

November 23, 2018

Mayor Charlie Clark & City Councillors
City of Saskatoon
222 Third Avenue North
Saskatoon, SK S7K 0J5

His Worship the Mayor and Members of City Council:

**SUBJECT: Greater Saskatoon Chamber of Commerce response to the
2019 Preliminary Corporate Business Plan and Budget**

On behalf of the Greater Saskatoon Chamber of Commerce, I am pleased to acknowledge the efforts made by the City of Saskatoon to develop a 2019 Preliminary Corporate Business Plan and Budget that seeks financial sustainability while investing in the future.

The Chamber is the voice of business in Saskatoon. We are a grassroots organization focused on promoting prosperity in business, which in turn provides the foundation for a healthy and strong community. Our mandate is to advocate on behalf of our 1,500-members to make Saskatoon the best business climate in Canada. Therefore, our response to the 2019 Preliminary Corporate Business Plan and Budget is aligned with our interest in ensuring that the City moves forward in a fiscally responsible manner that supports the continued growth and prosperity of our local business community.

In our analysis, we have considered a number of points that align with our Strategic Plan and overall mandate. To ensure continued competitiveness and prosperity of our local economy, we encourage you to consider the following points as you conduct your review:

- Maintain competitive tax rates that do not impede growth
- Ensure sustainable spending that enhances business development
- Consider alternative sources of revenue beyond taxation
- Meet debt management targets
- Support programing that enhances the participation of underrepresented groups in the local economy

As referenced in the budget outline, we commend the city for acknowledging the importance of controlling expenditures, managing debt levels and maintaining

assets, while investing for the future. We do, however, believe that a closer look should be taken at the issue of lagging non-tax revenues.

It is noted in the documentation that, although 48% of the city's operating revenues come from taxation, "this percentage is relatively low when compared to other Canadian municipalities." We understand and appreciate that this percentage remains low on a comparative level; however, in a subsequent statement, it is indicated that one of the reasons that taxation has been steadily rising is due to "most of the City's non-tax revenues not keeping pace with rising costs, inflation, growth and service level changes." This is a concerning statement and we believe that continued tax increases to offset non-tax revenues is unsustainable and will find our city less competitive over the long-term. We recommend that the City of Saskatoon conduct a review of non-tax revenues to ensure that these sources generate sufficient income that keeps pace with rising costs, inflation, growth and service level changes.

In closing, I wish to commend the city for its open and transparent approach to fiscal management by seeking input from stakeholders to identify what matters most to the citizens of Saskatoon. I trust that Council will consider our insights and make adjustments that ensure the continued prosperity of Saskatoon's local economy.

In the future we look forward to working closely with City administration on the development of the Multi-Year Business Plan and Budget (MYBB). With a recently appointed Chamber staff member dedicated to liaising with government and public sector representatives, we look forward to collaborating and providing input on the long-term business planning and budget cycle.

We strongly believe in the potential of our City and look forward to working with you to make Saskatoon the best business climate in Canada.

Kindest regards,



Darla Lindbjerg
President & CEO