solar Co-operative to construct a Solar PV Power Demonstration project which will be fully operational and expecting a public launch in spring 2017.
- Continued to explore a partnership opportunity to develop a hydropower station at the weir.

### **Liquid Waste Haulers' Station**

- Completed design of a liquid waste haulers' station in the North Industrial area, a \$6.25 million project that will replace the existing station at the Wastewater Treatment Plant and eliminate the need for waste haulers to travel through residential neighbourhoods and school zones. Construction tender to be issued in early 2017.



## Services Provided by City Departments

### Office of the City Manager

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

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

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

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

### Government Relations

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

### Office of the City Clerk

The primary responsibility of the City Clerk's Office is to administer the City's legislative processes. Responsibilities include: preparing and distributing agendas, minutes, and decisions of City Council and its committees; ensuring that the business of City Council and its committees is conducted in accordance with *The Cities Act* and other relevant legislation; maintaining corporate records and City Archives; conducting municipal elections, administering the provisions of *The Local Authority Freedom of Information and Protection of Privacy Act*, and providing administrative support services to City Councillors.

### Office of the City Solicitor

The Office of the City Solicitor provides general and specialized legal services. Reporting directly to City Council, the Office gives legal advice to City Council, Committees of Council, the City Manager, the City Clerk and other civic departments. It represents the City at all levels of court including bylaw enforcement prosecutions, appeals for the City and all claims made by or against the City. The Office

drafts legislation, arranges for insurance for the City and provides legal services to all civic departments and boards. Its services also include land transactions, contracts, loans and debentures, expropriations and tax collections.

### Asset and Financial Management Department

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

### Corporate Revenue

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

### Corporate Risk

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

### Facilities and Fleet Management

The Facilities and Fleet Management Division is responsible for the City's buildings and structures, the City-owned vehicle and equipment fleet, and the City's radio communications system. As such, the Division provides for building operation and maintenance of civic facilities such as leisure facilities, fire halls, transit buildings, City office buildings, and contracted services for the Boards. Project management services for any capital or maintenance projects are provided, including design,

## Services Provided by City Departments

contract tendering and award, and construction management. Energy management, space management, corporate security, identification services, and accommodation planning are also provided for user departments.

### Finance

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

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

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

### Saskatoon Land

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

## Community Services

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

### Building Standards

Building Standards issues building and plumbing permits and administers inspection programs related to regulations contained in the Building Bylaw, the Swimming Pool Bylaw,

the Uniform Building and Accessibility Standards Act, the National Building Code, and the Plumbing and Drainage Regulations.

### Community Standards

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

### Recreation and Community Development

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

### Parks

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

### Planning and Development

Planning and Development is responsible for overall land use planning and long-range transportation planning for the City of Saskatoon. The primary goal of the division is to build an increasingly sustainable community over time, with an enhanced quality of life, consistent with the vision and core strategies of the City's Strategic Plan. Through

## Services Provided by City Department

community engagement and consultation, the division seeks to understand the values of the community and reflect those values through the implementation of development policies, programs, bylaws and standards.

### Corporate Performance Department

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

### Aboriginal Relations

Aboriginal Relations is primarily responsible for building and maintaining relationships with the Aboriginal community, municipal associations and Aboriginal governments. In performing this key function, Aboriginal Relations analyzes key policy decisions, issues and trends emerging from other orders of government (including Aboriginal governments), public policy institutes, and the media as related to the policies and operations of the City of Saskatoon.

### Communications

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

### Environmental and Corporate Initiatives

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

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

### Human Resources

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

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

### Information Technology

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

## Services Provided by City Departments

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

### Media Relations

Media Relations manages and coordinates the City's interaction with the local, provincial, national and international news media. It guides distribution of corporate news releases and public service announcements, as well as City-related information for journalists. Media Relations has also adopted the role of shepherding City messages in social media by sharing, monitoring and responding to public information requests via the City's Facebook, Twitter and YouTube channels. Media Relations periodically consults and co-operates with Saskatoon Police Service Public Affairs officials when certain bylaw initiatives need to be communicated to the public through the news media.

### Strategic and Business Planning

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

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

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

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

### Service Saskatoon

Service Saskatoon and the Service Saskatoon model were officially launched on April 6, 2016. Service Saskatoon is a new and improved model for service delivery. The new model is built on four pillars: Citizen Input, Systems, Standards and Staffing. The City has made a new commitment to improve delivery of customer service. It's about helping citizens connect to the right people and information they need from the City – quickly, simply and seamlessly. The goal for citizens is to eliminate the guess work involved in finding the right

information or department. The City wants to create multiple channels for citizens to access information and answers they need. It's a City-wide shift in how we deliver front-line services, respond to requests, and improve services.

The Citizen Input pillar is key to accomplishing the City's goal. Opportunities are being provided for citizens to shape the design of the City's services including the opportunity through Shaping Saskatoon to participate in a new Citizen Advisory Panel (CAP) to help establish priorities. Currently there are over 1,500 participants in the CAP.

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

### Saskatoon Fire Department

The Saskatoon Fire Department (SFD) is a public service focused on safety and risk reduction. Community protection and prevention is accomplished by six divisions working out of nine strategically-located stations. The SFD protects an assessed value of \$41.6 billion of local assets. Fire Service and Dispatch Agreements are held with multiple surrounding municipalities and First Nations communities.

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

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

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

Through the Emergency Planning division, the Saskatoon Emergency Organization (EMO) ensures a coordinated and

## Services Provided by City Departments

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

### Transportation and Utilities

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

### Construction and Design

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

### Major Projects and Preservation

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

### Roadways and Operations

Roadways and Operations is responsible for the operation and maintenance of roads, lanes and sidewalks. It also provides procurement, logistical, and operational support for departments across the City.

### Saskatoon Light & Power

The City of Saskatoon operates an electric utility providing electrical service to the area of Saskatoon that lies generally within the 1958 city boundary. Bulk electrical power is purchased from the provincial crown utility, SaskPower, and

through a system of transmission lines, substations, and distribution lines with associated distribution hardware, this utility distributes electricity to customers on demand at locations and at voltages appropriate to their needs. The utility is also responsible for the street lighting system.

### Saskatoon Transit

The Saskatoon Transit division operates and maintains Saskatoon's public transit system and provides Access Transit for individuals who are unable to use the regular transit system with safety and dignity. Saskatoon Transit operates six terminals spread throughout the city. Saskatoon Transit's service includes DART (Direct Access Rapid Transit) which serves all major quadrants of the city and can best be described as a light-rail system on wheels.

### Saskatoon Water

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

### Transportation

The Transportation division provides planning, design, regulation, and operation of the City's transportation network. Major activities include planning for the transportation network, traffic management and operations. The goal of the Division is to provide for the safe and efficient movement of people, goods, and services within and through Saskatoon in a cost-effective manner.

### Water and Waste Stream

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

### Boards

#### Remai Modern

Remai Modern is a thought leader and direction-setting modern art museum that boldly collects, develops, presents and interprets the art of our time. Our mandate is to enable

## Services Provided by City Departments

transformative experiences by connecting art with local and global communities.

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

Staff members are preparing for the move from the Mendel building to Remai Modern, with the goal to open the new museum in 2017. Remai Modern's 11 gallery spaces, including the huge, third-floor Marquee Gallery, to be used for major, international touring exhibitions, as well as our 147-seat SaskTel Theatre, offer an abundance of opportunities for programs and exhibitions. In addition, the permanent collections galleries will exhibit selections from the permanent collection, including our outstanding collection of Picasso linocuts and ceramics. Remai Modern also presents art programs throughout the city, including at schools, hospitals, libraries and other community organizations.

### Saskatoon Police Service

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

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

SPS members are equipped and trained to deliver police service in partnership with the community. They offer emergency services, take complaints of crime, conduct follow-up investigations and crime prevention activities.

### Saskatoon Public Library

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

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

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

### SaskTel Centre

(Legal name: Saskatchewan Place Association Inc.)

SaskTel Centre opened in February 1989 and since its opening hosts more than 500,000 guests annually. It is Saskatchewan's number one venue for large-scale musical productions, as well as one of the Canada's busiest entertainment and sports venues. Seating capacity is about 13,000 for concerts and 15,100 for hockey. SaskTel Centre is the home of the Saskatoon Blades Hockey Club of the Western Hockey League and the Saskatchewan Rush, the 2016 National Lacrosse League Champions.

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

### TCU Place

(Legal name: Saskatoon Centennial Auditorium and Convention Centre Corporation)

TCU Place was a project to commemorate the centennial of the founding of the Dominion of Canada. It is an imposing and beautiful building in the heart of the city, adjacent to a major shopping complex, steps away from first-class hotels, restaurants, boutiques, and parking facilities for 2,000 vehicles. The facility is equipped with sophisticated aids for audio, visual, stage or exhibit requirements; maintains an in-house catering/banquet service; and is part of a province-wide box office. TCU Place's 2,000 soft-seat concert theatre has brought heartwarming praise from numerous world-class entertainers and artists, touring companies, ballet companies, and local and international performing art groups. It is home to the Saskatoon Symphony.

With 104,000 square feet of high-end convention space, TCU Place is poised for the large-sized national and international convention market, with first-class convention facilities and services.

## Services Provided by City Departments

In addition, the venue's box office operates both an Audience View and Ticketmaster ticketing distribution system that sells tickets not only for TCU Place but also SaskTel Centre, and other venues across Canada. TCU Place is owned by the City of Saskatoon and is operated by the Saskatoon Centennial Auditorium and Convention Centre Corporation. The Corporation, as well as the Saskatoon Centennial Auditorium and Convention Centre Foundation, consists of a Board of Directors with representation from City Council and the general public.



## Financial Management and Control

### Corporate Planning Process

City Council's Strategic Plan sets out a vision for the community, a mission statement and a set of corporate values and strategies.

The Capital Budget process decides, based on City Council's priorities, which projects will proceed over which time frame. Long-term capital planning (through the five-year plan) and reserve policies strive to match funds to required projects.

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

### Annual Financial Reports

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

The annual Financial Report includes consolidated financial statements audited by the City's appointed external auditor.

### Financial Policies

The City of Saskatoon operates under a number of financial policies, some of which have received formal approval by City Council; others are based on fiscal responsibility.

### Property Tax Policies

In 2001, City Council resolved that commercial property be taxed at 1.75 times the residential rate (shifted over a 10-year period) and that the effective tax rate among residential, condominium and multi-family residential classes be equalized.

### Investment Policy

City portfolios are invested primarily to preserve capital, to maintain enough liquidity to meet ongoing financial needs and to maximize return on investment. Specific guidelines are outlined regarding the type of securities approved for purchase, investment limitations and term structure.

### Reserve Policies

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

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

### Debt Management Policies

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

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

# FINANCIAL DISCUSSION AND ANALYSIS

December 31, 2016

## Financial Discussion and Analysis

December 31, 2016

The City of Saskatoon's 2016 Annual Financial Report contains the audited Consolidated Financial Statements prepared in accordance with principles and standards established by the Public Section Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Deloitte LLP has audited the financial statements and provided the accompanying Auditor's Report. The financial statements and auditor's report meet the legislative reporting requirements under *The Cities Act*.

The following financial discussion and analysis has been prepared in order to provide a narrative explanation, through the eyes of management, of how the City has performed in the past, its financial conditions and its future prospects.

### Financial Highlights

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

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

### Revenue and Expenditures

The City had consolidated operating revenues of \$892.4 million in 2016, including \$92.2 million in capital contributions. Significant revenue sources include:

- \$392.5 million in user charges;
- \$227.5 million in taxation; and
- \$67.9 million in government operating transfers.

These revenues were used to deliver various City programs and utility services as recognized by \$705.6 million worth of consolidated expenditures in 2016.

This resulted in a net surplus of revenues over expenditures of \$186.8 million. Overall, the City has increased its accumulated surplus to \$3.88 billion, an increase of 5.06 per cent over the prior year.

### Consolidated Financial Position

The City's total net financial debt increased from a balance of \$57.9 million in 2015 to \$125.1 million in 2016. This shift was largely due to additional debt and liabilities incurred from the continued progress on the City's P3 Projects such as the Civic Operations Centre and North Commuter and Traffic Bridge.

|                                       | 2016         | 2015         |
|---------------------------------------|--------------|--------------|
| A Financial Assets                    | \$ 587,703   | \$ 567,354   |
| B Liabilities                         | \$ 712,809   | \$ 625,297   |
| C Net Financial Assets<br>(A minus B) | \$ (125,106) | \$ (57,943)  |
| D Non-Financial Assets                | \$ 4,000,466 | \$ 3,746,449 |
| E Accumulated Surplus<br>(C plus D)   | \$ 3,875,360 | \$ 3,688,506 |

As at December 31 (in 000's of dollars)

As seen above, the City's accumulated surplus increased by \$186.8 million, largely due to the net increase in tangible capital assets (purchased and donated) of \$253.8 million offset by the increase in liabilities of \$87.5 million related to the continued progress of the City's P3 projects (North Commuter and Traffic Bridge and Civic Operations Centre).

The term debt component of liabilities increased to \$318.8 million in 2016 from the 2015 balance of \$263.1 million. This includes an additional \$79.7 million in third-party debt in relation to the Civic Operation Centre P3 Project. This is offset by \$24.0 million in annual term debt repayments made in 2016. The City's long-term debt rating was affirmed at AAA by Standard & Poor's in fall 2016.

### Tax Based Operations

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

### Tax-Based Operating Results

| (in thousands of dollars)                                | 2016<br>Budget | 2016       | Variance   | Per cent<br>Variance |
|--|----------------|------------|------------|----------------------|
| Revenues   | \$ 464,749     | \$ 456,886 | \$ (7,863) | (1.69%)              |
| Expenditures   | \$ 464,749     | \$ 456,233 | \$ 8,516   | 1.83%                |
| Preliminary<br>Surplus (Deficit)                         | \$ -           | \$ 653     | \$ 653     | 0.14%                |
| Less Transfer to Snow<br>and Ice Stabilization           | \$ -           | \$ 1,025   | \$ 1,025   | -                    |
| Less Transfer to<br>Internal Audit<br>Program Reserve    | \$ -           | \$ 15      | \$ 15      | -                    |
| Add Transfer from<br>Street Scape – City<br>Wide Reserve | \$ -           | \$ (387)   | \$ (387)   | -                    |
| Surplus (Deficit)  | \$ -           | \$ -       | \$ -       | -                    |

The City was able to achieve a surplus of \$653,900 in 2016 prior to transfers to and from reserve. This surplus was largely achieved through:

- Lower than anticipated fuel prices which resulted in a significant savings (\$2.9 million) to the City's fleet and transit operations.
- Snow and Ice Management had a favourable variance of \$2.5 million largely due to the lack of large snow events during 2016.
- \$3.0 million in unanticipated surplus distributions from the Saskatchewan Workers' Compensation Board (WCB). This rebate was due to WCB Saskatchewan's funded position exceeding the 105 – 120 per cent funding policy target range; largely due to higher than anticipated investment returns by WCB.

These positive gains were somewhat offset by:

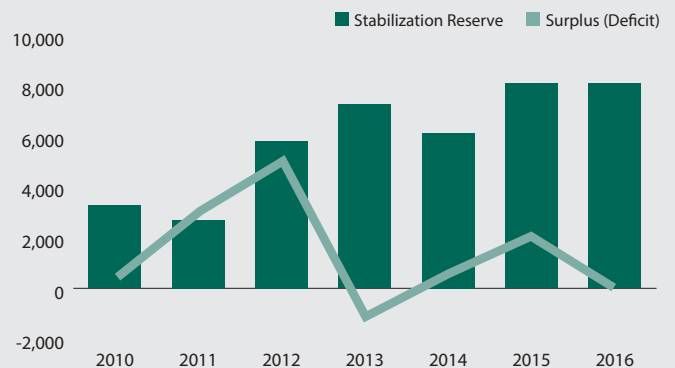
- Waste handling experienced a \$2.1 million negative variance, mainly due to declining revenues at the landfill as other area landfills continue to attract commercial customers from the City.
- Fines and Penalties had a \$1.2 million negative variance, largely from fewer traffic violations than originally budgeted as a result of automated enforcement and increased compliance. Parking fines also had a negative variance as a result of the continued implementation of the new parking system in early 2016.
- Recreation facilities had a \$712,000 unfavourable variance largely from lower admissions and corresponding revenues. Although actual revenue and admissions results continue to increase year over year, they continue to fall short of the approved budget.

Overall, the City was able to deliver on increased service levels related to roadways, policing and snow removal within the approved budget. The surplus of \$653,900 will be allocated as follows:

- A transfer of \$1.1 million to the Snow and Ice Stabilization Reserve as opposed to the entire Snow and Ice 2016 surplus of \$2.473 million. This transfer would produce a balanced budget after transfers to reserve. This will increase the Snow and Ice Stabilization Reserve to a balance of \$3.113 million as at December 31, 2016.
- A transfer of \$15,533 to the Internal Audit Program Reserve in order to utilize these funds for future year internal audit engagements. This reserve was created in early 2017 and this would be the first transfer to this reserve, bringing the balance to \$15,533.
- A transfer of \$387,209 from the Street Scape – City Wide Reserve in order to cover the funding shortfall in the Urban Design Program. This is consistent with the intent and purpose of the reserve and leave the Street Scape – City Wide Reserve with a balance of approximately \$332,000, which remains sufficient to achieve the programs current five-year capital plans.

Due to the balanced budget, no transfers were made to or from the fiscal stabilization reserve in 2016. This reserve has a targeted minimum balance equal to 5 per cent of the current year's tax-supported expenditures. For 2016, the reserve should be at \$11.4 million, however, after the 2016 allocation, the reserve will be approximately \$3.3 million short of its minimum balance. It is intended that over time, future surpluses and one-time funding revenues will bring the reserve back to its targeted level.

### Stabilization Reserve Year End Balances



## Cash Flow

The City's cash and cash equivalents increased by \$178,000 over 2015 to a December 31, 2016 balance of \$68.5 million. While cash balances increased, this was largely offset by decreases in investment holdings of \$8.6 million to a year-end balance of \$364.1 million. The changes in cash and investment holdings is largely due to normal operating fluctuations as seen below:

|                                   |              |
|-----------------------------------|--------------|
| January 1, 2016 Cash Balance      | \$ 68,305    |
| Cash from Operating Activities    | \$ 303,843   |
| Decrease in Investment Holdings   | \$ 8,599     |
| New Debt Issued net of Repayments | \$ 55,721    |
| Acquisitions of Capital Assets    | \$ (367,985) |
| December 31, 2016 Cash Balance    | \$ 68,483    |

## Cash from Operating Activities

Cash provided by operating activities in 2016 was \$303.8 million, compared to \$384.2 million in 2015. In addition to the annual surplus (\$186.9 million), the increase was largely driven by larger accounts payable balances due to future substantial completion payments for the two P3 projects and lower accounts receivable balances due to improved collections in 2016.

## Cash from Investments and Financing

Cash provided by investment activities was \$8.6 million due to a decrease in current holdings. This decrease is largely due to normal business fluctuations.

Cash provided by financing activities was \$79.7 million due to continued progress of the P3 Civic Operations Centre and associated third-party borrowings, which is offset by \$24.0 million in annual debt repayments.

## Cash used for Capital Acquisitions

\$368.0 million was used for the acquisition of capital assets in 2016. Some of the notable capital projects included in this balance are:

- Remai Modern
- North Commuter Parkway and Traffic Bridge
- Various Roadway maintenance and rehabilitation projects

## Financial Analysis – Revenues Compared to Budget

| Revenues<br>(in millions of dollars)            | 2016<br>Budget  | 2016            | Variance          | Per cent<br>Variance |
|---|-----------------|-----------------|-------------------|----------------------|
| Taxation  | \$ 228.0        | \$ 227.5        | \$ 0.5            | 0.2%                 |
| Grants-in-Lieu<br>of Taxes                      | \$ 4.5          | \$ 5.3          | \$ (0.8)          | (17.8%)              |
| User Charges                                    | \$ 399.0        | \$ 392.6        | \$ 6.4            | 1.6%                 |
| Government<br>Transfers –<br>Operating          | \$ 68.0         | \$ 67.9         | \$ 0.1            | 0.1%                 |
| Government<br>Transfers – Capital               | \$ –            | \$ 47.8         | \$ (47.8)         | –                    |
| Investment Income                               | \$ 13.1         | \$ 13.0         | \$ 0.1            | 0.8%                 |
| Contributions<br>from Developers –<br>Operating | \$ –            | \$ 49.6         | \$ (49.6)         | –                    |
| Contributions<br>from Developers –<br>Capital   | \$ –            | \$ 44.4         | \$ (44.4)         | –                    |
| Franchise Fees                                  | \$ 21.9         | \$ 21.7         | \$ 0.2            | 0.9%                 |
| Other   | \$ 22.0         | \$ 22.6         | \$ (0.6)          | (2.7%)               |
| <b>Total</b>                                    | <b>\$ 756.4</b> | <b>\$ 892.4</b> | <b>\$ (136.0)</b> | <b>–</b>             |

Consolidated revenue for 2016 was \$892.4 million compared to an approved budget of \$756.4 million. The main reasons for this positive variance are as follows:

### \$141.8 million surplus in Unbudgeted Revenues include:

- Government Transfers – Capital;
- Contributions from Developers – Operating; and
- Contributions from Developers – Capital.

These items are not included in the City's annual operating budget due to the fact that these items are not used to fund general operations but instead are used to fund the capital budget or relate to a specific project such as land development. Examples include development levies and developer contributions to lift stations, interchanges and trunk sewers and industrial land sale contributions. These revenue sources generated \$141.8 million in 2016.

**User Charges** were \$392.6 million in 2016, which is \$6.4 million below budget. The negative variance is largely due to:

- Declining landfill revenues from increased competition in the region that continue to attract major customers from the City landfill.
- Fines and Penalties experienced fewer traffic violations than originally budgeted as a result of automated enforcement and increased compliance. Parking fines

also had a negative variance as a result of the continued implementation of the new parking system in early 2016.

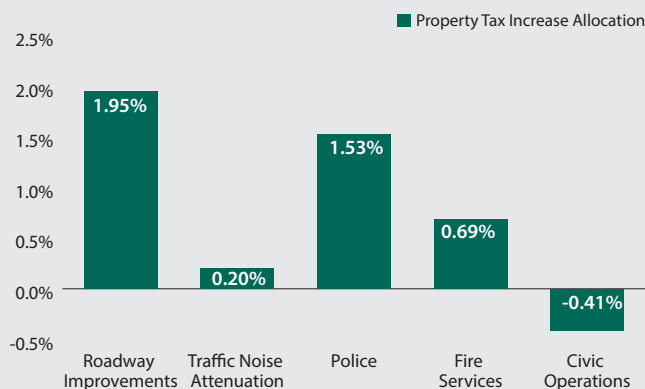
- Although Leisure Centre revenues have experienced increases from prior years as a result of a revamped marketing and pricing strategy, actual revenues still continue to fall short of budget. This shortfall is expected to continue decreasing over the next several years.

### Financial Analysis – Revenues Compared to Prior Year

| Revenues<br>(in millions of dollars)            | 2016<br>Budget  | 2016            | Variance         | Per cent<br>Variance |
|---|-----------------|-----------------|------------------|----------------------|
| Taxation  | \$ 227.5        | \$ 213.2        | \$ 14.3          | 6.7%                 |
| Grants-in-Lieu<br>of Taxes                      | \$ 5.3          | \$ 5.0          | \$ 0.3           | 6.0%                 |
| User Charges                                    | \$ 392.6        | \$ 379.2        | \$ 13.4          | 3.5%                 |
| Government<br>Transfers –<br>Operating          | \$ 67.9         | \$ 66.6         | \$ 1.3           | 2.0%                 |
| Government<br>Transfers –Capital                | \$ 47.8         | \$ 25.3         | \$ 22.5          | 88.9%                |
| Investment Income                               | \$ 13.0         | \$ 13.7         | \$ (0.7)         | (5.1%)               |
| Contributions<br>from Developers –<br>Operating | \$ 49.6         | \$ 90.4         | \$ (40.8)        | (45.1%)              |
| Contributions<br>from Developers –<br>Capital   | \$ 44.4         | \$ 105.7        | \$ (61.3)        | (58.0%)              |
| Franchise Fees                                  | \$ 21.7         | \$ 21.6         | \$ 0.1           | 0.5%                 |
| Other   | \$ 22.6         | \$ 25.1         | \$ (2.5)         | 10.0%                |
| <b>Total</b>                                    | <b>\$ 892.4</b> | <b>\$ 945.8</b> | <b>\$ (53.4)</b> | <b>(5.65%)</b>       |

**Taxation revenue** was approximately 6.7 per cent higher than 2015 revenue primarily due to an increase in the tax rate of 3.96 per cent and growth in the assessment base as the

### Property Tax Increase Allocation



City's physical inventory of houses and commercial properties continue to grow. The property tax increase of 3.96 per cent in 2016 was allocated as follows:

The majority of additional tax revenue collected as a result of the rate increase was attributed directly to Road Improvements and Police Services. Civic Operations saw a decrease/redistribution of 0.41 per cent of the property tax increase back to other areas.

**User Charged revenue** increased to a balance of \$392.6 million, up 3.5 per cent or \$13.4 million from 2015. This increase was largely due to increased rates and increased consumption from a growing City and population. City owned utilities saw the following increases in user fee revenues:

- Saskatoon Water Utility increased by \$5.3 million to a total of \$70.5 million.
- Saskatoon Wastewater Utility increased by \$3.5 million to total user fee revenue of \$62.5 million.
- Saskatoon Storm Water Management user fee revenue increased by \$379,000 to a total balance of \$6.1 million.
- Saskatoon Light & Power realized increased user fee revenue of \$4.5 million to a 2016 total of \$157.2 million

**Government Transfers – Operating revenues** increased to \$67.9 million, up \$1.3 million from 2015. This increase is primarily due to the Provincial Municipal Revenue Sharing program which increased the City of Saskatoon's contribution from \$47.4 million in 2015 to \$48.5 million in 2016.

**Government Transfers – Capital revenues** increased to \$47.8 million, up \$22.5 million from 2015. This increase is due to \$38.6 million received from the Federal Government for the construction of the Civic Operations Centre P3 Project.

**Contributions from Developers – Operating** decreased to \$49.6 million from \$90.4 million in 2015. The decrease is largely due to \$15 million that was received in 2015 for the new school sites and \$21 million in contributions for the Remai Modern. These amounts were not received in 2016.

**Contributions from Developers – Capital** decreased to \$44.4 million from \$105.7 million in 2015. This revenue stream used for capital improvements relates to contributions from developers for levies for lift stations, interchanges and trunk sewers. These contributions are directly linked to growth in the economy and City; as this growth slowed in 2016 so did the contributions being received from developers.

## Financial Analysis – Expenditures Compared to Budget

| Expenditures<br>(in millions of dollars) | 2016<br>Budget  | 2016            | Variance        | Per cent<br>Variance |
|--|-----------------|-----------------|-----------------|----------------------|
| General Government                       | \$ 41.2         | \$ 41.8         | \$ 0.6          | 1.5%                 |
| Protection of Persons<br>and Property    | \$ 158.1        | \$ 157.9        | \$ (0.2)        | (0.1%)               |
| Transportation                           | \$ 154.4        | \$ 151.6        | \$ (2.8)        | (1.8%)               |
| Recreation & Culture                     | \$ 82.0         | \$ 81.1         | \$ (0.9)        | (1.1%)               |
| Social & Family<br>Services              | \$ 5.8          | \$ 5.7          | \$ (0.1)        | (1.7%)               |
| Planning &<br>Development                | \$ 39.0         | \$ 38.6         | \$ (0.4)        | (1.0%)               |
| Saskatoon Light<br>& Power               | \$ 109.1        | \$ 108.4        | \$ (0.7)        | (0.6%)               |
| Environmental Health                     | \$ 111.1        | \$ 108.3        | \$ (2.8)        | (2.5%)               |
| Debt Servicing Costs                     | \$ 12.0         | \$ 12.1         | \$ 0.1          | 0.8%                 |
| <b>Total</b>                             | <b>\$ 712.7</b> | <b>\$ 705.5</b> | <b>\$ (9.0)</b> | <b>(1.3%)</b>        |

Overall, consolidated expenditures for the year ended December 31, 2016 were \$705.5 million, this is a 1.3 per cent variance from the approved consolidated budget of \$712.7 million. The largest reasons for the positive variance are:

**Transportation** was \$2.8 million under budget, largely due to a reduction in the amount of contractual services required for snow removal. 2016 experienced fewer large snow events than an average year.

**Recreation and Culture** had a positive \$0.9 million expenditure variance in 2016 most notably from lower contract costs related to River Landing operations and staff compensation savings due to vacancies at Saskatoon Public Library and other recreation facilities.

**Planning and Development** experienced a \$0.4 million favourable expenditure variance in 2016 mainly due to favourable contracts in Parks and Urban Forestry. These favourable contract prices were slightly offset by higher than anticipated salaries and wages in order to provide the expected level of parks service.

**Saskatoon Light & Power** had a positive \$0.7 variance from the approved budget mostly due to lower sales volumes in 2016 from less than expected heating and cooling days (12.4 per cent below expectation). This resulting in less bulk power purchased than originally budgeted.

**Environmental Health** had a \$2.8 million favourable expenditure variance most notably from Saskatoon Water and Wastewater achieving a surplus result in 2016. This surplus was largely due to plant operational savings in flow or volume-related expenses due to a moderate summer climate

and associated power for pumping, chemicals and landfill fees for residual disposals being lower than budget.

## Financial Analysis – Expenditures Compared to Prior Year

Overall, consolidated expenditures for the year ended December 31, 2016 totaled \$705.5 million, this is down 4.1 per cent from 2015 which totaled \$735.3 million. The main contributors to this decrease in expenditures:

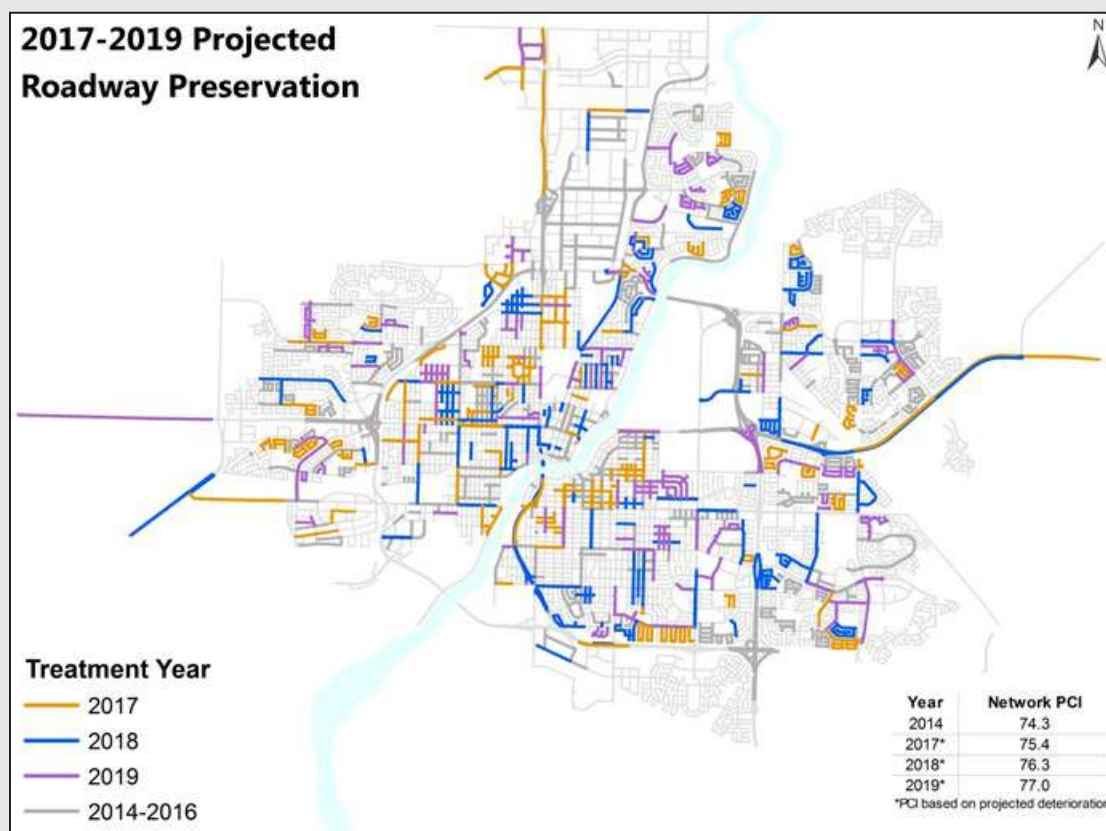
- Effective April 1, 2014, the City adopted the new accounting standard, PSAB 3260, Liability for Contaminated Sites. As a result of this standard the City identified \$12.3 million in liabilities and corresponding expenses in 2015. This liability was reduced to \$8.0 million in 2016.
- Effective January 1, 2016, the Saskatoon Fire and Protective Services Department Superannuation and Saskatoon Police Superannuation plans were amended to close the plans to new entrants, freeze pensionable service, cease employee contributions and change the cost-sharing arrangement in the plan such that the City assumes full responsibility for all past and future deficits in the plan. As such the City recognized \$10.8 million for a pension curtailment within the 2015 audited consolidated statement of operations. No significant expenses were recognized in relation to this in 2016.

The remaining decrease over 2015 of 0.9 per cent or \$6.7 million is mainly due to the City capitalizing significantly more items in 2015 as opposed to 2016.

## Building Better Roads

The Building Better Roads program began in 2012 in order to allocate more resources to its road network and their related services, including snow and ice clearing and street sweeping. In order to accomplish the objectives of the program over \$58.0 million was spent in 2016 an increase of over \$5.0 million from 2015 and \$34.0 million from 2011.

The results and projected future progress of the program are illustrated on the following page:



By 2017, it is anticipated that over \$61.0 million will be spent annually in the maintenance and preservation of Saskatoon's road network.

## Liquidity and Debt

The City's financial position as at December 31, 2016 is as follows:

### Financial Position as at December 31, 2016

|  | Actual 2016         | Actual 2015 | Actual 2014 |
|--|---------------------|-------------|-------------|
| <b>Financial Assets</b>                  |                     |             |             |
| Cash                                     | \$ 68,483           | \$ 68,305   | \$ 56,934   |
| Receivables                              | 138,209             | 113,171     | 125,532     |
| Land Inventory for Resale                | 8,172               | 8,709       | 5,560       |
| Investments                              | 364,149             | 372,748     | 383,006     |
| Other Assets                             | 1,614               | 4,421       | 6,919       |
| Accrued Pension Asset                    | 7,076               | —           | 1,749       |
| <b>Total Financial Assets</b>            | <b>587,703</b>      | 567,354     | 579,700     |
| <b>Financial Liabilities</b>             |                     |             |             |
| Accounts Payable and Accrued Liabilities | 278,995             | 229,174     | 129,550     |
| Deferred Revenue                         | 73,577              | 85,912      | 107,601     |
| Term Debt                                | 318,771             | 263,050     | 238,104     |
| Accrued Pension Liability                | —                   | 9,296       | —           |
| Employee Benefits Payable                | 41,466              | 37,865      | 35,812      |
| <b>Total Financial Liabilities</b>       | <b>712,809</b>      | 625,297     | 511,067     |
| <b>Total Net Financial (Debt) Assets</b> | <b>\$ (125,106)</b> | \$ (57,943) | \$ 68,633   |



In 2016 net financial assets decreased by approximately \$67.2 million primarily due to the continued progress on the City's two P3 projects; the North Commuter Parkway and Traffic Bridge and the Civic Operations Centre. Since payments for these projects are not due until substantial completion, the City has accrued liabilities in order to reflect the future obligation of work completed to date; hence the increase of \$49.8 million in Accounts Payable and Accrued Liabilities. The specific accruals include:

- \$106.7 million in accrued liabilities for the North Commuter Parkway and Traffic Bridge which will be paid upon substantial completion in 2018
- \$114.7 million in term debt for the Civic Operations Centre which will be paid over the course of 30 years following substantial completion as outlined in the P3 project contract.

### Term Debt

These changes in Net Financial Assets are included as part of the City's Long-term Financial Plan and funding models. In January, 2017 Standard & Poor's affirmed the City's AAA longer term issuer credit and senior unsecured debt ratings stating, "the rating reflects our opinion of the city's very strong economy and budgetary flexibility, exceptional liquidity levels and very low debt. The stable outlook reflects our expectations that, throughout the two-year outlook horizon, Saskatoon will continue benefiting from a very strong economy, and maintain exceptional liquidity and strong budgetary flexibility, and low debt".

The City utilizes debt to finance certain capital projects on the premise that the cost of these projects should be borne by the taxpayer and utility users who will benefit from the projects. Debt financing smooths the impact on annual property tax rates while providing appropriate infrastructure to meet citizens' needs. The current debt level of \$318.8 million is well within the City's approved debt limit of \$558.0 million as authorized by the Saskatchewan Municipal Board. Although subject to significant change, the current debt forecast is expected to peak in 2024 at approximately \$450.0 million:

### Debt Forecast (2016-2026)

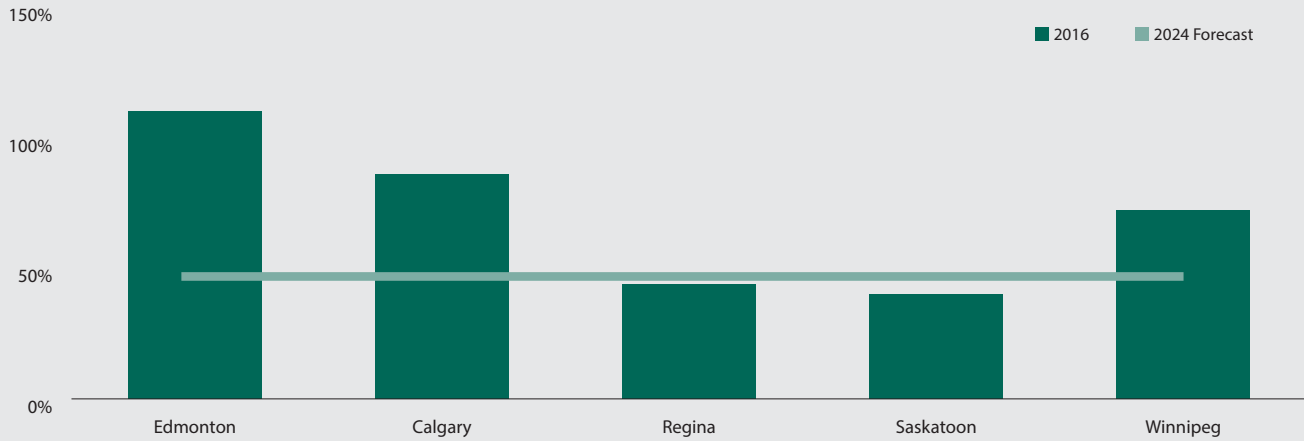


This forecast includes future borrowing for:

- P3 debt for the remainder of the North Commuter Parkway and Traffic Bridge Project
- P3 debt for the Civic Operations Centre
- requirements for a Bus Rapid Transit system
- various utility projects which will be recovered through user fees

Although debt is expected to increase over the next 10 years, it is still expected that Saskatoon will have one of the lowest debt burdens in the country as a percentage of annual operating revenue.

### 2016 Debt as a Percentage of Operating Revenue

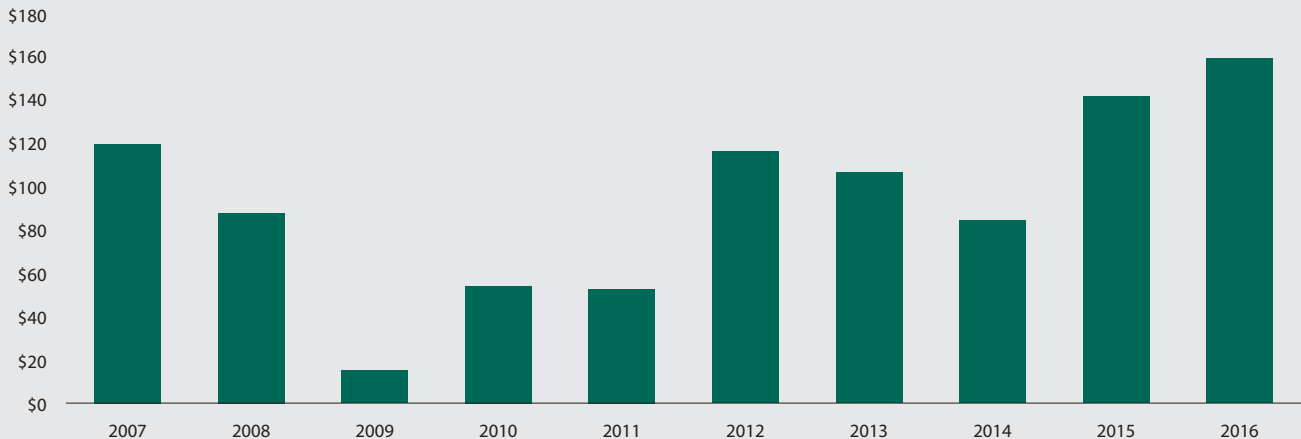


Source: 2016 Municipal Annual Reports

### Reserves

The City maintains a Council-approved *Reserve for Future Expenditures Policy and Capital Reserve Bylaw* which directs the establishment and processes with respect to reserves. Initial establishment of reserves as well as transfers to and from reserves required the approval of City Council. In 2016, reserve balances increased by \$17.4 million to a year-end balance of \$158.3 million.

### 10 Year Reserve Balance History



These increases in reserve balances were largely due to two factors:

1. Included in these balances are several land development reserves which vary considerably from year to year based on market conditions and stages of development. Reserves such as Prepaid Services improved their deficits by \$27.4 million over 2015 as development levies continue to be collected.
2. The Landfill Replacement Reserve and Water and Sewer Replacement Reserve continue on their repayment schedule as their deficit position improved by \$6.6 million over 2015. Both of these reserves were approved by City Council to enter a deficit position.

Overall, the reserve balances continue to rebound significantly from 2010 levels which were decreased due to the advancement of capital programs to match the Federal and Provincial programs that required municipal matching dollars. This advancement of funds allowed the City to participate in these programs by taking advantage of available funds from senior levels of government to build the necessary infrastructure. The plan to repay the reserves with the future year operating budget allocations was achieved in 2012 when the reserve balance was \$115.7 million up from the five-year low of \$53.8 million in 2010. Since 2012, reserve balances have continued to increase as the City is well positioned to address future capital requirements.

## Tangible Capital Assets

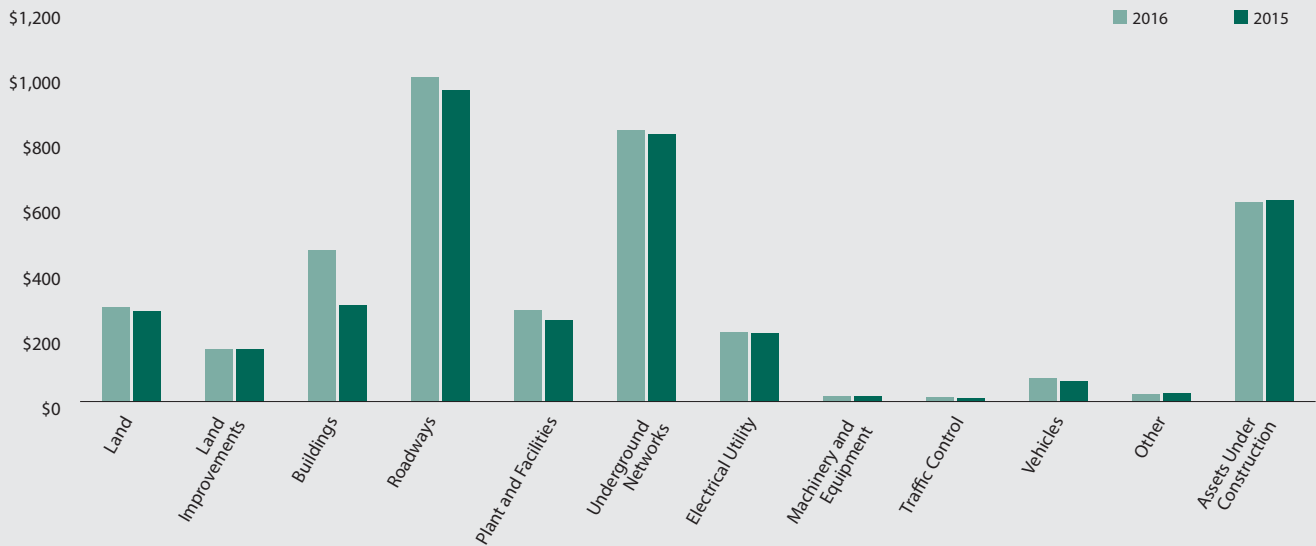
Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less estimated salvage value, of the tangible capital assets is amortized on a straight-line basis over the assets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

The City's total net book value of tangible capital assets rose by \$253.8 million in 2016 to a balance of \$3.98 billion. The largest increase was seen in Buildings which had additional \$181.7 million. This increase was largely due to the opening of the Civic Operations Centre in 2016.

Roadways continue to be the largest asset category with a net book value of \$993.9 million followed by the underground network, such as water, sewer and storm sewer infrastructure at \$832.9 million.

### Total Tangible Capital Assets by Category

(millions)



## Financial Control and Accountability

The City ensures strong financial management and accountability policies and practices are in place through a number of means. The strategic goal of Asset and Financial Sustainability is a key driver in this objective.

Strong management and fiscal responsibility is one of the City's leadership commitments that drives the organization throughout the daily activities and the manner in which it works towards the Strategic Goals. This commitment along with the other leadership commitments enables the practice of strong financial controls and accountability that helps the City maintain its AAA credit rating.

### Outlook

Saskatoon continues to enjoy a strong economy and steady growth. With it come the opportunities and challenges to build new and rehabilitate existing infrastructure that is needed as part of a growing community.

To address growth, "Growing Forward! Shaping Saskatoon" is a key initiative that will help guide investments to accommodate growth to half a million people. Saskatoon has a need for a new way of planning for the future to help navigate challenges associated with immense population growth. The resulting growth plan will ensure Saskatoon continues to be

a great place to live by creating opportunities for wealth and prosperity, so everyone in the community benefits.

As part of the City's Strategic Goal of Asset and Financial Sustainability, the continued investment in the improvement to roads is one of the key strategies to address the condition of one of the largest components of the existing infrastructure. The result will be not only better road conditions, but an improved roadway network that will lead to more and better options for transportation that are practical for vehicles, buses, bikes, and pedestrians, and an optimal flow of people and goods around the city.

As stated previously, in January 2016, the City once again had its AAA/Stable credit rating affirmed by Standard & Poor's. The rating was based on the 2015 financial results that reflected "exceptional" liquidity, low and managed debt levels, as well as the current financial and economic outlooks.

The City continues to develop a long-term financial plan to address these challenges that ensures financial sustainability as well as meeting the future needs of a growing city.

Kerry Tarasoff, FCPA, FCMA

Chief Financial Officer and General Manager,  
Asset and Financial Management



Government Finance Officers Association

**Canadian Award  
for  
Financial Reporting**

Presented to

**City of Saskatoon  
Saskatchewan**

For its Annual  
Financial Report  
for the Year Ended

**December 31, 2015**

Executive Director/CEO

# CONSOLIDATED FINANCIAL STATEMENTS

City of Saskatoon, Saskatchewan, Canada  
Year Ended December 31, 2016

## Management Report



The accompanying Consolidated Financial Statements and all other information contained in this Annual Report are the responsibility of management. The Consolidated Financial Statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) for local governments established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The preparation of the statements necessarily includes some amounts which are based on the best estimates and judgments of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded and that financial records are reliable for the presentation of financial statements.

The Standing Policy Committee on Finance of the City of Saskatoon comprises six elected officials who are appointed annually. The Committee recommends the engagement of the Internal and External Auditors, approves the annual and long-term audit plans, and reviews the audit reports and the audited financial statements for presentation to City Council.

Deloitte LLP, Chartered Professional Accountants, the City's appointed external auditors, have audited the Consolidated Financial Statements. Their report to His Worship the Mayor and City Council, stating the scope of their examination and opinion on the consolidated financial statements, follows.

Handwritten signature of Murray Totland in black ink.

Murray Totland, P. Eng., MBA

City Manager

July 17, 2017

Handwritten signature of Kerry Tarasoff in black ink.

Kerry Tarasoff, FCPA, FCMA

CFO/General Manager, Asset and Financial Management Department

## Independent Auditor's Report

### To His Worship the Mayor and City Council:

We have audited the accompanying consolidated financial statements of the City of Saskatoon, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of operations, changes in net financial debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Saskatoon as at December 31, 2016 and the results of its operations, changes in net financial debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants, Chartered Accountants  
Licensed Professional Accountants

Saskatoon, Saskatchewan

July 17, 2017

## Consolidated Statement of Financial Position

As at December 31, 2016 (in thousands of dollars)

|   | 2016                | 2015<br><i>Restated Note 20</i> |
|---|---------------------|---------------------------------|
| <b>Financial Assets</b>                           |                     |                                 |
| Cash and Cash Equivalents (Note 2)                | \$ 68,483           | \$ 68,305                       |
| Taxes Receivable (Note 3)                         | 13,605              | 11,309                          |
| Accounts Receivable and User Charges (Note 3)     | 122,308             | 99,051                          |
| Loans Receivable (Note 4)                         | 2,296               | 2,811                           |
| Land Inventory for Resale                         | 8,172               | 8,709                           |
| Other Assets (Note 5)                             | 1,614               | 4,421                           |
| Accrued Pension Asset (Note 8)                    | 7,076               | –                               |
| Investments (Note 6)                              | 364,149             | 372,748                         |
| <b>Total Financial Assets</b>                     | <b>587,703</b>      | 567,354                         |
| <b>Financial Liabilities</b>                      |                     |                                 |
| Accounts Payable and Accrued Liabilities (Note 9) | 278,995             | 229,174                         |
| Deferred Revenue (Note 10)                        | 73,577              | 85,912                          |
| Term Debt (Note 11)                               | 318,771             | 263,050                         |
| Accrued Pension Liability (Note 8)                | –                   | 9,296                           |
| Employee Benefits Payable (Note 12)               | 41,466              | 37,865                          |
| <b>Total Financial Liabilities</b>                | <b>712,809</b>      | 625,297                         |
| <b>Total Net Financial Debt</b>                   | <b>(125,106)</b>    | (57,943)                        |
| <b>Non-Financial Assets</b>                       |                     |                                 |
| Prepaid Expenditures                              | 12,111              | 13,306                          |
| Tangible Capital Assets (Note 18 and Note 22)     | 3,975,505           | 3,721,697                       |
| Inventory of Materials and Supplies               | 12,850              | 11,446                          |
| <b>Total Non-Financial Assets</b>                 | <b>4,000,466</b>    | 3,746,449                       |
| <b>Accumulated Surplus (Note 19)</b>              | <b>\$ 3,875,360</b> | \$ 3,688,506                    |

The accompanying notes are an integral part of these statements.



## Consolidated Statement of Operations

For the Year Ended December 31, 2016 (in thousands of dollars)

|  | 2016 Budget    | 2016                | 2015         |
|--|----------------|---------------------|--------------|
| <b>Revenues</b>  |                |                     |              |
| Taxation (Note 7)  | \$ 227,969     | \$ <b>227,493</b>   | \$ 213,232   |
| Grants-in-Lieu of Taxes (Note 7)                                   | 4,490          | <b>5,275</b>        | 4,986        |
| User Charges   | 398,969        | <b>392,543</b>      | 379,082      |
| Government Transfers – Operating (Note 13)                         | 67,973         | <b>67,907</b>       | 66,620       |
| Government Transfers – Capital (Note 13)                           | –              | <b>47,815</b>       | 25,329       |
| Investment Income  | 13,090         | <b>13,025</b>       | 13,708       |
| Contribution from Developers and Others – Operating                | –              | <b>49,628</b>       | 90,399       |
| Contribution from Developers and Others – Capital                  | –              | <b>44,423</b>       | 105,744      |
| Franchise Fees   | 21,895         | <b>21,701</b>       | 21,616       |
| Other  | 22,007         | <b>22,610</b>       | 25,109       |
| <b>Total Revenue</b>   | <b>756,393</b> | <b>892,420</b>      | 945,825      |
| <b>Expenditures</b>  |                |                     |              |
| General Government   | 41,174         | <b>41,775</b>       | 35,384       |
| Protection of Persons and Property                                 | 158,065        | <b>157,840</b>      | 162,352      |
| Transportation   | 154,407        | <b>151,634</b>      | 152,856      |
| Recreation and Culture   | 82,073         | <b>81,134</b>       | 102,000      |
| Social and Family Services   | 5,775          | <b>5,685</b>        | 6,537        |
| Planning and Development   | 38,964         | <b>38,629</b>       | 49,444       |
| Saskatoon Light & Power  | 109,097        | <b>108,430</b>      | 116,346      |
| Environmental Health   | 111,072        | <b>108,305</b>      | 99,783       |
| Debt Servicing Costs   | 12,088         | <b>12,134</b>       | 10,560       |
| <b>Total Expenditures</b>  | <b>712,715</b> | <b>705,566</b>      | 735,262      |
| <b>Surplus of Revenues over Expenditures</b>                       | <b>43,678</b>  | <b>186,854</b>      | 210,563      |
| Accumulated Surplus, Beginning of Year (restated) (Note 19 and 20) | –              | <b>3,688,506</b>    | 3,477,943    |
| <b>Accumulated Surplus, End of Year (restated)</b>                 |                | <b>\$ 3,875,360</b> | \$ 3,688,506 |

The accompanying notes are an integral part of these statements.

## Consolidated Statement of Cash Flows

For the Year Ended December 31, 2016 (in thousands of dollars)

|  | 2016             | 2015             |
|--|------------------|------------------|
| <b>Operating Activities:</b>                         |                  |                  |
| Surplus of Revenues over Expenditures                | \$ 186,854       | \$ 210,563       |
| <b>Net change in Non-Cash Working Capital Items:</b> |                  |                  |
| Taxes Receivable                                     | (2,296)          | (506)            |
| Accounts Receivable and User Charges                 | (23,257)         | 12,173           |
| Loans Receivable                                     | 515              | 694              |
| Land Inventory for Resale                            | 537              | (3,149)          |
| Other Assets   | 2,807            | 2,498            |
| Accrued Pension Asset                                | (7,076)          | 1,749            |
| Prepaid Expenditures                                 | 1,195            | (10,630)         |
| Inventory of Materials and Supplies                  | (1,404)          | (342)            |
| Accounts Payable and Accrued Liabilities             | 49,821           | 99,624           |
| Deferred Revenue                                     | (12,335)         | (21,689)         |
| Accrued Pension Liability                            | (9,296)          | 9,296            |
| Employee Benefits Payable                            | 3,601            | 2,053            |
| Amortization   | 123,233          | 116,898          |
| Revenue from Contributed Tangible Capital Assets     | (9,056)          | (35,000)         |
|  | <b>303,843</b>   | <b>384,232</b>   |
| <b>Investing Activities:</b>                         |                  |                  |
| Decrease in Investments                              | 8,599            | 10,258           |
|  | <b>8,599</b>     | <b>10,258</b>    |
| <b>Financing Activities:</b>                         |                  |                  |
| Proceeds from Term Debt                              | 79,722           | 50,000           |
| Term Debt Repaid                                     | (24,001)         | (25,054)         |
|  | <b>55,721</b>    | <b>24,946</b>    |
| <b>Capital Activities:</b>                           |                  |                  |
| Acquisition of Tangible Capital Assets               | (367,985)        | (408,065)        |
|  | <b>(367,985)</b> | <b>(408,065)</b> |
| <b>Increase in Cash and Cash Equivalents</b>         | <b>178</b>       | <b>11,371</b>    |
| Cash and Cash Equivalents at Beginning of Year       | 68,305           | 56,934           |
| <b>Cash and Cash Equivalents at End of Year</b>      | <b>\$ 68,483</b> | <b>\$ 68,305</b> |

The accompanying notes are an integral part of these statements.

## Consolidated Statement of Changes in Net Financial Debt

For the Year Ended December 31, 2016 (in thousands of dollars)

|  | 2016 Budget |           | 2016         | 2015        |
|--|-------------|-----------|--------------|-------------|
| <b>Surplus of Revenues over Expenses</b>             | \$          | –         | \$ 186,854   | \$ 210,563  |
| Net Acquisition of Tangible Capital Assets           |             | (429,946) | (367,985)    | (408,065)   |
| Contributed Tangible Capital Assets                  |             | –         | (9,056)      | (35,000)    |
| Amortization   |             | 123,115   | 123,233      | 116,898     |
| <b>Deficit from Capital Transactions</b>             |             | (306,831) | (253,808)    | (326,167)   |
| Net Change in Prepaid Expenses                       |             | 1,296     | 1,195        | (10,630)    |
| Net Change in Inventory of Materials and Supplies    |             | (1,404)   | (1,404)      | (342)       |
| <b>Deficit from Other Non-financial Expenditures</b> |             | (108)     | (209)        | (10,972)    |
| <b>Increase in Net Financial Debt</b>                |             | (306,939) | (67,163)     | (126,576)   |
| Net Financial Assets (Debt), Beginning of Year       |             | (57,943)  | (57,943)     | 68,633      |
| <b>Net Financial Debt, End of Year</b>               | \$          | (364,882) | \$ (125,106) | \$ (57,943) |

The accompanying notes are an integral part of these statements.

## Note 1 | Accounting Policies

### Nature of the Organization

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

The consolidated financial statements of the City are prepared by management in accordance with Public Sector Accounting Standards ("PSAS"), as recommended by the Chartered Professional Accountants of Canada ("CPA Canada"). The consolidated financial statements were prepared by the City's Finance Division. Significant aspects of the accounting policies adopted by the City are as follows:

### Basis of Consolidation

#### Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenses and fund balances of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City, namely:

- General Revenue and Capital Funds
- Board of Police Commissioners
- Wastewater Utility
- Storm Water Management Utility
- Water Utility
- Saskatoon Light & Power
- Remai Modern
- Centennial Auditorium (Operating as "TCU Place")
- Saskatchewan Place (Operating as "SaskTel Centre")
- Saskatoon Public Library ("Library")
- Saskatchewan Information and Library Services Consortium Inc. ("SILS")
- Reserve Funds

All interfund amounts have been eliminated through the consolidation. Schedule 4, and supporting Appendices 1 to 7, include only those revenues and expenses reflected in the City's annual operating budget, which is prepared to identify the City's property tax requirements. Excluded from this Schedule are the operations of the Remai Modern, TCU Place, SaskTel Centre, Library, and the Sinking Fund.

The Library has an interest in the SILS, which has been proportionately consolidated.

### Trust and Pension Funds

Trust funds (see Note 16) and pension funds and their related operations administered by the City are not reflected in the consolidated financial statements.

### Accounting for School Board Transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards, are not reflected in the municipal fund balances of these financial statements. Amounts due to/from school boards are reported on the Consolidated Statement of Financial Position as accounts payable and accrued liabilities/accounts receivable.

### Basis of Accounting

#### Financial and Non-financial Assets and Liabilities

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

#### Revenues and Expenditures

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from development charges for services that have not yet been provided at the time the charges are collected are accounted for as deferred revenue until used for the purposes specified. Gross revenues for the 2016 fiscal year are \$892,420. Expenses are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due. Gross expenses for the 2016 fiscal year are \$705,566. Budget information is presented on a basis consistent with that used for actual results. The budget was approved by City Council on December 1, 2015. Any Council approved changes made to capital budgets throughout the fiscal year have been excluded from the 2016 budgeted amounts. Amounts for contributions from developers are not specifically budgeted for and as a result, the comparison between actual and budgeted amounts on the Statement of Operations is hindered. Readers are encouraged to review Schedule 4 which includes a comparison of the City's operating budget to actual results.

## Note 1 | Accounting Policies continued

### Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. A provision has been recorded in Accounts Payable and Accrued Liabilities for potential losses on assessment appeals outstanding as of December 31, 2016.

### Cash and Cash Equivalents

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

### Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates of the revenue amount can be made. Government transfer programs include operations funding received from Funding Agreements such as the Federal Gas Tax Revenue Transfer Program, the Urban Highway Connector Program, the Provincial Revenue Sharing Program, the Provincial and Federal Police funding programs as well as Transit and Library Funding Agreements. The use of these funds are restricted to eligible expenditures as identified in the funding agreements. Authorization and approval are required before the funds can be expended.

### Inventories of Materials and Supplies

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

### Land Inventory for Resale

The City is one of the primary property developers in the municipality. Land inventory for resale is recorded at the lower of adjusted cost and replacement cost. Adjusted cost includes amounts for land acquisition and improvements to prepare the land for sale. Land is available for resale when approved for sale by the Land Bank Committee and when all municipal services have been completed.

### Loans Receivable

Loans receivable are recorded at cost less allowance for doubtful accounts. Allowance for doubtful accounts is recognized when collection is in doubt. Loans receivable and

interest revenue recognized on loans receivable are recorded at lower of cost and net recoverable value.

### Investments

All investments are recorded at amortized cost using the effective interest rate method. Premiums and discounts are amortized over the life of the investment. Investment transactions are accounted for at the settlement date. Investment income is recorded on the accrual basis. When there has been a loss in a value of an investment that is other than temporary decline, the investment is written down to recognize the loss and the loss is recognized in the consolidated statement of operations.

### Pension Amounts

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

### Provision for Landfill Closure and Post Closure

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

### Use of Estimates

The preparation of consolidated financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could

## Note 1 | Accounting Policies continued

differ from those estimates and may have an impact on future periods. Significant estimates include accrued pension assets and liabilities, contingent liabilities and commitments, provision for doubtful accounts, employee benefits payable, landfill liability, contaminated sites remediation, the amortization of tangible capital assets, and the allocation of costs associated with land development, including contributions from developers.

### Segmented Reporting

Segmented information on the City's Consolidated Financial Activities is presented in Note 21. The basis for segmentation is on capital and operating services for both utilities and the general City programs, plus information on the Library, Remail Modern, TCU Place and SaskTel Centre. Amounts are further allocated based on the types of services performed in each segment. Each account is designated as belonging to a particular segment and these accounts are further allocated to a particular service area (function) upon preparation of the Consolidated Financial Statements. Employee pension, sick and vacation costs have been allocated to each segment on a pro-rata basis.

### Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets are amortized on a straight line basis over their estimated useful lives as follows:

|                                 |                        |
|---------------------------------|------------------------|
| • Buildings                     | 25 to 50 years         |
| • Plants and Facilities         | 20 to 50 Years         |
| • Roadways                      | 20 to 75 years         |
| • Underground Networks          | 50 to 75 years         |
| • Electrical Utility            | 10 to 45 years         |
| • Vehicles                      | 4 to 30 years          |
| • Traffic Control               | 15 to 30 years         |
| • Machinery and Equipment       | 5 to 25 years          |
| • Land and Land Improvements    | 20 to indefinite years |
| • Furniture and Fixtures        | 20 years               |
| • Information and Communication | 15 years               |

A full year's amortization is charged in the year of acquisition and no amortization is charged in the year of disposal.

Assets under construction are not amortized until the asset is available for use. Interest costs for the construction and development of tangible capital assets are not capitalized.

### Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

### Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risk incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

### Land under roads

Land under roads that is acquired other than by a purchase agreement is valued at a nominal cost.

### Cultural, historical and works of art

The City manages and controls various works of art and non-operational historical and cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are expensed.

## Accounting Standards Effective Beginning On Or After April 1, 2017

### Assets

PS 3210, Assets provides additional guidance on the definition of assets and new disclosure requirements for those assets not recognized in the government's financial statements.

### Contingent Assets

PS 3320, Contingent Assets defines and establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. The existence of a contingent asset must be disclosed when the occurrence of the confirming future event is likely.

### Contractual Rights

PS 3380, Contractual Rights defines and establishes standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

### Inter-Entity Transactions

PS 3420, Inter Entity Transactions specifically addresses the reporting of transactions between entities controlled by a government that comprise the government's reporting entity from both a provider and recipient perspective.

## Note 1 | Accounting Policies continued

### Related Party Transactions

PS 2200, Related Party Transactions defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

### Accounting Standards Effective Beginning On Or After April 1, 2018

#### Restructuring Transactions

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

### Accounting Standards Effective Beginning On Or After April 1, 2019

#### Financial Statement Presentation

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

#### Financial Currency Translation

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

#### Portfolio Investments

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

#### Financial Instruments

PS 3450, Financial Instruments establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires

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

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

### Public-Private Partnerships

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

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

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

### Provision for Contaminated Sites

*The Environmental Management and Protection Act* (Saskatchewan) sets out the regulatory requirements in regards to contamination. Under this Act, there is a requirement for the persons responsible to address the contamination that is causing or has caused an adverse effect. A provision in PS 3260 is provided for non-productive sites where contamination exists that exceeds an environmental standard. The City is legally responsible or has accepted responsibility for the contamination, future economic benefits are expected to be given up and a reasonable estimate for the provision can be made. Non-productive sites include any site where the contamination is a result of past activities not related to the current use of the site.

### Accumulated Surplus/Deficit

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

## Note 2 | Cash and Cash Equivalents

|                        | Cost             |                  | Market           |                  |
|------------------------|------------------|------------------|------------------|------------------|
|                        | 2016             | 2015             | 2016             | 2015             |
| Cash                   | \$ 60,179        | \$ 64,027        | \$ 60,179        | \$ 64,027        |
| Short-Term Investments | 8,304            | 4,278            | 8,304            | 4,278            |
| <b>Total</b>           | <b>\$ 68,483</b> | <b>\$ 68,305</b> | <b>\$ 68,483</b> | <b>\$ 68,305</b> |

## Note 3 | Taxes Receivable and Accounts Receivable and User Charges

It is the normal practice of the City to review its accounts receivable on a regular basis and write off any accounts which are considered to be uncollectable. A general allowance of \$820 (2015 – \$918) for uncollectable taxes is included in the balance of Taxes Receivable.

The City also calculates an allowance for uncollectable accounts relating to Utility billings. At December 31, 2016 this amount is \$66 (2015 – \$50) and is included in Accounts Receivable and User Charges.

## Note 4 | Loans Receivable

City Bylaw No. 8418 was approved by City Council in 2005 to authorize a 15-year loan in the amount of \$10,550 from the City to Saskatoon Soccer Centre Inc. for the construction of the North East Soccer Park, in Forest Park, in Saskatoon. The total annual payment under the loan is shared by Saskatoon Soccer Centre Inc. and the City resulting in an amount receivable from the Saskatoon Soccer Centre Inc. of \$7,037 and a deferred grant of

\$3,513 that is amortized over the life of the loan payments. Interest is recognized as earned at 2.80 per cent to 4.60 per cent over the life of the loan. Security on the loan is by way of an assignment lease against the Henk Ruys Soccer Centre and the North East Soccer Park. The amount receivable and deferred grant as at the end of December 31, 2016 are \$2,296 (2015 – \$2,811).

## Note 5 | Other Assets

|                            | 2016            | 2015            |
|----------------------------|-----------------|-----------------|
| Deferred Charges           | \$ 1,369        | \$ 4,248        |
| Other Inventory for Resale | 245             | 173             |
|                            | <b>\$ 1,614</b> | <b>\$ 4,421</b> |



## Note 6 | Investments

|             | Cost       |            | Market     |            |
|-------------|------------|------------|------------|------------|
|             | 2016       | 2015       | 2016       | 2015       |
| Investments | \$ 364,149 | \$ 372,748 | \$ 379,198 | \$ 398,384 |

Investments consist primarily of corporate and government bonds. Maturities are between 2017-2026 with effective interest rates of 1.0 per cent to 5.25 per cent.

2016 Investments contain \$2,685 (2015 – \$1,781) in restricted funds related to sinking funds accumulated to retire debt.

## Note 7 | Net Taxes Available for Municipal Purposes

|   | 2016       | 2015       |
|---|------------|------------|
| <b>Gross Taxation Revenue Collected</b>                   | \$ 387,218 | \$ 369,818 |
| <b>Taxes collected on Behalf of Others:</b>               |            |            |
| Saskatoon School Division No. 13                          | (109,409)  | (107,377)  |
| St. Paul's Roman Catholic Separate School Division No. 20 | (43,959)   | (43,238)   |
| Business Improvement Districts                            | (1,082)    | (985)      |
| <b>Net taxes available for municipal purposes</b>         | \$ 232,768 | \$ 218,218 |
| <b>Comprised of:</b>                                      |            |            |
| Municipal   | 227,493    | 213,232    |
| Grants-in-Lieu of Taxes                                   | 5,275      | 4,986      |
|   | \$ 232,768 | \$ 218,218 |

*The Education Act* and *The Cities Act* set out the manner in which collection of taxes and trailer license fees are to be submitted to the School Boards and the Business Improvement Districts. As the City is acting as agent only for the collection of such taxes, these amounts are not reflected in the Schedule of Revenue and Expenditures, nor are the Assets, Liabilities, and Fund Balances of these Boards included in the consolidated financial statements.

## Note 8 | Accrued Pension Asset

The City administers six employee pension plans – the General Superannuation Plan (“General Plan”), the Saskatoon Police Pension Plan, the Police Superannuation Plan (“Police Plan”), the Saskatoon Firefighters’ Pension Plan, the Fire and Protective Services Department Superannuation Plan (“Fire Plan”), and the Part-Time and Seasonal Employee Superannuation Plan (“Seasonal Plan”). Combined, these plans provide pension benefits for all eligible staff of the City. General, Police, and Fire Plans are contributory defined benefit plans. The Saskatoon Police Pension Plan and the Saskatoon Firefighters’ Pension Plan are contributory target benefit plans. The Seasonal Plan is a defined contribution plan. In all Plans, contributions are made by Plan members and the City as stipulated by pension agreements. The defined benefit plans provide for a benefit that is integrated with the Canada Pension Plan, and is based on years of

contributory service times a percentage of average earnings as defined by each plan. The Part-Time and Seasonal Employee Superannuation Plan provides a benefit based on the annuity that can be purchased with the funds in an employee’s account (i.e. a money purchase plan).

The accrued pension obligation relates to the five main plans – the Retirement Plan for Employees of the City of Saskatoon Board of Police Commissioners, the Saskatoon Police Pension Plan, the Retirement Plan for Employees of the Fire and Protective Services Department of the City of Saskatoon, the Saskatoon Firefighters’ Pension Plan and the General Superannuation Plan for City of Saskatoon employees not covered by the Police and Fire and Protective Services Departments’ Superannuation Plans. The General Plan provides for partial inflation protection on benefits accrued

**Note 8 | Accrued Pension Asset continued**

to December 31, 2000. Fire and Police plans have provided for partial ad hoc indexing from time to time in the past when deemed affordable through plan surpluses. The latest increase for eligible retired members of the Fire Plan was granted January 1, 2008 and the latest increase for retired members of the Police Plan was granted July 1, 2010. In accordance with the latest filed valuation reports. The average age of the 3,463 employees accruing service under the Plans is 43.30 years. At present, the Plans provide benefits for 1,870 retirees and surviving spouses; benefit payments were \$64,594 in 2016.

Employees make contributions in accordance with the following: General Plan 8.1 per cent of salary below the year's

maximum pensionable earnings (YMPE) and 9.7 per cent above the YMPE; Fire Plan 10.9 per cent of salary; Saskatoon Firefighters' Pension Plan 9 per cent of salary; Police Plan 9 per cent of salary; and Saskatoon Police Pension Plan 9 per cent of salary while the City contributes an equal amount. In 2016, employee contributions for current and past service were \$24,269 (2015 – \$23,008), and the City's contributions were \$23,613 (2015 – \$22,839). A separate pension fund is maintained for each Plan. Pension fund assets are invested entirely in marketable investments of organizations external to the City. The accrued pension obligation at December 31 includes the following components:

|  | 2016                  | 2015           |
|--|-----------------------|----------------|
| <b>Accrued benefit obligation</b>                              | <b>\$ (1,290,024)</b> | \$ (1,197,190) |
| <b>Pension fund assets</b>                                     |                       |                |
| Marketable securities  | <b>1,257,162</b>      | 1,162,206      |
|  | <b>(32,862)</b>       | (34,984)       |
| Unamortized actuarial losses                                   | <b>39,808</b>         | 25,688         |
| <b>Accrued benefit asset (liability)</b>                       | <b>6,946</b>          | (9,296)        |
| Valuation allowance  | <b>130</b>            | –              |
| <b>Net carrying value of accrued benefit asset (liability)</b> | <b>\$ 7,076</b>       | \$ (9,296)     |

Actuarial valuations for accounting purposes are performed at least triennially using the projected benefit method prorated on services. The most recent valuations were prepared by AON Consulting as at December 31, 2015 for the General Plan, December 31, 2015 for the Fire Plan, January 1, 2016 for the Saskatoon Fire Fighters' Pension Plan, December 31, 2015 for the Police Plan and January 1, 2016 for the Saskatoon Police Pension Plan. The unamortized actuarial loss is amortized on a straight line basis over the expected average remaining service life of the related employee groups applicable to each of the Plans which is 13 years on average.

The actuarial valuations were based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, and employee turnover and mortality. The assumptions used represent the City's best estimates.

The expected inflation rate is 2.25 per cent for the five Plans. The discount rate used to determine the accrued benefit obligation is 6.45 per cent for the General Plan, 6 per cent for the Police Plan, 6.25 per cent for the Saskatoon Police Pension Plan, 5.95 per cent for the Fire Plan and 6.20 per cent for the Saskatoon Fire Fighters' Pension Plan. The earnings increase rate is 3.25 per cent for the General Plan, 3 per cent for the Police Plan, 3 per cent for the Saskatoon Police Pension Plan, 6.11 per cent for the Fire Plan and 6.11 per cent for the Saskatoon Fire Fighters' Pension Plan.

Pension fund assets are valued using a market related value which amortizes realized and unrealized gains and losses over a five-year period. The expected rate of return on General Plan assets is 6.45 per cent, on Police Plan assets is 6.60 per cent, on Saskatoon Police Pension Plan assets is 6.25 per cent, on Fire Plan assets is 6.30 per cent and on Saskatoon Fire Fighters' Pension Plan assets is 6.20 per cent. The actual rate of return on Plan assets in 2016 was 9.63 per cent. The market value of assets at December 31, 2016 was \$1,296,836 (2015 – \$1,221,737).

Effective January 1, 2016, the Saskatoon Fire and Protective Services Department Superannuation and Saskatoon Police Superannuation plans were amended to close the plans to new entrants, freeze pensionable service, cease employee contributions and change the cost sharing arrangement in the plan such that the City assumes full responsibility for all past and future deficits in the plan.

The City's contributions to the defined contribution pension plan for Seasonal and Non-permanent Part-time Employees were \$311 in 2016 (2015 – \$299).

## Note 8 | Accrued Pension Asset continued

The total expenditures related to pensions in 2016 include the following components:

|   | 2016             | 2015             |
|---|------------------|------------------|
| Current period benefit cost                             | \$ 36,910        | \$ 35,229        |
| Less: Employee contributions                            | (23,615)         | (23,008)         |
| Curtailments  | -                | 10,831           |
| Amortization of actuarial loss                          | 6,297            | 8,067            |
| Increase in valuation allowance                         | 2,536            | -                |
| <b>Pension expense excluding interest</b>               | <b>22,128</b>    | <b>31,119</b>    |
| Interest cost on the average accrued benefit obligation | 76,542           | 73,899           |
| Expected return on average pension plan assets          | (74,622)         | (71,134)         |
| <b>Pension interest expenditure</b>                     | <b>1,920</b>     | <b>2,765</b>     |
| <b>Total Pension Expense</b>                            | <b>\$ 24,048</b> | <b>\$ 33,884</b> |

## Note 9 | Accounts Payable and Accrued Liabilities

Included in accrued liabilities is \$5,917 (2015 – \$8,379) for the estimated total landfill closure and post-closure care expenditures. The estimated liability for these expenditures is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenditures recognized as at December 31, 2016, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the City's average long-term borrowing rate of 3.55 per cent. Amounts to be accrued for in future years as the landfill's capacity is consumed are estimated at \$8,515. The expense recorded with respect to landfill closure liability is recorded in the Consolidated Statement of Operations.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection, and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 35 year post-closure period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 59 per cent (2015 – 60 per cent) of its total estimated capacity and its estimated remaining life is 51 years (2015 – 45 years). The period for post closure care is estimated to be 35 years (2015 – 35 years).

The expected lifespan for the landfill has been conservatively estimated on the basis of waste diversion rates rising slowly. With the introduction of residential curbside recycling in 2013 and the beginning of multi-unit recycling in 2014, the diversion rate is expected to eventually rise from the current level of 21 per cent to about 30 per cent. The expected tonnes of total recyclable material captured is lower than originally anticipated because the increase in curbside and multi-unit collection was accompanied by a decrease in recycling depot tonnage. The optimization strategy for the landfill is based on the existing facility footprint.

## Note 10 | Deferred Revenue

|                              | 2016             | 2015             |
|------------------------------|------------------|------------------|
| Development Charges          | \$ 49,669        | \$ 59,626        |
| Federal Government Transfers | 7,701            | 12,915           |
| Ticket Sales and Other       | 16,207           | 13,371           |
|                              | <b>\$ 73,577</b> | <b>\$ 85,912</b> |

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

## Note 11 | Term Debt

### a. Debt - principle amounts due in:

|   | 2016              | 2015              |
|---|-------------------|-------------------|
| 2016  | \$ -              | \$ 24,002         |
| 2017  | 24,697            | 24,697            |
| 2018  | 25,433            | 25,433            |
| 2019  | 22,256            | 22,256            |
| 2020  | 18,886            | 18,886            |
| 2021  | 13,108            | 13,108            |
| 2022  | 13,500            | 13,500            |
| 2023  | 8,998             | 8,998             |
| 2024  | 7,513             | 7,513             |
| 2025  | 3,819             | 3,819             |
| 2026  | 3,078             | 3,078             |
| 2027  | 3,171             | 3,171             |
| 2028  | 3,267             | 3,267             |
| 2029  | 3,368             | 3,368             |
| 2030  | 3,469             | 3,469             |
| 2031  | 3,575             | 3,575             |
| 2032  | 911               | 910               |
| 2043  | 45,000            | 45,000            |
| <b>Total Term Debt (11c)</b>                      | <b>204,049</b>    | <b>228,050</b>    |
| Public Private Partnership ("P3") Term Debt (11b) | 114,722           | 35,000            |
|   | <b>318,771</b>    | <b>263,050</b>    |
| <b>Sinking funds accumulated to retire debt</b>   | <b>(2,685)</b>    | <b>(1,781)</b>    |
| <b>Net Term Debt</b>                              | <b>\$ 316,086</b> | <b>\$ 261,269</b> |

Interest rates range from 1.81 per cent to 4.68 per cent. All debt instruments have been issued in Canadian funds.

### b. P3 Term Debt

During construction of the North Commuter Parkway and Traffic Bridge ("NCPTB") and the Civic Operations Centre ("COC"), the City records a portion of the project costs as assets under construction, using the construction costs to date and an equivalent liability to Graham Commuter Partners ("GCP") and Integrated Team Solutions ("ITS") respectively. The term debt represents the deferred capital payment portions of the project costs based on the terms of the agreement. Once completed, the City amortizes the accumulated costs of the completed project over its useful life, expenses the annual interest cost and settles the long-term liability over the term of the project agreements. The City has \$114,722 (2015 - \$35,000) to be repaid by monthly interest and principal payments over 25 years at an interest rate of 4.5 per cent. Principal is due 2041.

## Note 11 | Term Debt continued

### c. Components of Debt

|   | 2016             | 2015             |
|---|------------------|------------------|
| Royal Bank Bankers' Acceptance Loan<br>– offering rate plus spread of 0.20%, revolves quarterly at progressively smaller amounts until October 22, 2018 (offering rate at December 31, 2016 was 0.900%) | \$ 7,471         | \$ 10,991        |
| Royal Bank Bankers' Acceptance Loan<br>– offering rate plus spread of 0.28%, revolves quarterly at progressively smaller amounts until March 24, 2025 (offering rate at December 31, 2016 was 0.934%)   | 12,960           | 14,328           |
| Royal Bank Bankers' Acceptance Loan<br>– offering rate plus spread of 0.30%, revolves quarterly at progressively smaller amounts until February 9, 2032 (offering rate at December 31, 2016 was 0.894%) | 44,752           | 47,033           |
| <b>Total</b>  | <b>\$ 65,183</b> | <b>\$ 72,352</b> |

The above "Components of Debt" are included in the total Net Term Debt balance in Note 11a.

### d. Regulations

The regulations under *The Cities Act* require that individual debenture issue bylaws be submitted, reviewed, and approved by the Saskatchewan Municipal Board ("SMB") with the exception that an urban municipality with a population greater than 30,000 can apply to the SMB for a debt limit. The City's debt limit is \$558,000 (2015 – \$558,000) as approved by the SMB. The total interest paid by the City for debt in 2016 was \$12,134 (2015 – \$10,560).

## Note 12 | Employee Benefits Payable

Vacation leave is credited to employees on a monthly basis based on contractual obligations. Such credits are accumulated from the period April 1 to March 31 and may not be taken in advance. Therefore, credits earned from April 1, 2016 to December 31, 2016 would normally be available to employees after April 1, 2017.

The City operates a number of Sick Leave Benefit Plans as stipulated within agreements with the various Unions and Associations of employees. These plans are based on the accumulation of sick leave credits to a specified maximum, or are guaranteed long-term disability plans. For those Unions with accumulated sick leave plans, the employee is entitled to a cash payment under specified circumstances, including retirements, based upon a formula stipulated in the union agreements.

Employee benefits payable are recorded as financial liabilities on the Consolidated Statement of Financial Position, offset by a reduction in fund balances. The total of these liabilities is as follows:

|                        | 2016             | 2015             |
|------------------------|------------------|------------------|
| Vacation leave accrual | \$ 22,252        | \$ 19,585        |
| Sick leave credits     | 19,214           | 18,280           |
|                        | <b>\$ 41,466</b> | <b>\$ 37,865</b> |

The City's liability for sick leave credits is an actuarially determined amount. Significant assumptions include: discount rate 1.85 per cent (2015 – 3.00 per cent); earnings increase rate 3.25 per cent (2015 – 3.25 per cent); and, inflation rate 2.25 per cent (2015 – 2.25 per cent).

## Note 13 | Government Transfers

The following transfers have been included in revenues:

|                            | 2016              | 2015      |
|----------------------------|-------------------|-----------|
| <b>Operating Transfers</b> |                   |           |
| Federal                    | \$ 7,977          | \$ 8,495  |
| Provincial                 | 59,930            | 58,125    |
|                            | <b>67,907</b>     | 66,620    |
| <b>Capital Transfers</b>   |                   |           |
| Federal                    | 41,238            | 13,236    |
| Provincial                 | 6,577             | 12,093    |
|                            | <b>47,815</b>     | 25,329    |
|                            | <b>\$ 115,722</b> | \$ 91,949 |

## Note 14 | Commitments and Contingent Liabilities

### Lawsuits

Various lawsuits and claims are pending by and against the City. Provisions have been made for any claims that are likely and the amount of the potential loss can be reasonably estimated. It is the opinion of management that final determination of any other claims will not materially affect the financial position of the City.

### Contaminated Sites

A provision for remediation of known contaminated sites has been accrued in Accounts Payable and Accrued Liabilities in the amount of \$8,012 (2015 – \$12,305). The provision is based on expenditures expected to be incurred over the next 10 years discounted using rates ranging from 0.75 per cent to 1.42 per cent. The liability reflects the City's best estimate as at December 31, 2016, of the amount that is required to remediate non-productive sites back to current environmental standards. Where possible, provisions for remediation are based on environmental assessments completed on a site. For sites where no assessment has been completed, estimates of the remediation are completed using the best information available for the site.

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

### NCPTB

NCPTB is being pursued as a P3 project and has qualified for P3 funding from the Government of Canada and Province of Saskatchewan. On September 8, 2015 City Council announced that GCP has been chosen to design, build, finance, operate and maintain the NCPTB. The project is expected to be substantially complete October 2018. GCP will operate and maintain the North Commuter Parkway and adjacent roadways until 2048 and will maintain the Traffic Bridge until 2048 (Note 11b).

### COC

On October 27, 2014, City Council announced that ITS will design, build, finance and maintain the Transit Operations Facility and a permanent Snow Management Facility both located at COC Phase 1. Construction of Phase 1 was substantially complete late 2016 with move in early 2017. ITS will operate the new facility until fall 2041 (Note 11b).

## Note 15 | Property Realized Reserve

The Property Realized Reserve, which is included on Schedule 3, is reported net of all withdrawals. This practice does not recognize the value of assets for property purchased but not yet sold, or repayable advances of funds. At December 31, 2016, the gross value of the Property Realized Reserve is estimated to be \$149,251 (2015 – \$158,945) itemized as follows:

|   | 2016             | 2015             |
|---|------------------|------------------|
| Gross Value of Reserve, December 31                                     | \$ 149,251       | \$ 158,945       |
| Advances Repayable from Future Revenue Fund Provisions                  | (6,006)          | (8,072)          |
| Property Purchased from Reserve and not yet re-sold (at estimated cost) | (121,528)        | (123,081)        |
| <b>Net Balance of Reserve, December 31</b>                              | <b>\$ 21,717</b> | <b>\$ 27,792</b> |

## Note 16 | Trust Funds

The City administers two trust funds, the Cemetery Perpetual Care Fund and the Group Insurance Trust Fund. The reserve balances in these trusts are \$4,563 (2015 – \$4,365) and \$551 (2015 – \$836), respectively.

## Note 17 | Expenditures by Object

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

|   | 2016              | 2015              |
|---|-------------------|-------------------|
| Wages and Benefits                            | \$ 280,655        | \$ 282,741        |
| Contracted and General Services               | 161,007           | 188,684           |
| Heating, Lighting, Power, Water and Telephone | 97,683            | 99,809            |
| Materials, Goods and Supplies                 | 16,635            | 23,353            |
| Finance Charges                               | 16,465            | 12,098            |
| Donations, Grants and Subsidies               | 9,888             | 11,679            |
| Amortization                                  | 123,233           | 116,898           |
|   | <b>\$ 705,566</b> | <b>\$ 735,262</b> |

## Note 18 | Tangible Capital Assets

|                           | Net Book Value      |                                 |
|---------------------------|---------------------|---------------------------------|
|                           | 2016                | 2015<br><i>Restated Note 20</i> |
| Land                      | \$ 288,834          | \$ 276,808                      |
| Land Improvements         | 161,379             | 161,527                         |
| Buildings                 | 465,674             | 295,791                         |
| Roadways                  | 993,898             | 976,822                         |
| Plant and Facilities      | 281,706             | 250,955                         |
| Underground Networks      | 832,898             | 819,195                         |
| Electrical Utility        | 214,282             | 209,182                         |
| Machinery and Equipment   | 17,672              | 18,155                          |
| Traffic Control           | 14,353              | 9,318                           |
| Vehicles                  | 70,663              | 61,827                          |
| Other                     | 23,266              | 24,970                          |
|                           | <b>3,364,625</b>    | 3,104,550                       |
| Assets under Construction | 610,880             | 617,147                         |
|                           | <b>\$ 3,975,505</b> | \$ 3,721,697                    |

For additional information see Note 22. Contributed assets totaled \$9,056 (2015 – \$35,000) and were capitalized at their fair value at the time of receipt. Assets contributed during the year consisted of land, park equipment, underground networks which includes sanitary sewer mains and storm water mains and roadway components which includes sidewalks, local roads and street lights.

As at December 31, 2016, tangible capital assets of \$77,684 were included as assets under construction and a related accrued liability of \$77,684 was recorded in relation to the North Commuter Parkway Traffic Bridge.

## Note 19 | Accumulated Surplus

|  | 2016                | 2015<br><i>Restated Note 20</i> |
|--|---------------------|---------------------------------|
| <b>Fund Balances</b>   |                     |                                 |
| Funds to offset taxation or user charges in future years (Schedule 1)            | \$ 83,123           | \$ 13,574                       |
| Unexpended capital financing (Schedule 2)  | 52,104              | 61,985                          |
| Reserves   | 158,302             | 140,951                         |
|  | <b>293,529</b>      | 216,510                         |
| <b>Net Investment in Tangible Capital Assets</b>                                 |                     |                                 |
| Tangible Capital Assets  | 3,975,504           | 3,721,697                       |
| Capital outlay financed by long-term liabilities to be recovered in future years | (381,500)           | (235,952)                       |
| Capital outlay financed by internal investments                                  | (12,173)            | (13,749)                        |
|  | <b>3,581,831</b>    | 3,471,996                       |
| <b>Total Accumulated Surplus</b>   | <b>\$ 3,875,360</b> | \$ 3,688,506                    |



## Note 20 | Prior Period Adjustments

The comparative figures for 2015 have been adjusted to record tangible capital assets of \$22,044 contributed by Saskatchewan Department of Highways in 2009 that were not recorded at the time of contribution. The restatement of prior period comparative amounts that impacted the 2015 consolidated financial statements are as follows:

|   | 2015<br>as previously<br>reported | Adjustments | 2015<br>Adjusted |
|---|-----------------------------------|-------------|------------------|
| <b>Impact on Consolidated Statement of Financial Position</b> |                                   |             |                  |
| Tangible Capital Assets                                       | \$ 3,699,653                      | \$ 22,044   | \$ 3,721,697     |
| Total Non Financial Assets                                    | 3,724,405                         | 22,044      | 3,746,449        |
| Total Net Financial Debt                                      | (57,943)                          | –           | (57,943)         |
| Accumulated Surplus   | 3,666,462                         | 22,044      | 3,688,506        |
| <b>Impact on Consolidated Statements of Operations</b>        |                                   |             |                  |
| Transportation  | 152,856                           | –           | 152,856          |
| Total Expenses  | 735,262                           | –           | 735,262          |
| Surplus of Revenues over Expenses                             | 210,563                           | –           | 210,563          |
| Accumulated Surplus, Beginning of Year                        | 3,455,899                         | 22,044      | 3,477,943        |
| Accumulated Surplus, End of Year                              | \$ 3,666,462                      | \$ 22,044   | \$ 3,688,506     |

## Note 21 | Financial Activities by Segment

### Surplus (Deficit) of Revenues over Expenditures

| 2016   | General Operating | Utility Operating | General Capital  | Utility Capital    | Library       | Remai Modern      | TCU Place       | SaskTel Centre | Consolidation Adjustments | \$                |
|--|-------------------|-------------------|------------------|--------------------|---------------|-------------------|-----------------|----------------|---------------------------|-------------------|
| <b>Revenues</b>                                    |                   |                   |                  |                    |               |                   |                 |                |                           |                   |
| Taxation   | \$ 210,707        | \$ –              | \$ –             | \$ –               | \$ 20,931     | \$ –              | \$ –            | \$ –           | \$ (4,145)                | \$ <b>227,493</b> |
| Grants-in-Lieu                                     | 36,524            | –                 | –                | –                  | –             | –                 | –               | –              | (31,249)                  | <b>5,275</b>      |
| User Charges                                       | 87,606            | 303,871           | –                | –                  | 249           | –                 | 10,545          | 19,736         | (29,464)                  | <b>392,543</b>    |
| Government Transfers                               | 66,547            | –                 | 44,215           | 2,599              | 684           | 677               | –               | –              | 1,000                     | <b>115,722</b>    |
| Investment Income                                  | 11,144            | –                 | –                | –                  | –             | –                 | 57              | 123            | 1,701                     | <b>13,025</b>     |
| Contribution from Developers                       | –                 | –                 | 21,877           | 7,195              | –             | –                 | –               | –              | 64,979                    | <b>94,051</b>     |
| Other  | 48,504            | –                 | –                | –                  | 230           | –                 | 52              | –              | (4,475)                   | <b>44,311</b>     |
| From Reserves                                      | –                 | –                 | 182,590          | –                  | –             | –                 | –               | –              | (182,590)                 | <b>–</b>          |
| Utility Contribution                               | –                 | –                 | –                | 6,045              | –             | –                 | –               | –              | (6,045)                   | <b>–</b>          |
| <b>Total Revenues</b>                              | <b>461,032</b>    | <b>303,871</b>    | <b>248,682</b>   | <b>15,839</b>      | <b>22,094</b> | <b>677</b>        | <b>10,654</b>   | <b>19,859</b>  | <b>(190,288)</b>          | <b>892,420</b>    |
| <b>Expenses</b>                                    |                   |                   |                  |                    |               |                   |                 |                |                           |                   |
| General Government                                 | 61,537            | –                 | 41,918           | –                  | –             | –                 | –               | –              | (61,680)                  | <b>41,775</b>     |
| Protection of Persons and Property                 | 156,100           | –                 | 5,001            | –                  | –             | –                 | –               | –              | (3,261)                   | <b>157,840</b>    |
| Transportation                                     | 114,426           | 6,142             | 107,951          | –                  | –             | –                 | –               | –              | (76,885)                  | <b>151,634</b>    |
| Environmental Health                               | 12,209            | 136,266           | 20,368           | 19,107             | –             | –                 | –               | –              | (79,645)                  | <b>108,305</b>    |
| Social and Family Services                         | 5,685             | –                 | –                | –                  | –             | –                 | –               | –              | –                         | <b>5,685</b>      |
| Planning and Development                           | 30,697            | –                 | 28,156           | –                  | –             | –                 | –               | –              | (20,224)                  | <b>38,629</b>     |
| Recreation and Culture                             | 50,581            | –                 | 27,783           | –                  | 21,695        | 4,876             | 10,896          | 19,734         | (54,431)                  | <b>81,134</b>     |
| Saskatoon Light & Power                            | –                 | 154,551           | 4,885            | 15,480             | –             | –                 | –               | –              | (66,486)                  | <b>108,430</b>    |
| Debt Servicing Costs                               | 5,018             | 8,565             | –                | –                  | –             | –                 | –               | –              | (1,449)                   | <b>12,134</b>     |
| <b>Total Expenses</b>                              | <b>436,253</b>    | <b>305,524</b>    | <b>236,062</b>   | <b>34,587</b>      | <b>21,695</b> | <b>4,876</b>      | <b>10,896</b>   | <b>19,734</b>  | <b>(364,061)</b>          | <b>705,566</b>    |
| <b>Surplus (Deficit) of Revenues over Expenses</b> |                   |                   |                  |                    |               |                   |                 |                |                           |                   |
|  | \$ <b>24,779</b>  | \$ <b>(1,653)</b> | \$ <b>12,620</b> | \$ <b>(18,748)</b> | \$ <b>399</b> | \$ <b>(4,199)</b> | \$ <b>(242)</b> | \$ <b>125</b>  | \$ <b>173,773</b>         | \$ <b>186,854</b> |

## Note 21 | Financial Activities by Segment continued

### Surplus (Deficit) of Revenues over Expenditures

| 2015   | General<br>Operating | Utility<br>Operating | General<br>Capital | Utility<br>Capital | Library       | Remai<br>Modern | TCU Place     | SaskTel<br>Centre | Consolidation<br>Adjustments | \$             |
|--|----------------------|----------------------|--------------------|--------------------|---------------|-----------------|---------------|-------------------|------------------------------|----------------|
| <b>Revenues</b>  |                      |                      |                    |                    |               |                 |               |                   |                              |                |
| Taxation   | \$ 193,806           | \$ –                 | \$ 3,932           | \$ –               | \$ 19,426     | \$ –            | \$ –          | \$ –              | \$ (3,932)                   | \$ 213,232     |
| Grants-in-Lieu   | 34,703               | –                    | –                  | –                  | –             | –               | –             | –                 | (29,717)                     | 4,986          |
| User Charges   | 83,360               | 289,680              | –                  | –                  | 220           | 305             | 11,214        | 19,468            | (25,165)                     | 379,082        |
| Government Transfers                                       | 65,318               | –                    | 23,417             | 1,912              | 696           | 606             | –             | –                 | –                            | 91,949         |
| Investment Income  | 10,810               | –                    | –                  | –                  | –             | –               | 48            | 121               | 2,729                        | 13,708         |
| Contribution from<br>Developers                            | –                    | –                    | 58,149             | 5,532              | –             | –               | –             | –                 | 132,462                      | 196,143        |
| Other  | 50,110               | –                    | –                  | –                  | 280           | –               | –             | –                 | (3,665)                      | 46,725         |
| From Reserves  | –                    | –                    | 131,296            | 39,331             | –             | –               | –             | –                 | (170,627)                    | –              |
| Utility Contribution                                       | –                    | –                    | –                  | 5,809              | –             | –               | –             | –                 | (5,809)                      | –              |
| <b>Total Revenues</b>                                      | <b>438,107</b>       | <b>289,680</b>       | <b>216,794</b>     | <b>52,584</b>      | <b>20,622</b> | <b>911</b>      | <b>11,262</b> | <b>19,589</b>     | <b>(103,724)</b>             | <b>945,825</b> |
| <b>Expenses</b>  |                      |                      |                    |                    |               |                 |               |                   |                              |                |
| General Government   | 83,299               | –                    | 4,700              | –                  | –             | –               | –             | –                 | (52,615)                     | 35,384         |
| Protection of Persons<br>and Property                      | 161,258              | –                    | 5,344              | –                  | –             | –               | –             | –                 | (4,250)                      | 162,352        |
| Transportation   | 83,023               | 5,754                | 146,278            | –                  | –             | –               | –             | –                 | (82,199)                     | 152,856        |
| Environmental Health                                       | 28,792               | 121,020              | 34,541             | 30,132             | –             | –               | –             | –                 | (114,702)                    | 99,783         |
| Social and Family<br>Services                              | 4,662                | –                    | –                  | –                  | –             | –               | –             | –                 | 1,875                        | 6,537          |
| Planning and<br>Development                                | 29,508               | –                    | 44,243             | –                  | –             | –               | –             | –                 | (24,307)                     | 49,444         |
| Recreation and Culture                                     | 46,620               | –                    | 47,874             | –                  | 20,702        | 12,691          | 11,794        | 19,276            | (56,957)                     | 102,000        |
| Saskatoon Light &<br>Power                                 | –                    | 153,642              | 3,888              | 15,630             | –             | –               | –             | –                 | (56,814)                     | 116,346        |
| Debt Servicing Costs                                       | 15,134               | (3,039)              | –                  | –                  | –             | –               | –             | –                 | (1,535)                      | 10,560         |
| <b>Total Expenses</b>                                      | <b>452,296</b>       | <b>277,377</b>       | <b>286,868</b>     | <b>45,762</b>      | <b>20,702</b> | <b>12,691</b>   | <b>11,794</b> | <b>19,276</b>     | <b>(391,504)</b>             | <b>735,262</b> |
| <b>Surplus (Deficit)<br/>of Revenues over<br/>Expenses</b> |                      |                      |                    |                    |               |                 |               |                   |                              |                |
|  | \$ (14,189)          | \$ 12,303            | \$ (70,074)        | \$ 6,822           | \$ (80)       | \$ (11,780)     | \$ (532)      | \$ 313            | \$ 287,780                   | \$ 210,563     |

## Note 22 | Tangible Capital Assets

### Consolidated Schedule of Tangible Capital Assets

For the Year Ended December 31, 2016 (in thousands of dollars)

|                                     | Cost                                     |                   |                    |             |                     | Accumulated Amortization                                      |                                       |                   |                                      |                                     | Net Book Value            |  |
|-------------------------------------|--|-------------------|--------------------|-------------|---------------------|---|---------------------------------------|-------------------|--------------------------------------|-------------------------------------|---------------------------|--|
|                                     | Opening Balance<br>Restated<br>(Note 20) | Additions         | Disposals          | Write-Downs | Balance End of Year | Accumulated Amortization Beginning of Year Restated (Note 20) | Accumulated Amortization on Disposals |                   | Accumulated Amortization End of Year | Tangible Capital Assets End of Year |                           |  |
|                                     |  |                   |                    |             |                     |   |                                       |                   |                                      | 2016                                | 2015 – Restated (Note 20) |  |
| Land                                | \$ 276,808                               | \$ 12,056         | \$ (30)            | \$ –        | \$ 288,834          | \$ –  | \$ –                                  | \$ –              | \$ –                                 | \$ 288,834                          | \$ 276,808                |  |
| Land Improvements                   | 294,222                                  | 9,810             | –                  | –           | 304,032             | 132,695   | –                                     | 9,958             | 142,653                              | <b>161,379</b>                      | 161,527                   |  |
| Buildings                           | 413,984                                  | 181,717           | –                  | –           | 595,701             | 118,193   | –                                     | 11,834            | 130,027                              | <b>465,674</b>                      | 295,791                   |  |
| Roadways                            | 1,606,972                                | 67,236            | (888)              | –           | 1,673,320           | 630,150   | 888                                   | 50,160            | 679,422                              | <b>993,898</b>                      | 976,822                   |  |
| Plant and Facilities                | 348,271                                  | 41,479            | –                  | –           | 389,750             | 97,316  | –                                     | 10,727            | 108,043                              | <b>281,707</b>                      | 250,955                   |  |
| Underground Networks                | 1,128,712                                | 29,035            | –                  | –           | 1,157,747           | 309,517   | –                                     | 15,332            | 324,849                              | <b>832,898</b>                      | 819,195                   |  |
| Electrical Utility                  | 365,182                                  | 15,928            | (1,050)            | –           | 380,060             | 156,000   | 574                                   | 10,352            | 165,778                              | <b>214,282</b>                      | 209,182                   |  |
| Machinery and Equipment             | 33,396                                   | 1,995             | (451)              | –           | 34,940              | 15,241  | 154                                   | 2,181             | 17,268                               | <b>17,672</b>                       | 18,155                    |  |
| Traffic Control                     | 20,784                                   | 5,890             | –                  | –           | 26,674              | 11,466  | –                                     | 855               | 12,321                               | <b>14,353</b>                       | 9,318                     |  |
| Vehicles                            | 135,056                                  | 18,235            | (9,025)            | –           | 144,266             | 73,229  | 8,228                                 | 8,601             | 73,602                               | <b>70,664</b>                       | 61,827                    |  |
| Other Property, Plant and Equipment | 97,290                                   | 1,524             | –                  | –           | 98,814              | 72,320  | –                                     | 3,231             | 75,551                               | <b>23,263</b>                       | 24,970                    |  |
| Assets under Construction           | 617,147                                  | –                 | (6,266)            | –           | 610,881             | –   | –                                     | –                 | –                                    | <b>610,881</b>                      | 617,147                   |  |
| <b>Total</b>                        | <b>\$ 5,337,824</b>                      | <b>\$ 384,905</b> | <b>\$ (17,710)</b> | <b>\$ –</b> | <b>\$ 5,705,019</b> | <b>\$ 1,616,127</b>   | <b>\$ 9,844</b>                       | <b>\$ 123,231</b> | <b>\$ 1,729,514</b>                  | <b>\$ 3,975,505</b>                 | <b>\$ 3,721,697</b>       |  |

# SCHEDULES

City of Saskatoon, Saskatchewan, Canada  
Year Ended December 31, 2016

## Schedule 1

### Schedule of Funds to Offset Taxation or User Charges in Future Years

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016             | 2015             |
|---|------------------|------------------|
| Balance, Beginning of Year  | \$ 13,574        | \$ (24,496)      |
| Transfer to Revenue Stabilization Reserve                           | (2,058)          | (553)            |
| Increase in Employee Benefit Payables                               | (3,601)          | (2,053)          |
| Decrease (Increase) in Landfill Closure/Post-closure Care Liability | 2,462            | (337)            |
| Increase in Accrued Debt Principal                                  | 55,721           | 50,000           |
| Decrease (Increase) in Accrued Pension Liability                    | 16,372           | (11,045)         |
| Surplus for the Year (Schedule 4)                                   | 653              | 2,058            |
| <b>Balance, End of Year</b>   | <b>\$ 83,123</b> | <b>\$ 13,574</b> |

## Schedule 2

### Schedule of Capital Operations

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|  | 2016 Budget    | 2016           | 2015      |
|--|----------------|----------------|-----------|
| <b>Source of funds</b>   |                |                |           |
| Province of Saskatchewan   | \$ 9,753       | \$ 1,830       | \$ 8,040  |
| Municipal Economic Enhancement Program   | 1,482          | -              | -         |
| Provincial Building Communities Program  | -              | 921            | -         |
| Urban Highway Connector Program  | -              | 226            | 678       |
| Government of Canada   | -              | 46             | 57        |
| Transport Canada   | -              | 38,582         | -         |
| Federal Transit Funding Program  | -              | 11             | 2,380     |
| Federal Gateway and Border Crossings   | -              | -              | 2,056     |
| Building Canada Fund (FED)   | -              | 2,599          | 3,965     |
| Federal Infrastructure Stimulus  | -              | -              | -         |
| Building Canada Fund (PROV)  | -              | 2,599          | 4,134     |
| FCM Green Fund Grant   | -              | -              | -         |
| Green Municipal Fund Federation of Canadian Municipalities                       | -              | -              | -         |
| Canada Mortgage and Housing Corporation Municipal Infrastructure Lending Program | -              | -              | -         |
| Taxation   | 4,045          | 4,145          | 3,932     |
| Utility Contribution   | 6,213          | 6,045          | 5,809     |
| Borrowing  | 33,470         | -              | -         |
| Contributions from Developers Benefiting Property Owners and Other Users         | 29,066         | 29,468         | 60,534    |
| <b>Appropriations</b>  |                |                |           |
| Reserves   | 178,361        | 178,361        | 170,628   |
| Library Capital Reserve  | 2,566          | -              | -         |
|  | <b>264,956</b> | <b>264,833</b> | 262,213   |
| <b>Expenditures</b>  |                |                |           |
| General Government   | 1,552          | 42,303         | 6,864     |
| Protection of Persons and Property   | 3,632          | 4,937          | 5,015     |
| Transportation   | 125,278        | 110,063        | 133,498   |
| Environmental Health   | 29,682         | 40,101         | 60,736    |
| Planning and Development   | 50,968         | 28,667         | 60,011    |
| Recreation and Culture   | 28,889         | 27,928         | 44,566    |
| Saskatoon Light & Power Expansion and Replacements                               | 22,388         | 20,715         | 19,623    |
| Library  | 2,567          | -              | -         |
|  | <b>264,956</b> | <b>274,714</b> | 330,313   |
| <b>Decrease in Unexpended Capital Financing</b>                                  | -              | (9,881)        | (68,100)  |
| Unexpended Capital Financing, Beginning of Year                                  | -              | 61,985         | 130,085   |
| <b>Unexpended Capital Financing, End of Year</b>                                 | \$ -           | \$ 52,104      | \$ 61,985 |

## Schedule 3

### Schedule of Reserves

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016             | 2015             |
|---|------------------|------------------|
| <b>Replacement</b>                        |                  |                  |
| Albert Community Centre                   | \$ 1             | \$ 29            |
| Automated Garbage Containers              | 7                | 19               |
| Access Transit                            | (106)            | 66               |
| <b>Boards:</b>                            |                  |                  |
| TCU Place                                 | 4,097            | 3,689            |
| Saskatoon Public Library                  | 5,284            | 4,548            |
| SaskTel Centre                            | 570              | 431              |
| Buildings and Grounds Equipment           | 214              | 187              |
| Bus Replacement                           | 605              | 822              |
| Civic Radio Reserve                       | -                | 20               |
| Civic Vehicles and Equipment              | 2,016            | 3,425            |
| Computer Equipment                        | 250              | 393              |
| Fire Apparatus                            | 825              | 546              |
| Fire Equipment                            | 100              | 101              |
| Grounds Maintenance Equipment Acquisition | 163              | 211              |
| <b>Infrastructure Replacement:</b>        |                  |                  |
| Parks                                     | (286)            | (1,302)          |
| Storm Water Management                    | 1,721            | 3,538            |
| Surface Improvements                      | 37               | (14)             |
| Water and Sewer Replacement               | (4,035)          | (9,944)          |
| Landfill                                  | (1,052)          | (1,787)          |
| Leisure Service Equipment                 | 946              | 893              |
| Paved Roadways Infrastructure             | 595              | 38               |
| Photocopy Machine                         | 186              | 166              |
| Police – Vehicle/Radio                    | 575              | 541              |
| Radio Trunking                            | 325              | 304              |
| Saskatoon Light & Power                   | 9,826            | 6,984            |
| Wastewater Collection/Treatment           | 610              | 1,732            |
| Water Utility                             | 3,226            | 2,275            |
| Weigh Scales                              | 181              | 181              |
| <b>Balance, End of Year</b>               | <b>\$ 26,881</b> | <b>\$ 18,092</b> |



## Schedule 3 continued

### Schedule of Reserves

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016   | 2015   |
|---|--------|--------|
| <b>Future Expenditures</b>                |        |        |
| Animal Services                           | \$ 68  | \$ 68  |
| Animal Trading – Zoo                      | 66     | 64     |
| Active Transportation Reserve             | 14     | 39     |
| Affordable Housing – Operating            | 210    | 88     |
| Arbor Creek Parks                         | 177    | 184    |
| <b>Boards:</b>                            |        |        |
| TCU Place                                 | 4,661  | 3,716  |
| Saskatoon Public Library                  | 23,246 | 21,130 |
| Remai Modern                              | 11,212 | 6,385  |
| SaskTel Centre                            | 6,089  | 4,793  |
| Bridge Major Repairs                      | 719    | (253)  |
| Building Permits/Inspections              | 7,866  | 8,042  |
| Campsite                                  | 163    | 444    |
| Cemetery                                  | 491    | 401    |
| Civic Buildings Comprehensive Maintenance | 2,434  | 1,339  |
| Civic Hospitality                         | 185    | 162    |
| Community Support Grant                   | 107    | 139    |
| Corporate Capital                         | 828    | 665    |
| Corporate Information Systems Development | 259    | 691    |
| Cosmo Stabilization                       | 30     | 30     |
| Cultural Capital                          | 80     | 47     |
| Dedicated Lands                           | 1,911  | 2,528  |
| Dedicated Roadways                        | 754    | 608    |
| Downtown Housing                          | 716    | 645    |
| Errors and Omissions                      | 660    | 656    |
| Facade Conservation and Enhancement       | 117    | 94     |
| Federal Gas Tax Reserve                   | 2,127  | -      |
| Fire Department Uniforms                  | 201    | 201    |
| Fiscal Stabilization                      | 8,122  | 6,552  |
| Forestry Farm                             | 56     | 157    |
| Fuel Stabilization                        | 1,325  | 1,325  |
| General Voting                            | 128    | 226    |
| Golf Course Capital                       | 557    | 936    |
| Golf Course Stabilization                 | 76     | 200    |

## Schedule 3 continued

## Schedule of Reserves

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|  | 2016     | 2015     |
|--|----------|----------|
| Heritage Fund                                  | \$ 147   | \$ 191   |
| Holiday Park Golf Course Development           | 155      | 969      |
| Idylwyld Drive Maintenance                     | 26       | 951      |
| Insurance Deductible                           | 1,823    | 2,248    |
| Interest Stabilization                         | 2,029    | 2,029    |
| Lakeridge Ponding                              | 57       | 57       |
| Land Bank                                      | (32,427) | (15,245) |
| Land Operations                                | 3,363    | 3,413    |
| Neighbourhood Park Enhancement                 | 438      | 262      |
| Parking Facilities                             | 284      | 741      |
| Parks Grounds Maintenance Stabilization        | 336      | 336      |
| Pest Control                                   | 68       | 54       |
| Police Equipment                               | 149      | 129      |
| Police Facilities Major Repair                 | 498      | 548      |
| Planning Levy                                  | 139      | 338      |
| Prepaid Services                               | 2,125    | (25,318) |
| Property Realized                              | 21,717   | 27,792   |
| Public Works Building                          | 116      | 89       |
| Recycling Utility Stabilization                | 666      | 441      |
| Reserve for Capital Expenditures               | 3,182    | 2,478    |
| River Landing Capital                          | 299      | 226      |
| Saskatoon Minor Football Field Stabilization   | 65       | 65       |
| Saskatoon Light & Power Distribution Extension | (1,189)  | (4,934)  |
| Saskatoon Light & Power Revenue Stabilization  | 1,354    | 60       |
| Saskatoon Soccer Capital                       | 1,287    | 1,096    |
| Sign Shop Equipment Acquisition                | 126      | 217      |
| Snow and Ice Contingency                       | 2,088    | 977      |
| Snow and Ice Equip Acquisition                 | 267      | 2        |
| Special Events                                 | 1,553    | 1,215    |
| Sports Participation                           | 104      | 90       |
| Storm Water Management Utility Stabilization   | 1,460    | 1,197    |
| Streetscape                                    | 3,397    | 3,405    |
| Street Cleaning/Sweeping Acquisition           | 158      | 131      |
| Sundry   | 14,462   | 24,871   |
| Traffic Noise Attenuation                      | 2,317    | 2,001    |

### Schedule 3 continued

### Schedule of Reserves

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|  | 2016              | 2015       |
|--|-------------------|------------|
| Traffic Safety                             | \$ 295            | \$ 1,309   |
| Transportation Infrastructure Expansion    | (386)             | 858        |
| Transit Capital                            | 527               | 267        |
| Vehicle and Equipment                      | 4,095             | 2,251      |
| Warranty                                   | 1,773             | 2,023      |
| Waste Minimization                         | 156               | -          |
| Wastewater Collection/Treatment Capital    | 1,819             | 6,536      |
| Water and Wastewater Utility Stabilization | 9,153             | 9,803      |
| Water Capital Projects                     | 5,695             | 4,388      |
| <b>Balance, End of Year</b>                | <b>131,421</b>    | 122,859    |
| <b>Total Reserves, End of Year</b>         | <b>\$ 158,302</b> | \$ 140,951 |

## Schedule 4

### Schedule of Revenues and Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget    | 2016           | 2015       |
|---|----------------|----------------|------------|
| <b>Revenues</b>                                     |                |                |            |
| Taxation  | \$ 207,018     | \$ 206,562     | \$ 193,806 |
| Grants-in-Lieu of Taxes                             | 35,739         | 36,524         | 34,708     |
| General Revenues                                    | 94,862         | 95,163         | 91,322     |
| User Fees   | 53,369         | 50,005         | 49,363     |
| Transfers from Other Government (Grants)            | 67,378         | 66,546         | 65,318     |
| Land Administration Fee                             | 6,383          | 2,086          | 3,590      |
| <b>Total Revenues for the Year (Appendix 1)</b>     | <b>464,749</b> | <b>456,886</b> | 438,107    |
| <b>Expenditures</b>                                 |                |                |            |
| Community Support                                   | 15,947         | 15,989         | 15,775     |
| Civic Facilities                                    | 10,739         | 11,763         | 7,755      |
| Environmental Health                                | 19,211         | 19,127         | 18,622     |
| Legislative & Corporate Administration              | 72,733         | 71,947         | 92,563     |
| Land Development                                    | 6,383          | 2,086          | 3,590      |
| Fire & Protective Services                          | 47,305         | 47,118         | 45,955     |
| Recreation & Cultural Services                      | 56,617         | 56,801         | 54,944     |
| Police  | 94,156         | 93,280         | 89,949     |
| Transportation                                      | 125,664        | 123,267        | 92,778     |
| Urban Planning & Development                        | 14,298         | 13,078         | 12,780     |
| Taxation  | 1,696          | 1,777          | 1,338      |
| <b>Total Expenditures for the Year (Appendix 2)</b> | <b>464,749</b> | <b>456,233</b> | 436,049    |
| <b>Surplus</b>                                      | \$ -           | \$ 653         | \$ 2,058   |

# APPENDICES

City of Saskatoon, Saskatchewan, Canada  
Year Ended December 31, 2016

# Appendix 1

## Schedule of Revenues

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget    | 2016           | 2015       |
|---|----------------|----------------|------------|
| <b>Taxation</b>                             |                |                |            |
| Property Levy                               | \$ 206,625     | \$ 206,133     | \$ 193,406 |
| Municipal Services Agreement                | 231            | 254            | 237        |
| Trailer Occupancy                           | 90             | 100            | 94         |
| Amusement                                   | 72             | 75             | 69         |
|   | <b>207,018</b> | <b>206,562</b> | 193,806    |
| <b>Grants-in-Lieu of Taxes</b>              |                |                |            |
| Senior Governments and Agencies             | 5,180          | 5,278          | 4,999      |
| Own Utilities – Saskatoon Light & Power     | 21,060         | 21,101         | 20,483     |
| Own Utilities – Water                       | 5,277          | 5,291          | 4,838      |
| Own Utilities – Wastewater                  | 3,852          | 3,862          | 3,641      |
| Land Bank Program                           | 370            | 992            | 747        |
|   | <b>35,739</b>  | <b>36,524</b>  | 34,708     |
| <b>General Revenues</b>                     |                |                |            |
| R.M. of Corman Park                         | 130            | 130            | 126        |
| Provincial Government                       | -              | -              | 982        |
| Licence and Permits                         | 9,144          | 7,869          | 10,170     |
| Fines and Penalties                         | 10,002         | 8,855          | 8,150      |
| Automated Enforcement Fines                 | 2,500          | 4,259          | 3,835      |
| Property Rentals                            | 2,605          | 3,324          | 3,020      |
| Franchise Fees                              | 21,895         | 21,701         | 21,616     |
| Interest Earnings                           | 11,209         | 11,144         | 10,810     |
| Tax Penalties                               | 1,600          | 2,088          | 1,846      |
| Other Revenue                               | 262            | 278            | 348        |
| Utility Return on Investment                | 26,060         | 26,060         | 24,297     |
| Administration Recovery                     | 9,455          | 9,455          | 6,105      |
| Soccer Centre Tax Agreement and Other Grant | -              | -              | 17         |
|   | <b>94,862</b>  | <b>95,163</b>  | 91,322     |

## Appendix 1 continued

## Schedule of Revenues

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget       | 2016              | 2015       |
|---|-------------------|-------------------|------------|
| <b>User Fees</b>                                |                   |                   |            |
| Legal Fees                                      | \$ 278            | \$ 256            | \$ 288     |
| Tax Searches and Enforcement                    | 255               | 220               | 240        |
| Police  | 1,384             | 2,028             | 2,051      |
| Fire  | 462               | 351               | 377        |
| Engineering                                     | 532               | 310               | 239        |
| Parking   | 6,033             | 5,979             | 5,281      |
| Solid Waste Management                          | 6,540             | 4,530             | 5,054      |
| Environmental Protection                        | 8                 | 11                | 67         |
| Transportation                                  | 245               | 230               | 224        |
| Cemetery  | 1,227             | 1,163             | 1,122      |
| Planning  | 431               | 231               | 259        |
| Tourist Campsite                                | 628               | 583               | 568        |
| Forestry Farm Park                              | 901               | 949               | 947        |
| Kinsmen Park Rides                              | 577               | 480               | 289        |
| Albert Community Centre                         | 157               | 193               | 189        |
| Swimming Pools                                  | 447               | 409               | 430        |
| Golf Courses                                    | 3,897             | 3,497             | 3,789      |
| Skating Rinks                                   | 2,015             | 2,165             | 2,061      |
| Rentals   | 6,189             | 6,039             | 5,745      |
| Programming                                     | 6,586             | 6,144             | 6,016      |
| Outdoor Sports Fields                           | 573               | 573               | 517        |
| Transit   | 13,823            | 13,114            | 13,144     |
| River Landing                                   | 181               | 550               | 466        |
|   | <b>53,369</b>     | <b>50,005</b>     | 49,363     |
| <b>Transfers from Other Government (Grants)</b> | <b>67,378</b>     | <b>66,546</b>     | 65,318     |
| <b>Land Administration Fee</b>                  | <b>6,383</b>      | <b>2,086</b>      | 3,590      |
| <b>Total Revenues</b>                           | <b>\$ 464,749</b> | <b>\$ 456,886</b> | \$ 438,107 |

## Appendix 2

### Schedule of Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget   | 2016          | 2015     |
|---|---------------|---------------|----------|
| <b>Community Support</b>                |               |               |          |
| Community Development                   | \$ 3,579      | \$ 3,325      | \$ 3,536 |
| Community Investments and Supports      | 9,371         | 9,613         | 9,245    |
| Animal Control                          | 1,428         | 1,439         | 1,405    |
| Cemeteries                              | 1,569         | 1,612         | 1,589    |
|   | <b>15,947</b> | <b>15,989</b> | 15,775   |
| <b>Corporate Asset Management</b>       |               |               |          |
| Civic Facilities                        | 10,739        | 11,763        | 7,755    |
| <b>Environmental Health</b>             |               |               |          |
| Environmental Program                   | 446           | 441           | 875      |
| Waste Collection and Disposal           | 13,334        | 13,473        | 12,595   |
| Waste Minimization                      | 466           | 492           | 493      |
| Urban Forestry                          | 3,565         | 3,365         | 3,363    |
| Pest Management                         | 921           | 879           | 822      |
| Environmental Awareness                 | 479           | 477           | 474      |
|   | <b>19,211</b> | <b>19,127</b> | 18,622   |
| <b>Corporate Governance and Finance</b> |               |               |          |
| Legislative                             | 1,562         | 1,299         | 1,368    |
| City Manager's Office                   | 676           | 673           | 658      |
| City Clerk's Office                     | 2,371         | 2,172         | 2,108    |
| City Solicitor's Office                 | 2,227         | 2,199         | 2,077    |
| Financial Services                      | 4,837         | 4,057         | 4,089    |
| Corporate Support                       | 17,735        | 17,909        | 15,042   |
| Revenue Services                        | 2,029         | 1,856         | 1,824    |
| Assessment                              | 3,672         | 3,195         | 3,199    |
| General Services                        | 31,233        | 32,436        | 54,389   |
| City-Owned Property                     | 2,158         | 2,293         | 2,307    |
| Fines and Penalties                     | 4,233         | 3,858         | 5,502    |
|   | <b>72,733</b> | <b>71,947</b> | 92,563   |
| <b>Land Development</b>                 | <b>6,383</b>  | <b>2,086</b>  | 3,590    |



## Appendix 2 continued

### Schedule of Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget   | 2016          | 2015      |
|---|---------------|---------------|-----------|
| <b>Fire Services</b>                        |               |               |           |
| Fire  | \$ 46,887     | \$ 46,731     | \$ 45,558 |
| Emergency Measures                          | 418           | 387           | 397       |
|   | <b>47,305</b> | <b>47,118</b> | 45,955    |
| <b>Police</b>                               | <b>94,156</b> | <b>93,280</b> | 89,949    |
| <b>Recreation and Culture</b>               |               |               |           |
| Spectator Ballfields                        | 153           | 151           | 147       |
| Marketing Services                          | 609           | 590           | 591       |
| Community Partnerships                      | 369           | 438           | 284       |
| Forestry Farm Park                          | 2,519         | 2,621         | 2,570     |
| Golf Courses                                | 3,897         | 3,496         | 3,789     |
| Gordon Howe Campsite                        | 628           | 583           | 567       |
| Indoor Rinks                                | 2,374         | 2,429         | 2,409     |
| Kinsmen Park                                | 578           | 480           | 288       |
| Outdoor Pools                               | 1,293         | 1,215         | 1,216     |
| Outdoor Sports Fields                       | 960           | 925           | 872       |
| Parks Maintenance and Design                | 13,021        | 13,402        | 13,656    |
| Playground and Recreation Areas             | 906           | 843           | 829       |
| Program Research and Design                 | 218           | 229           | 230       |
| Recreation/Competitive Facilities – Program | 10,482        | 10,523        | 10,107    |
| Recreation/Competitive Facilities – Rentals | 10,236        | 10,172        | 9,982     |
| Targeted Programming                        | 593           | 551           | 713       |
| Albert Community Centre                     | 228           | 231           | 220       |
| Race Relations                              | 144           | 142           | 138       |
| SaskTel Centre                              | 559           | 559           | 559       |
| Marr Residence                              | 22            | 23            | 28        |
| Remai Modern                                | 5,027         | 5,026         | 3,661     |
| River Landing                               | 180           | 551           | 467       |
| TCU Place                                   | 1,621         | 1,621         | 1,621     |
|   | <b>56,617</b> | <b>56,801</b> | 54,944    |

## Appendix 2 continued

## Schedule of Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget       | 2016              | 2015              |
|---|-------------------|-------------------|-------------------|
| <b>Transportation</b>                   |                   |                   |                   |
| Transit                                 | \$ 40,827         | \$ 39,333         | \$ 39,370         |
| Access Transit                          | 4,692             | 4,805             | 4,686             |
| Transportation Services                 | 8,400             | 8,605             | 6,571             |
| Snow and Ice Management                 | 13,284            | 10,805            | 11,024            |
| Road Maintenance                        | 39,391            | 39,986            | 10,678            |
| Parking                                 | 2,740             | 3,129             | 4,791             |
| Street Cleaning/Sweeping                | 3,800             | 4,362             | 3,866             |
| Bridges, Subways, Overpasses            | 5,324             | 5,259             | 5,123             |
| Street Lighting                         | 5,912             | 5,991             | 5,773             |
| Engineering                             | 764               | 599               | 628               |
| Impound Lot                             | 530               | 393               | 268               |
|   | <b>125,664</b>    | <b>123,267</b>    | <b>92,778</b>     |
| <b>Urban Planning and Development</b>   |                   |                   |                   |
| Affordable Housing                      | 425               | 336               | 336               |
| Building Permits and Standards          | 6,648             | 5,946             | 7,716             |
| Business Improvement Districts          | 108               | 108               | 108               |
| Business Licenses and Bylaw Enforcement | 1,691             | 1,566             | 1,435             |
| Development Review                      | 1,270             | 1,269             | 1,191             |
| Future Growth                           | 663               | 645               | 1,082             |
| Neighborhood Planning                   | 549               | 513               | 483               |
| Research and Mapping                    | 459               | 446               | 419               |
| Urban Design                            | 2,485             | 2,249             | 10                |
|   | <b>14,298</b>     | <b>13,078</b>     | <b>12,780</b>     |
| <b>Taxation</b>                         |                   |                   |                   |
| Other Levies                            | 1,050             | 1,131             | 1,078             |
| Tax Loss Compensation                   | 646               | 646               | 260               |
|   | <b>1,696</b>      | <b>1,777</b>      | <b>1,338</b>      |
| <b>Total Expenditures</b>               | <b>\$ 464,749</b> | <b>\$ 456,233</b> | <b>\$ 436,049</b> |

## Appendix 3

### Water Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget   | 2016          | 2015      |
|---|---------------|---------------|-----------|
| <b>Revenues</b>                             |               |               |           |
| Metered                                     | \$ 58,786     | \$ 58,426     | \$ 54,676 |
| Infrastructure Levy                         | 10,863        | 10,910        | 9,367     |
| Miscellaneous                               | 139           | 272           | 285       |
| Fire Protection Charge                      | 715           | 715           | 697       |
| Late Payment Penalties                      | 155           | 180           | 174       |
|   | <b>70,658</b> | <b>70,503</b> | 65,199    |
| <b>Expenditures</b>                         |               |               |           |
| General                                     | 12,283        | 10,584        | 9,932     |
| Laboratory                                  | -             | (151)         | (77)      |
| Treatment and Pumping                       | 12,019        | 12,371        | 10,814    |
| Buildings and Grounds                       | 936           | 720           | 913       |
| Meters                                      | 1,668         | 1,607         | 1,602     |
| Watermains                                  | 7,929         | 7,435         | 7,422     |
| Hydrants                                    | 1,365         | 1,176         | 829       |
| Services                                    | 2,565         | 2,986         | 2,859     |
| Contribution to Capital Reserves            | 20,802        | 20,861        | 20,059    |
| Debt Charges                                | 11,091        | 11,091        | 9,238     |
|   | <b>70,658</b> | <b>68,680</b> | 63,591    |
| <b>Surplus Before Transfer from Reserve</b> | -             | 1,823         | 1,608     |
| Transfer to Stabilization Reserve           | -             | (1,823)       | (1,608)   |
| <b>Surplus</b>                              | \$ -          | \$ -          | \$ -      |

## Appendix 4

### Wastewater Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget   | 2016           | 2015      |
|---|---------------|----------------|-----------|
| <b>Revenues</b>                             |               |                |           |
| Metered                                     | \$ 42,911     | \$ 41,948      | \$ 40,563 |
| Infrastructure Levy                         | 18,922        | 18,965         | 12,935    |
| Late Payment Penalties                      | 102           | 120            | 116       |
| Miscellaneous                               | 906           | 1,485          | 1,607     |
| Flood Protection Levy                       | –             | –              | 3,841     |
|   | <b>62,841</b> | <b>62,518</b>  | 59,062    |
| <b>Expenditures</b>                         |               |                |           |
| General                                     | 9,093         | 7,660          | 7,166     |
| Laboratory                                  | –             | (66)           | (4)       |
| Lift Stations                               | 1,743         | 1,521          | 1,751     |
| Pollution Control Plant                     | 7,595         | 7,329          | 7,423     |
| Sludge Handling and Disposal                | 1,960         | 1,789          | 1,710     |
| Sewer Engineering                           | 452           | 428            | 417       |
| Sewer Inspections                           | 645           | 419            | 374       |
| Sewer Maintenance                           | 4,724         | 4,632          | 3,907     |
| Service Connections                         | 2,557         | 1,872          | 1,669     |
| Contribution to Capital Reserves            | 28,976        | 27,290         | 27,531    |
| Debt Charges                                | 5,096         | 5,096          | 4,151     |
|   | <b>62,841</b> | <b>57,970</b>  | 56,095    |
| <b>Surplus Before Transfer from Reserve</b> | –             | <b>4,548</b>   | 2,967     |
| Transfer to Stabilization Reserve           | –             | <b>(4,548)</b> | (2,967)   |
| <b>Surplus</b>                              | \$ –          | \$ –           | \$ –      |

## Appendix 5

### Storm Water Management Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget |              | 2016 | 2015         |    |       |
|---|-------------|--------------|------|--------------|----|-------|
| <b>Revenues</b>                             |             |              |      |              |    |       |
| Metered                                     | \$          | 6,000        | \$   | 6,108        | \$ | 5,729 |
| Late Payment Penalties                      |             | 11           |      | 12           |    | 12    |
|   |             | <b>6,011</b> |      | <b>6,120</b> |    | 5,741 |
| <b>Expenditures</b>                         |             |              |      |              |    |       |
| General                                     |             | 166          |      | 170          |    | 151   |
| Storm Sewer Engineering                     |             | 417          |      | 376          |    | 418   |
| Storm Sewer Maintenance                     |             | 1,859        |      | 1,806        |    | 1,448 |
| Drainage                                    |             | 878          |      | 814          |    | 671   |
| Contribution to Capital Reserves            |             | 2,691        |      | 2,691        |    | 2,957 |
|   |             | <b>6,011</b> |      | <b>5,857</b> |    | 5,645 |
| <b>Surplus Before Transfer from Reserve</b> |             |              |      |              |    |       |
|   |             | -            |      | 263          |    | 96    |
| Transfer to Stabilization Reserve           |             | -            |      | (263)        |    | (96)  |
| <b>Surplus</b>                              | \$          | -            | \$   | -            | \$ | -     |

## Appendix 6

### Saskatoon Light & Power Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget      | 2016             | 2015       |
|---|------------------|------------------|------------|
| <b>Revenues</b>                             |                  |                  |            |
| Metered                                     | \$ 140,208       | \$ 140,643       | \$ 136,524 |
| Municipal Surcharge                         | 14,020           | 14,064           | 13,652     |
| Service Connection Fee                      | 435              | 425              | 446        |
| Miscellaneous                               | 593              | 489              | 807        |
| Landfill Gas Generation                     | 1,332            | 1,275            | 1,121      |
| Tax Collection Commission                   | 2                | 2                | 2          |
| Late Payment Penalties                      | 275              | 301              | 291        |
|   | <b>156,865</b>   | <b>157,199</b>   | 152,843    |
| <b>Expenditures</b>                         |                  |                  |            |
| General                                     | 26,440           | 26,446           | 25,461     |
| Power Purchased                             | 83,336           | 82,577           | 80,509     |
| Landfill Gas Generation                     | 1,334            | 1,274            | 1,120      |
| Buildings and Grounds                       | 807              | 592              | 569        |
| Poles, Lines and Feeders                    | 5,056            | 5,202            | 5,434      |
| Substations                                 | 1,023            | 810              | 1,018      |
| Street Lighting                             | 1,324            | 1,327            | 1,482      |
| Meters                                      | 1,367            | 1,529            | 1,564      |
| System Operations                           | 181              | 146              | 161        |
| Provision for Capital Extension             | 5,935            | 5,935            | 6,279      |
| Provision for Capital Replacement           | 7,005            | 7,005            | 7,055      |
|   | <b>133,808</b>   | <b>132,843</b>   | 130,652    |
| <b>Surplus Before Transfer from Reserve</b> | <b>23,057</b>    | <b>24,356</b>    | 22,191     |
| Transfer to Stabilization Reserve           | –                | (1,293)          | (872)      |
| <b>Surplus</b>                              | <b>\$ 23,057</b> | <b>\$ 23,063</b> | \$ 21,319  |

## Appendix 7

### Recycling Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2016 (in thousands of dollars)  
(unaudited)

|   | 2016 Budget  | 2016         | 2015     |
|---|--------------|--------------|----------|
| <b>Revenues</b>                             |              |              |          |
| Recycling                                   | \$ 4,243     | \$ 4,268     | \$ 4,063 |
| Multi-unit Recycling                        | 1,954        | 2,419        | 1,949    |
| Leaves and Grass                            | 358          | 346          | 344      |
| Compost                                     | 380          | 498          | 475      |
|   | <b>6,935</b> | <b>7,531</b> | 6,831    |
| <b>Expenditures</b>                         |              |              |          |
| Recycling                                   | 6,197        | 6,686        | 4,062    |
| Multi-unit Recycling                        | -            | -            | 1,949    |
| Leaves and Grass                            | 358          | 347          | 344      |
| Compost                                     | 380          | 498          | 476      |
|   | <b>6,935</b> | <b>7,531</b> | 6,831    |
| <b>Surplus Before Transfer from Reserve</b> | -            | -            | -        |
| Transfer to Stabilization Reserve           | -            | -            | -        |
| <b>Surplus</b>                              | \$ -         | \$ -         | \$ -     |

## **STATISTICAL (UNAUDITED)**

City of Saskatoon, Saskatchewan, Canada  
Year Ended December 31, 2016



## Consolidated Revenues and Expenditures

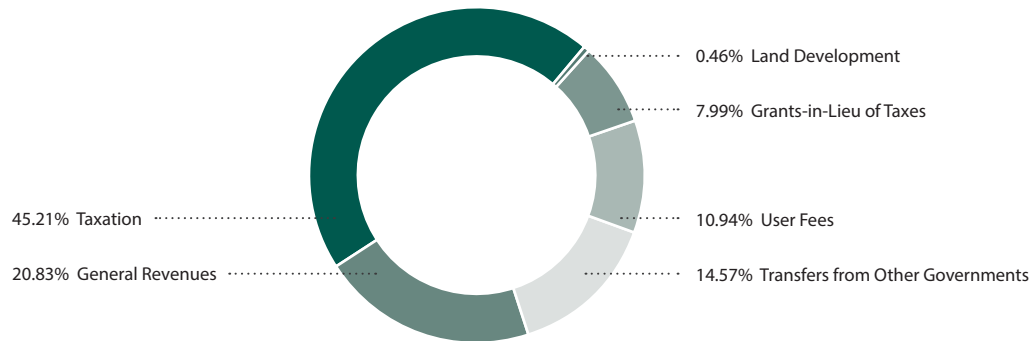
For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

|  | 2016              | 2015       | 2014       | 2013       | 2012       |
|--|-------------------|------------|------------|------------|------------|
| <b>Consolidated Revenues</b>             |                   |            |            |            |            |
| Taxation                                 | \$ 227,493        | 213,232    | \$ 196,367 | \$ 178,380 | \$ 166,000 |
| Grants-in-Lieu of Taxes                  | 5,275             | 4,986      | 4,328      | 4,429      | 4,043      |
| User Charges                             | 392,543           | 379,082    | 360,813    | 338,675    | 316,826    |
| FCM Green Fund Grant                     | –                 | –          | 28         | 91         | (54)       |
| Government Transfers                     | 115,722           | 91,949     | 81,225     | 99,914     | 135,798    |
| Investment Income                        | 13,025            | 13,708     | 13,475     | 12,173     | 11,305     |
| Contribution from Developers             | 94,051            | 196,143    | 168,324    | 192,990    | 225,846    |
| Other                                    | 44,311            | 46,725     | 44,701     | 40,218     | 35,386     |
| <b>Total Revenues</b>                    | <b>\$ 892,420</b> | 945,825    | \$ 869,261 | \$ 866,870 | \$ 895,150 |
| <b>Consolidated Expenses</b>             |                   |            |            |            |            |
| General Government                       | \$ 41,775         | 35,384     | \$ 26,689  | \$ 30,557  | \$ 25,177  |
| Transportation                           | 157,840           | 152,856    | 149,303    | 145,911    | 126,176    |
| Protection of Persons and Property       | 151,634           | 162,352    | 141,953    | 135,822    | 125,748    |
| Recreation and Culture                   | 81,134            | 102,000    | 103,213    | 109,207    | 88,452     |
| Social and Family Services               | 5,685             | 6,537      | 4,398      | 6,032      | 8,784      |
| Planning and Development                 | 38,629            | 49,444     | 36,927     | 24,961     | 27,976     |
| Saskatoon Light & Power                  | 108,430           | 116,346    | 106,568    | 96,376     | 89,733     |
| Environmental Health                     | 108,305           | 99,783     | 91,518     | 92,230     | 81,036     |
| Debt Servicing Costs                     | 12,134            | 10,560     | 7,125      | 6,043      | 5,999      |
| <b>Total Expenses</b>                    | <b>\$ 705,566</b> | 735,262    | 667,694    | 647,139    | 579,081    |
| <b>Surplus of Revenues over Expenses</b> | <b>\$ 186,854</b> | \$ 210,563 | \$ 201,567 | \$ 219,731 | \$ 316,069 |

## Summary of Revenues

For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

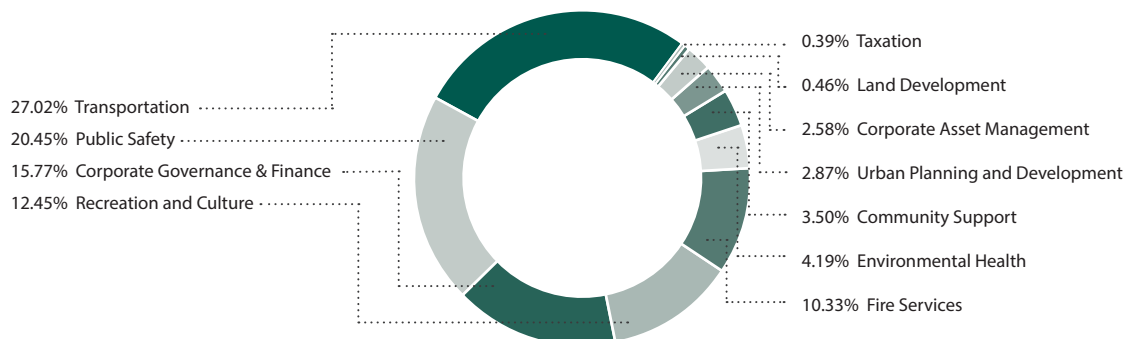
|                                  | 2016              | 2015              | 2014              | 2013              | 2012              |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Taxation                         | \$ 206,562        | \$ 193,806        | \$ 178,318        | \$ 161,177        | \$ 149,440        |
| Grants-in-Lieu of Taxes          | 36,524            | 34,708            | 33,135            | 30,921            | 29,106            |
| General Revenues                 | 95,163            | 91,322            | 83,977            | 78,957            | 74,303            |
| User Fees                        | 50,005            | 49,363            | 48,847            | 56,887            | 43,479            |
| Transfers from Other Governments | 66,546            | 65,318            | 62,878            | 63,613            | 57,358            |
| Land Development                 | 2,086             | 3,590             | 7,024             | -                 | -                 |
|                                  | <b>\$ 456,886</b> | <b>\$ 438,107</b> | <b>\$ 414,179</b> | <b>\$ 391,555</b> | <b>\$ 353,686</b> |



## Summary of Expenditures

For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

|                                  | 2016              | 2015           | 2014              | 2013              | 2012              |
|----------------------------------|-------------------|----------------|-------------------|-------------------|-------------------|
| Community Support                | \$ 15,989         | 15,775         | \$ 14,777         | \$ 14,235         | \$ 13,616         |
| Corporate Asset Management       | 11,763            | 7,755          | 7,145             | 8,064             | 6,509             |
| Environmental Health             | 19,127            | 18,622         | 18,456            | 17,738            | 16,282            |
| Corporate Governance and Finance | 71,947            | 92,563         | 80,572            | 63,229            | 58,848            |
| Land Development                 | 2,086             | 3,590          | 7,024             | 7,119             | 9,443             |
| Public Safety                    | 93,280            | 89,949         | 85,038            | 79,429            | 75,604            |
| Fire Services                    | 47,118            | 45,955         | 43,944            | 43,706            | 40,252            |
| Recreation and Culture           | 56,801            | 54,944         | 51,508            | 49,143            | 46,233            |
| Transportation                   | 123,267           | 92,778         | 93,154            | 98,879            | 69,028            |
| Urban Planning and Development   | 13,078            | 12,780         | 10,843            | 12,370            | 11,612            |
| Taxation                         | 1,777             | 1,338          | 1,165             | 1,085             | 1,184             |
|                                  | <b>\$ 456,233</b> | <b>436,049</b> | <b>\$ 413,626</b> | <b>\$ 394,997</b> | <b>\$ 348,611</b> |



## Summary of Capital Operations

For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

|   | 2016       | 2015        | 2014       | 2013        | 2012        |
|---|------------|-------------|------------|-------------|-------------|
| <b>Sources of Funds</b>   |            |             |            |             |             |
| Province of Saskatchewan  | \$ 1,830   | 8,040       | \$ 165     | \$ 9,509    | \$ 36,075   |
| Saskatchewan Water Corporation  | –          | –           | –          | –           | 3           |
| Federal Gas Tax Program   | –          | –           | –          | –           | 4,189       |
| Provincial Building Communities Program                                     | 921        | –           | 2,274      | 279         | 54          |
| Urban Highway Connector Program   | 226        | 678         | 473        | 45          | 4,958       |
| Government of Canada  | 46         | 57          | 16         | –           | 9           |
| Transport Canada  | 38,582     | –           | –          | –           | –           |
| Federal Transit Funding Program   | 11         | 2,380       | 3,510      | 618         | 633         |
| Federal Gateway and Border Crossings  | –          | 2,056       | 2,961      | 8,224       | 18,238      |
| Building Canada Fund (FED)  | 2,599      | 3,965       | 6,673      | 11,349      | 9,987       |
| Building Canada Fund (PROV)   | 2,599      | 4,136       | 529        | 4,858       | 3,055       |
| Federal Infrastructure Stimulus Fund  | –          | –           | –          | –           | 12          |
| Federation of Canadian Municipalities                                       | –          | –           | –          | –           | 90          |
| FCM Green Fund Grant  | –          | –           | 28         | 91          | (54)        |
| Western Economic Diversification  | –          | –           | 130        | –           | –           |
| Taxation  | 4,145      | 3,932       | 4,543      | 4,211       | 3,454       |
| Utility Contribution  | 6,045      | 5,809       | 8,061      | 8,189       | 8,098       |
| Contributions from Developers Benefiting<br>Property Owners and Other Users | 29,468     | 60,532      | 41,432     | 14,502      | 22,452      |
| <b>Appropriations</b>   |            |             |            |             |             |
| Reserves  | 178,361    | 170,628     | 251,083    | 286,279     | 218,352     |
|   | \$ 264,833 | \$ 262,213  | \$ 321,878 | \$ 348,154  | \$ 329,605  |
| <b>Application of Funds</b>   |            |             |            |             |             |
| General Government  | \$ 42,303  | \$ 6,864    | \$ 7,895   | \$ 17,996   | \$ 4,595    |
| Protection of Persons and Property  | 4,937      | 5,015       | 4,949      | 43,743      | 57,761      |
| Transportation  | 110,063    | 133,498     | 112,061    | 132,371     | 165,608     |
| Environmental Health  | 40,101     | 60,736      | 85,068     | 88,640      | 93,572      |
| Social and Family Services  | –          | –           | (540)      | (1,952)     | 187         |
| Planning and Development  | 28,667     | 60,011      | 34,932     | 54,736      | 25,503      |
| Recreation and Culture  | 27,928     | 44,566      | 44,174     | 24,890      | 12,029      |
| Saskatoon Light & Power Expansion and<br>Replacements                       | 20,715     | 19,623      | 18,007     | 19,292      | 20,910      |
|   | 274,714    | 330,313     | 306,546    | 379,716     | 380,165     |
| <b>Increase (Decrease) in Unexpended<br/>Capital Financing</b>              | \$ (9,881) | \$ (68,100) | \$ 15,332  | \$ (31,562) | \$ (50,560) |
| Unexpended Capital Financing, Beginning of Year                             | 61,985     | 130,085     | 114,753    | 146,315     | 196,875     |
| <b>Unexpended Capital Financing, End of Year</b>                            | \$ 52,104  | \$ 61,985   | \$ 130,085 | \$ 114,753  | \$ 146,315  |

## Summary of Public Utilities Operating Results

For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

|  | 2016          | 2015      | 2014      | 2013      | 2012      |
|--|---------------|-----------|-----------|-----------|-----------|
| <b>Net surplus after deducting operating expenses, debt charges and contributions to reserves:</b> |               |           |           |           |           |
| Saskatoon Light & Power  | \$ 23,063     | \$ 21,319 | \$ 23,408 | \$ 23,758 | \$ 21,517 |
| Transit System (before contribution from General Revenue)  | –             | –         | –         | –         | (20,329)  |
| <b>Net Surplus</b>   | <b>23,063</b> | 21,319    | 23,408    | 23,758    | 1,188     |
| Amount contributed by Utilities to Revenue as Return on Investment                                 | \$ 23,063     | \$ 21,319 | \$ 23,408 | \$ 26,286 | \$ 24,900 |

## Summary of Reserves and Surplus

For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

|                     | 2016       | 2015       | 2014      | 2013       | 2012       |
|---------------------|------------|------------|-----------|------------|------------|
| <b>Reserves</b>     |            |            |           |            |            |
| Property Realized   | \$ 21,717  | \$ 27,792  | \$ 28,955 | \$ 47,912  | \$ 38,740  |
| Replacement         | 26,881     | 18,092     | (20)      | (2,243)    | (2,200)    |
| Future Expenditures | 109,051    | 93,009     | 55,135    | 60,214     | 79,162     |
| Surplus (Deficit)   | 653        | 2,058      | 553       | (3,442)    | 5,075      |
|                     | \$ 158,302 | \$ 140,951 | \$ 84,623 | \$ 102,441 | \$ 120,777 |

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

For the Years Ended December 31, 2016 to 2012  
(unaudited)

|  | 2016               | 2015           | 2014           | 2013           | 2012           |
|--|--------------------|----------------|----------------|----------------|----------------|
| Total Term Debt  | \$ 318,771,454     | \$ 263,051,368 | \$ 238,103,885 | \$ 234,509,219 | \$ 197,125,312 |
|  | <b>318,771,454</b> | 263,051,368    | 238,103,885    | 234,509,219    | 197,125,312    |
| Population Estimate at Dec. 31 <sup>(1)</sup>              | <b>266,064</b>     | 262,900        | 257,300        | 248,700        | 239,000        |
| Gross Debt Per Capita                                      | \$ 1,198           | \$ 1,001       | \$ 925         | \$ 943         | \$ 825         |
| Net Debt Per Capita  | \$ 1,188           | \$ 994         | \$ 922         | \$ 943         | \$ 825         |
| Mill Rate Supported Debt                                   | \$ 488             | \$ 529         | \$ 514         | \$ 562         | \$ 440         |
| Legal Debt Limit   | \$ 558,000,000     | \$ 558,000,000 | \$ 558,000,000 | \$ 414,000,000 | \$ 414,000,000 |
| Debt servicing costs as a percentage of total expenditures | <b>1.719%</b>      | 1.455 %        | 1.067 %        | 0.934 %        | 1.036 %        |

<sup>(1)</sup> Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

## Summary of Term Debt and Required Sinking Fund by Responsibility Centre <sup>(1)</sup>

For the Year Ended December 31, 2016  
(unaudited)

|  | 2016                  | 2015           |
|--|-----------------------|----------------|
| Waterworks Utility                                 | \$ 37,170,298         | \$ 43,853,933  |
| Wastewater Utility                                 | \$ 13,886,890         | \$ 15,798,560  |
| Gas Tax  | \$ 23,065,231         | \$ 29,284,796  |
| P3   | \$ 114,721,990        | \$ 35,000,000  |
| <b>Total Debt Not Supported by Civic Mill Rate</b> | <b>\$ 188,844,409</b> | \$ 123,937,289 |
| Total Civic Mill Rate Debt                         | \$ 129,927,045        | \$ 139,114,079 |
| <b>Total Term Debt</b>                             | <b>\$ 318,771,454</b> | \$ 263,051,368 |
| Sinking Funds Accumulated to Retire Debt           | \$ (2,685,616)        | \$ (1,780,650) |
| <b>Net Debt</b>                                    | <b>\$ 316,085,838</b> | \$ 261,270,718 |
| Population Estimate at Dec. 31 <sup>(2)</sup>      | <b>266,064</b>        | 262,900        |
| Gross Debt Per Capita                              | \$ 1,198              | \$ 1,001       |
| Net Debt Per Capita                                | \$ 1,188              | \$ 994         |
| Mill Rate Supported Debt                           | \$ 488                | \$ 529         |

<sup>(1)</sup> All figures are based on book values and have not been adjusted for foreign currency exchange.

<sup>(2)</sup> Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

## Term Debt Maturing with Percentages

As at December 31, 2016  
(unaudited)

| Year                                     | Long-Term<br>Debt Maturing | Percentage Yearly | Percentage Reduction<br>Accumulated |
|--|----------------------------|-------------------|-------------------------------------|
| 2017                                     | \$ 24,696,773              | 7.750%            | 7.750%                              |
| 2018                                     | 25,433,406                 | 7.980%            | 15.730%                             |
| 2019                                     | 22,256,099                 | 6.980%            | 22.710%                             |
| 2020                                     | 18,886,247                 | 5.920%            | 28.630%                             |
| 2021                                     | 13,107,949                 | 4.110%            | 32.740%                             |
| 2022                                     | 13,499,952                 | 4.230%            | 36.980%                             |
| 2023                                     | 8,998,233                  | 2.820%            | 39.800%                             |
| 2024                                     | 7,512,805                  | 2.360%            | 42.160%                             |
| 2025                                     | 3,819,000                  | 1.200%            | 43.360%                             |
| 2026                                     | 3,078,000                  | 0.970%            | 44.320%                             |
| 2027                                     | 3,171,000                  | 0.990%            | 45.320%                             |
| 2028                                     | 3,267,000                  | 1.020%            | 46.340%                             |
| 2029                                     | 3,368,000                  | 1.060%            | 47.400%                             |
| 2030                                     | 3,469,000                  | 1.090%            | 48.490%                             |
| 2031                                     | 3,575,000                  | 1.120%            | 49.610%                             |
| 2032                                     | 911,000                    | 0.290%            | 49.890%                             |
| 2043                                     | 159,721,990                | 50.110%           | 100.000%                            |
| <b>Total Debt</b>                        | 318,771,454                | 100.000%          |                                     |
| Sinking Funds Accumulated to Retire Debt | (2,685,616)                |                   |                                     |
| <b>Net Term Debt</b>                     | \$ 316,085,838             |                   |                                     |

## Summary of Property Assessment and Tax Levy

For the Years Ended December 31, 2016 to 2012  
(unaudited)

|                                      | 2016                     | 2015                     | 2014                     | 2013*                    | 2012                     |
|--------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Gross Assessments                    | \$ 33,857,081,395        | \$ 33,140,448,115        | \$ 32,187,650,200        | \$ 30,448,361,645        | \$ 15,389,037,180        |
| Exemptions                           | 7,600,970,280            | 7,549,330,626            | 7,394,587,326            | 7,137,299,775            | 3,222,423,140            |
| <b>Assessed Value for Taxation</b>   | <b>\$ 26,256,111,115</b> | <b>\$ 25,591,117,489</b> | <b>\$ 24,793,062,874</b> | <b>\$ 23,311,061,870</b> | <b>\$ 12,166,614,040</b> |
|                                      | Mills                    | Mills                    | Mills                    | Mills                    | Mills                    |
| <b>Tax Rate:</b>                     |                          |                          |                          |                          |                          |
| General                              | 7.92                     | 7.63                     | 7.26                     | 6.79                     | 12.05                    |
| Library                              | 0.80                     | 0.77                     | 0.74                     | 0.72                     | 1.33                     |
| <b>Education:</b>                    |                          |                          |                          |                          |                          |
| Public Board/Separate Board          | 5.03                     | 5.03                     | 5.03                     | 5.03                     | 9.51                     |
| <b>Total</b>                         | <b>13.75</b>             | <b>13.43</b>             | <b>13.03</b>             | <b>12.54</b>             | <b>22.89</b>             |
|                                      | \$ 389,321,440           | \$ 371,481,264           | \$ 348,734,339           | \$ 325,598,386           | \$ 302,893,128           |
| <b>Property Roll Collections:</b>    |                          |                          |                          |                          |                          |
| Current                              | \$ 380,850,825           | \$ 362,771,314           | \$ 340,692,675           | \$ 318,630,299           | \$ 297,078,078           |
| Arrears                              | 8,470,615                | 8,709,950                | 8,041,664                | 6,968,087                | 5,815,050                |
| <b>Total Collected</b>               | <b>\$ 389,321,440</b>    | <b>\$ 371,481,264</b>    | <b>\$ 348,734,339</b>    | <b>\$ 325,598,386</b>    | <b>\$ 302,893,128</b>    |
| <b>Percentage of Levy Collected:</b> |                          |                          |                          |                          |                          |
| Current                              | 95.650%                  | 95.837%                  | 96.440%                  | 96.190%                  | 95.400%                  |
| Current and Arrears                  | 95.390%                  | 95.666%                  | 96.050%                  | 95.980%                  | 95.200%                  |
| <b>Taxes Outstanding:</b>            |                          |                          |                          |                          |                          |
| Current                              | \$ 10,448,938            | \$ 7,820,928             | \$ 7,647,150             | \$ 8,208,711             | \$ 6,506,252             |
| Arrears                              | 2,387,274                | 2,164,633                | 2,136,065                | 1,580,279                | 1,495,262                |
|                                      | \$ 12,836,212            | \$ 9,985,561             | \$ 9,783,215             | \$ 9,788,990             | \$ 8,001,514             |

\* Reassessment Year

## Saskatoon Economic Statistics

For the Years Ended December 31, 2016 to 2012  
(unaudited)

|  | 2016              | 2015         | 2014       | 2013         | 2012         |
|--|-------------------|--------------|------------|--------------|--------------|
| Saskatoon population (December 31)*:         | <b>266,064</b>    | 262,900      | 257,300    | 248,700      | 239,000      |
| Annual change                                | <b>1.203%</b>     | 1.900%       | 6.191%     | 4.059%       | 2.050%       |
| Saskatoon inflation rate – annual change     | <b>1.200%</b>     | – %          | 1.900%     | 1.000%       | 1.470%       |
| Saskatoon unemployment rate – annual average | <b>6.780%</b>     | 5.800%       | 3.580%     | 4.100%       | 5.600%       |
| No. of Persons Employed in Saskatoon         | <b>168,233</b>    | 169,625      | 169,100    | 164,175      | 152,675      |
| Saskatoon Building Permits                   |                   |              |            |              |              |
| Total Number                                 | <b>3,950</b>      | 4,327        | 4,996      | 5,020        | 5,196        |
| Total Value                                  | <b>\$ 727,597</b> | \$ 1,020,394 | \$ 878,238 | \$ 1,088,500 | \$ 1,082,100 |
| Annual Change                                | <b>(8.712)%</b>   | (0.130)%     | (0.479)%   | (3.400)%     | 15.500%      |

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

### Sources of Information:

Statistics Canada

City of Saskatoon – Planning Branch, Community Services Department

## Major Taxpayers in Saskatoon

2016 Taxable Assessment (in thousands of dollars)  
(unaudited)

|  |                       |
|--|-----------------------|
| Midtown Plaza Inc.                             | <b>\$ 206,973,800</b> |
| Boardwalk REIT Properties Holdings Ltd.        | <b>130,812,200</b>    |
| Pillar Properties Corp.                        | <b>115,374,400</b>    |
| Centre At Circle & Eighth Property Inc.        | <b>88,017,900</b>     |
| Calloway REIT Saskatoon South                  | <b>87,712,200</b>     |
| 959630 Alberta Inc.                            | <b>75,043,540</b>     |
| Mainstreet Equity Corp.                        | <b>74,692,450</b>     |
| Dundeal Canada (GP) Inc.                       | <b>63,799,800</b>     |
| 101042414 Saskatchewan Ltd.                    | <b>58,877,800</b>     |
| The Saskatoon Co-operative Association Limited | <b>58,612,300</b>     |
| Nexus Holdings Inc.                            | <b>55,818,190</b>     |
| CNH Canada Ltd.                                | <b>54,661,000</b>     |
| Saskatoon West Shopping Centres Limited        | <b>51,271,300</b>     |
| Boulevard Real Estate Equities Ltd.            | <b>50,773,350</b>     |
| Pillar Development Corp.                       | <b>48,204,200</b>     |



## Summary of Accumulated Surplus and Net Financial Assets (Debt)

For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

|                             | 2016         | 2015<br>Restated<br>Note 20 | 2014         | 2013         | 2012         |
|-----------------------------|--------------|-----------------------------|--------------|--------------|--------------|
| Accumulated Surplus         | \$ 3,875,360 | \$ 3,688,506                | \$ 3,455,899 | \$ 3,254,332 | \$ 3,034,601 |
| Net Financial Assets (Debt) | \$ (125,106) | \$ (57,943)                 | \$ 68,633    | \$ 52,815    | \$ 115,061   |

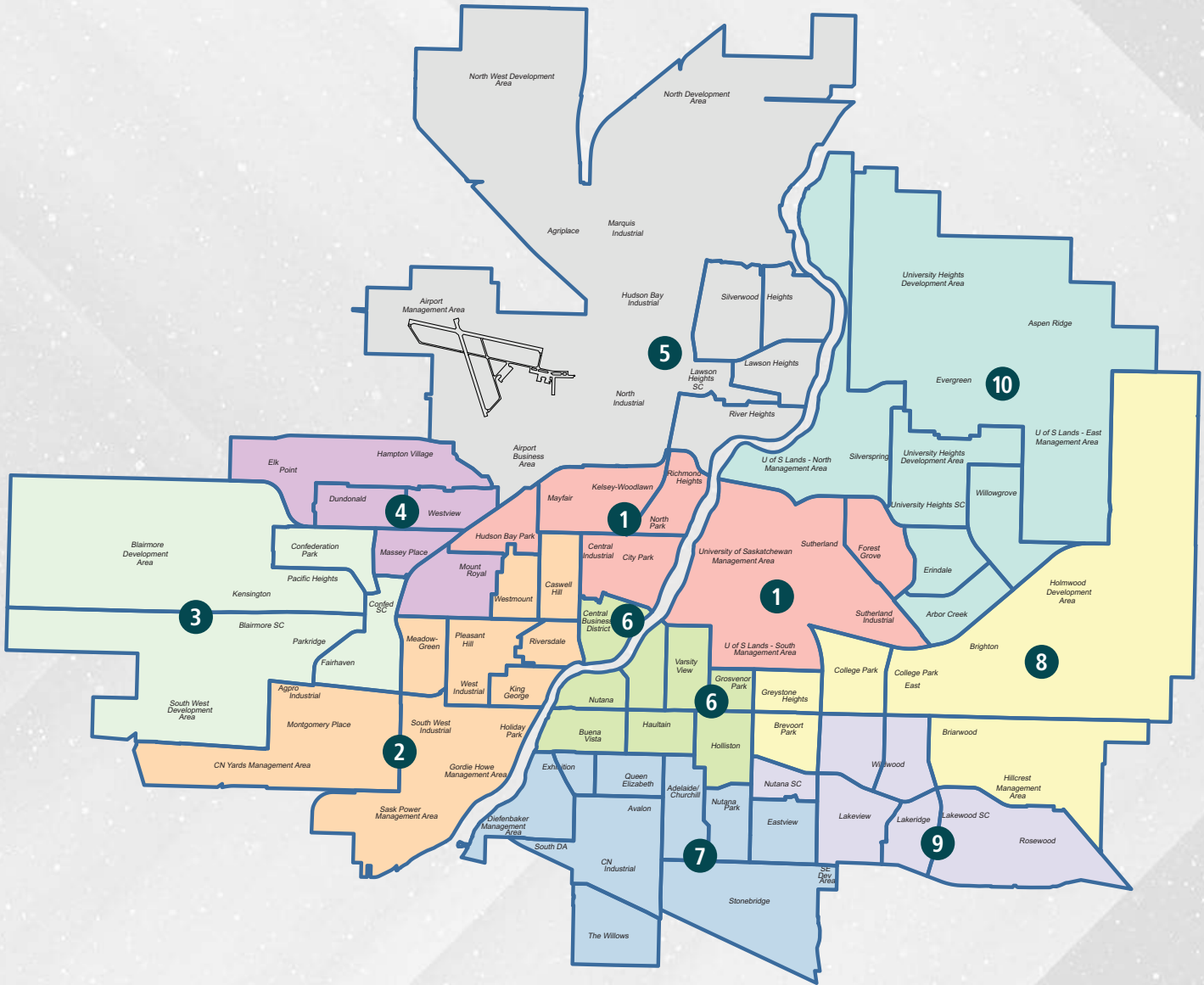
## Summary of Expenditures by Object

For the Years Ended December 31, 2016 to 2012 (in thousands of dollars)  
(unaudited)

|   | 2016       | 2015       | 2014       | 2013       | 2012       |
|---|------------|------------|------------|------------|------------|
| Wages and Benefits                            | \$ 280,655 | \$ 282,741 | \$ 266,776 | \$ 280,437 | \$ 249,565 |
| Contracted and General Services               | 161,007    | 188,684    | 158,191    | 113,033    | 117,166    |
| Heating, Lighting, Power, Water and Telephone | 97,683     | 99,809     | 96,332     | 91,426     | 84,830     |
| Materials, Goods and Supplies                 | 16,635     | 23,353     | 21,101     | 41,389     | 23,702     |
| Finance Charges                               | 16,465     | 12,098     | 6,493      | 7,103      | 7,794      |
| Donations, Grants and Subsidies               | 9,888      | 11,679     | 8,835      | 11,905     | 12,381     |
| Amortization                                  | 123,233    | 116,898    | 109,966    | 101,845    | 83,643     |
|   | \$ 705,566 | \$ 735,262 | \$ 667,694 | \$ 647,138 | \$ 579,081 |

# CITY OF SASKATOON WARD MAP

2016



## OUR VISION

In 2030, Saskatoon is a world class city with a proud history of self-reliance, innovation, stewardship, and cultural diversity. Saskatoon is known globally as a sustainable city loved for its community spirit, robust economy, cultural experiences, environmental health, safety, and physical beauty. All citizens enjoy a range of opportunities for living, working, learning, and playing. Saskatoon continues to grow and prosper, working with its partners and neighbours for the benefit of all.

“Saskatoon is a great place to live, where sustainable growth enables the community to invest for the benefit of all.”

## OUR MISSION

Our Corporation, the City of Saskatoon, exists to provide excellent local government through leadership, teamwork, partnership and dedication to the community.

We will be innovative and creative in the efficient and effective delivery of public services for the economic, environmental, social and cultural well-being of the community.

## OUR CORPORATE VALUES

Our Strategic Goals will be achieved through the talent, creativity, and commitment of staff who demonstrate our five workplace values every day:

**TRUST - INTEGRITY - RESPECT - HONESTY - COURAGE**

## OUR LEADERSHIP COMMITMENTS

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

**RELIABLE AND RESPONSIVE SERVICE**

**STRONG MANAGEMENT AND FISCAL RESPONSIBILITY**

**EFFECTIVE COMMUNICATION, OPENNESS AND ACCOUNTABILITY**

**INNOVATION AND CREATIVITY**



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