



**ADDITIONAL AGENDA ITEMS
SPECIAL MEETING OF CITY COUNCIL
2015 CORPORATE BUSINESS PLAN AND DETAILED BUDGET
DECEMBER 2 AND 3, 2014**

**1:00 p.m. - 6:00 p.m.
Council Chamber, City Hall**

Pages

2. CONFIRMATION OF AGENDA

2.1 *Reports of the CFO/General Manager, Asset and Financial Management Department dated December 2, 2014:*

- 2015 Preliminary Corporate Business Plan and Budget - Potential Opportunities for Reductions, as Urgent Business Item 24.1 (Files CK. 1700-1, AF. 1702-1, 1815-1 and 4110-115-1, 1702-1 and 1704-1)
- Neighbourhood Land Development - Allocation of Net Proceeds as, Urgent Business Item 24.2 (Files CK. 1820-1, 4110-40, AF. 1702-1, 1815-1 and 4110-1)

2.2 *Requests to Speak*

3 - 6

- Mandy Chen, Bus Riders of Saskatoon, dated December 1 (File No. CK. 1905-4)
- Kent Smith-Windsor, Executive Director, Greater Saskatoon Chamber of Commerce, dated December 1 (File No. CK. 1720-1)

- Jason Yochim, CEO, Saskatoon Region Association of REALTORS, dated November 25 (File No. CK. 1920-1 x 1700-1)
- David Kilborn, dated November 26 (File No. CK. 1920-1)
- Steve Kuzma, dated November 29 (File No. CK. 1920-1)
- Brent Penner, Executive Director, Downtown BID - The Partnership, dated November 30 (File No. CK. 1905-4)
- Margot Gough, dated December 1 (File No. CK. 1905-4 x 1700-1)
- Barbara Labatt, dated December 1 (File No. CK. 7830-3 x 1700-1)
- Colleen Streisel, dated December 2 (File No. CK. 1920-1)
- Kent Smith-Windsor, The Combined Business Group, dated December 2 (File No. CK. 1720-1)

Recommendation

That the agenda for today's meeting be amended by adding the above matters for consideration.

24. URGENT BUSINESS

- 24.1 2015 Preliminary Corporate Business Plan and Budget - Potential Opportunities for Reductions (Files CK. 1700-1, AF. 115-1, 1702-1 and 1704-1)**

18 - 23

Recommendation

That the following be considered at the 2015 Business Plan and Budget deliberations:

1. That the Property Levy Service Line be adjusted to reflect an additional \$200,000 in taxation revenue resulting from the 2015 Preliminary Assessment Roll; and
2. That the options identified in this report as part of the 2015 Preliminary Corporate Budget Plan and Budget deliberations be considered.

- 24.2 Neighbourhood Land Development - Allocation of Net Proceeds (Files CK. 1820-1, 4110-40, AF. 1702-1, 1815-1 and 4110-1)**

24 - 25

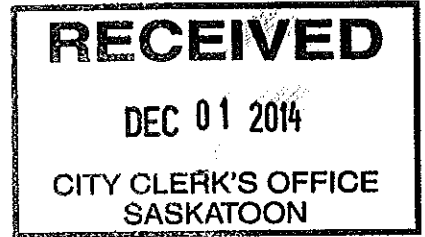
Recommendation

That the following be considered during the 2015 Business Plan and Budget deliberations:

1. \$3.0 million of the Rosewood neighbourhood net proceeds be transferred to the Paved Roadways Infrastructure Reserve; and
2. \$750,000 of the Rosewood neighbourhood net proceeds be transferred to the Reserve for Capital Expenditures.

1905-4

From: CityCouncilWebForm
Sent: December 01, 2014 3:36 PM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Mandy Chen
3875 John A Macdonald Road
saskatoon, Saskatchewan
S7L 5T1

EMAIL ADDRESS:

cytdii@gmail.com

COMMENTS:

Representatives from the Bus Riders of Saskatoon(BRoS) wishes to speak at the 2015 Budget Review Committee meeting to be held on Dec.2/3, 2015.

BRoS is a Saskatoon citizen group formulated by bus riders for bus riders in earlier September 2014, and it serves to advocate for better transit service in the city. We currently have over 350 active Facebook group members and had successfully held six regular group meetings.

It has come to our attention that as part of the upcoming 2015 Budget review meeting this week, discussion and decision will take place around a proposal for transit fare rise. An average transit fare increase of 3.23 per cent has been proposed for implementation by Feb. 1, 2015. As a group collectively we wish to address our opposition to the proposal and we think as an essential public infrastructure the cost of transit should be shared among all tax payers, not just transit users.

Please advise the date and time which is appropriate for us to attend and present in the meeting. If any further information is needed please feel free to contact me through this e-mail. Thank you very much for your attention and assistance on this matter.

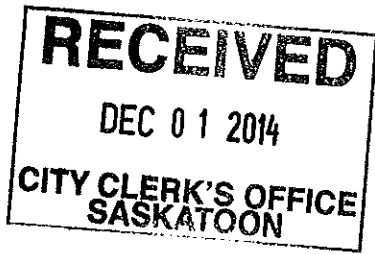
Sincerely,

Bus Riders of Saskatoon

1750-1

The Chamber

Greater Saskatoon Chamber of Commerce



Greater Saskatoon Chamber of Commerce
104 - 202 4th Avenue N
Saskatoon, SK S7K 0K1

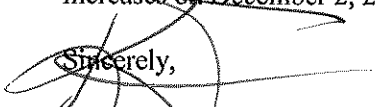
December 1, 2014

His Worship the Mayor
And Members of City Council
c/o City Clerk's Office - City Hall
222 Third Avenue North
Saskatoon, SK S7K 0J5

Dear His Worship the Mayor and Members of City Council:

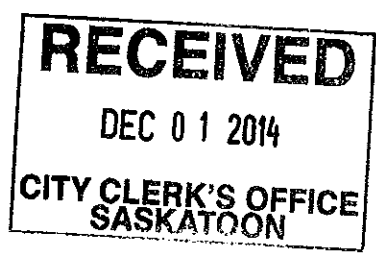
Re: 17.2 Proposed Fee Increase for New Business Licences and License Renewal [File No. CK 1720-1; PI 1720-2]

This letter is to request permission that Mr. Kent Smith-Windsor, Executive Director of the Greater Saskatoon Chamber of Commerce, will be given time to address Council regarding the proposed Business License fee increases on December 2, 2014.

Sincerely,

Kent Smith-Windsor
Executive Director
Greater Saskatoon Chamber of Commerce

The Chamber

Greater Saskatoon Chamber of Commerce



Greater Saskatoon Chamber of Commerce
104 – 202 4th Avenue N
Saskatoon, SK S7K 0K1

December 1, 2014

His Worship the Mayor
And Members of City Council
c/o City Clerk's Office - City Hall
222 Third Avenue North
Saskatoon, SK S7K 0J5

Dear His Worship the Mayor and Members of City Council:

Re: 17.2 Proposed Fee Increase for New Business Licences and License Renewal [File No. CK 1720-1; PI 1720-2]

Our Chamber does not support the proposed increase in business licensing fees, nor do we support the proposed increase in staffing levels as was recently proposed for Council's consideration.

While we do recognize that the initial staff complement in 1997 was dealing with a smaller business population base, the staff team at that time was given the task to initiate the project as a start-up project without today's renewal base. The current renewal license base must save significant time resources as compared to the 1997 start-up period. In addition, the licensing system now features an online payment system for both renewals and applications, which has streamlined processing time and thus, decreased staffing requirements. We suggest that it may be possible to have a rate differential for manual new business applications to reflect the additional resources required to complete the entry manually. Such a differential would also encourage online applications.

If the staffing increase request is to collect fees from the business sector to fund zoning enforcement, it is problematic as a principle which sees zoning enforcement for other types of property funded from the general tax base.

Our Chamber has contacted several real estate analysis and business service providers to consult on the level of usage of the information available through the city's licensing system. Based on that consultation, there are very few users of this data; and we were unable to find a regular user of this data. The City should consider reducing some of the services offered and as discussed in the report, such as:

- Comprehensive business start-up assistance
- Compiling, analyzing and distributing business license data. If this data is requested for internal city purposes, those requests should be funded through inter-departmental cross charges. Business-related data requests such as these could also be offered on a cost-recovery basis.

This reduction in service will assist in eliminating the proposed fee increase without causing significant hardship to the Saskatoon business community.

The Chamber

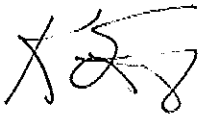
Greater Saskatoon Chamber of Commerce

Concerning our own experience, our Chamber is also actively involved in providing business information services. Additionally, we rarely access the City's data, suggesting that its usefulness is limited. SquareOne and BizPal also provide excellent business start-up and registration assistance. This suggests that those services as discussed in the appended report are a duplicate of services already provided in Saskatoon.

The report suggests an increase in the staffing to an excess of 9 full-time equivalents. In our view, this request cannot be justified. This is based on our experience in providing services to the business community and in view of the technology available to increase productivity for customer relationship management systems such as this business license system.

The fees should not be increased at this time.

Sincerely,



Kent Smith-Windsor
Executive Director

1950-1
x1700-1



RECEIVED
DEC 01 2014
CITY CLERK'S OFFICE
SASKATOON

November 25th, 2014

His Worship the Mayor
Members of Saskatoon City Council
222 3rd Avenue North
Saskatoon, SK S7K 0J5

RE: Proposed City Budget for 2015

I am writing on behalf of the 600 plus REALTORS® who trade in both commercial and residential real estate in and around the city of Saskatoon. The purpose is to raise with you our members' concern with the proposed 7.32% property tax increase.

My intent is to caution council on adding an additional 7.32% increase to the increase of 7.4% last year. Increases of this size are historically large, and when compounded year after year, the result is powerful. Tax begins to shift from a common share in costs, to a penalty for living in our city.

For Saskatoon's economy to continue growth, affordable homes are critical. Every dollar in new taxes is a dollar deducted from payment on principal. Essentially for every \$5 added to a monthly tax bill, purchasing power is reduced by \$1,000.

The impact on commercial tax payers is magnified by the fact businesses pay \$1.75 for every \$1 paid by residential rate payers. Decisions for businesses to expand or relocate are directly affected by these costs. Property tax becomes a rising hurdle to growth.

As you are aware, the sale of residential and commercial real estate is a key economic stimulus to the community. Research by the Canadian Real Estate Association shows the average residential transaction generates \$51,275 in spin-off spending. That is the equivalent of one new job for every three transactions. We expect Saskatoon will see over 6,000 residential transactions this year. The importance of this activity is obvious.

We would urge you and Council to consider options in two areas.

The first is the spending side of the ledger. Resources will always be limited, which suggests that problems may be better tackled by a change in approach than by extracting more dollars to spend through an old process.

Saskatoon Region Association of REALTORS® Inc.

1149-8th Street East, Saskatoon, SK S7H 0S3 TEL: (306) 244-4453 FAX: (306) 343-1420

www.saskatoonrealtors.ca info@srar.ca

Mission: "To Support our Members Professional Success, Career Development and Quality of Life"





The second is how you raise funds. We understand that infrastructure maintenance requires money. The issue is whether taxing property is the best way to raise it. It is time to consider moving more costs off general property tax, and onto self-standing, user-supported utilities. When public dollars are in short supply, and raising taxes begins to pose a risk to growth, it is time to consider how more private dollars can be attracted to meet public needs. REALTORS® also urge you to pursue regular annual capital revenue sharing from senior governments.

Finally I would like to note recent efforts to improve infrastructure, such as resurfacing roadways. Your attention has been greatly appreciated by our members. We would suggest you consider creating a direct-drive relationship between part of the existing tax load, and specific valued purposes like this for which the designated tax portion would be committed, and tracked. It would create real transparency and greater accountability, and could help drive savings in areas of lower priority.

We are aware that there are signs of a positive shift in the city's approach to long term planning, capital expenditures and maintenance and want to thank you for your efforts in this area as well.

Should you wish to have a further discussion on this topic, I would look forward to speaking with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Yochim", is written over a large, stylized circular flourish.

Jason Yochim CRAE
Chief Executive Officer
Saskatoon Region Association of REALTORS®

Saskatoon Region Association of REALTORS® Inc.

1149-8th Street East, Saskatoon, SK S7H 0S3 TEL: (306) 244-4453 FAX: (306) 343-1420

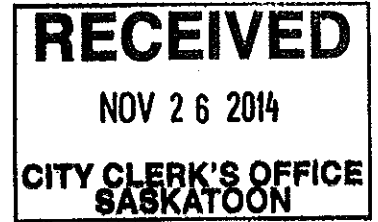
www.saskatoonrealtors.ca info@srar.ca

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Page 8



From: CityCouncilWebForm
Sent: Wednesday, November 26, 2014 10:57 AM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

David Kilborn
542 Bornstein Terrace
Saskatoon, Saskatchewan
S7N 3Y1

EMAIL ADDRESS:

dckmusic@gmail.com

COMMENTS:

I'm hearing a lot on the news about the current snow clearing plan, so before I over-react, I would like to know exactly what is true as it is very concerning to me that promises are being broken and the current promise of road improvements from another huge tax increase will just be another money pit that will see little benefit to most.

Last year with the major tax increase for snow clearing, I supported council on this and argued the merits of it with many. Being someone that had to park the small car we have for about 3 weeks in the spring to prevent damage from driving through all the deep ruts on our street, snow clearing was an important issue to me. Council addressed this concern through a significant tax increase, and while increased taxes aren't fun, I was supportive given the benefit.

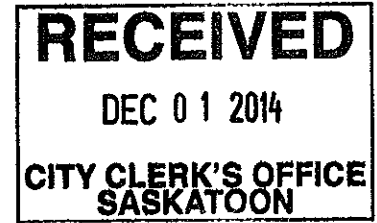
Last winter was disappointing as the snow clearing promised didn't really happen, but I know it was a difficult winter due to the melting we had in January that made it a challenge to clear ice. However, with the latest revelations that snow clearing will be "focused" on narrower streets, it makes me wonder if this whole thing has simply been a charade to gouge taxpayers and it was always known that the tax increase would not meet the promise that came with it. And if what I'm hearing is true, I will be now paying significantly more taxes and my street will likely not be cleared and I will once again be parking my small car for a few weeks this spring.

But even more than this, moving forward with the current proposed tax increase to improve roads, it really makes me wonder if this is simply another story to get people to buy in to yet another huge tax increase. Are we really going to see significant road improvements, or are we going to be told in another year or two that it simply isn't possible to do what was promised and we'll either need another huge increase, or we'll have to limit the work to certain areas of the city.

If the facts are not as stated here, please explain to me what I'm missing, because this city council is quickly developing a credibility issue, even aside from a particular member's breach of confidentiality.

I would hope the taxpayers of Saskatoon are given a thorough explanation or most of you will find yourself replaced in the next election.

From: CityCouncilWebForm
Sent: Saturday, November 29, 2014 12:44 PM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Steve Kuzma
1630 Cairns Avenue
Saskatoon, Saskatchewan
S7H 2H8

EMAIL ADDRESS:

stevekuzma@shaw.ca

COMMENTS:

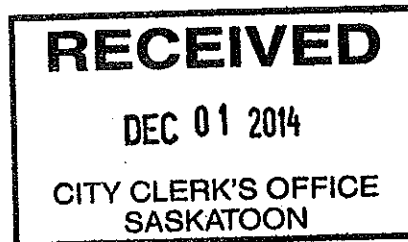
I have been reading the debate over the tax increase. Although I do not like to see increased costs, sometimes they are justified. Our roads need to be repaired and more money allotted for this is welcome. I was impressed with the work done this year and would not want to see that go to waste by giving up the program.

One thought about having bi-weekly garbage pick up makes sense to me. We rarely have enough garbage for a weekly pickup as we use our blue bin for almost everything. If the green bin were to come, and I hear that it is, we would only need garbage once a month quite frankly. WE lived in Ancaster, Ontario for 4 years and became used to filtering the stuff we throw away. We rarely had garbage as everything was either blue or green bins. This would be a money saver. People complain but that is because of change not because it would be less service. If we want to lower our taxes everyone needs to chip in and help.

1905-4



THE PARTNERSHIP
Saskatoon Downtown Business Improvement District



November 30, 2014

His Worship the Mayor and Members of City Council
Office of the City Clerk
City of Saskatoon
2nd Floor, City Hall
222 3rd Avenue North
Saskatoon, SK S7K 0J5

His Worship the Mayor and Members of Council,

The Board of Management for the Downtown Business Improvement District discussed the importance of transit to the vitality of downtown at its November meeting. Our organization is supportive of a stronger and more affordable transit system. A strong transit system will help to reduce infrastructure costs by diminishing the need for roadway expansion. Even a small increase in transit ridership will assist other users of our roadways by reducing congestion.

Our board has identified increased transit utilization as a critical driver of downtown growth as we try to compete with suburban options which have easier parking. As such, we are concerned about the implications of proposed transit fare increases on downtown and hope every effort will be made to improve transit services without increasing fares.

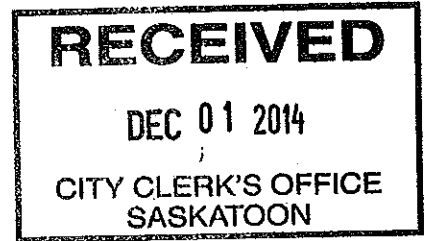
Sincerely,

Brent Penner
Executive Director
Downtown BID – The Partnership

cc: Dave Denny, Chair, The Partnership

From: CityCouncilWebForm
Sent: December 01, 2014 10:45 AM
To: City Council
Subject: Write a Letter to City Council

1905-4
x 1700-7



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Margot Gough
701-717 Victoria Avenue
Saskatoon, Saskatchewan
S7N 2T5

EMAIL ADDRESS:

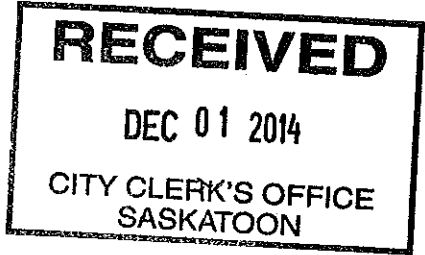
margot.gough@gmail.com

COMMENTS:

At a time when city should be working to restore faith and enthusiasm for the bus service that has seen route changes, disruptions, and a lockout, it seems unwise to increase fares. Responsibility for the bus system should rest on all those who benefit from it - that is, all residents of Saskatoon.

7830-3
x 1700-1

From: CityCouncilWebForm
Sent: December 01, 2014 11:09 AM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Barbara Labatt
3434 Ortona Street
Saskatoon, Saskatchewan
S7M 3S1

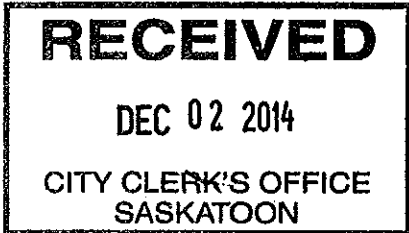
EMAIL ADDRESS:

balabatt@sasktel.net

COMMENTS:

We are going back in time medieval times when garbage was never picked up. This garbage pickup biweekly from May to Oct is a public Heath issue. Who wants dirty diapers smelling in their garbage bins for this length of time in hot weather plus other items. It also attracts unwanted rodents. Big Heath hazard to the public. In Regina the garbage is still picked up weekly. Policing in this we do not see their presence either. They have lights and cameras now. The Ramai Art Gallery does not need 6 million from the taxpayers. If we ran our homes like this we would be broke. The Art gallery needs to do fundraising like other organizations. We need some transparency from this city council. Every thing done at council needs to be open to the public not just closed doors. Trust and accountability needs to addressed to public.

From: CityCouncilWebForm
Sent: December 02, 2014 8:08 AM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Colleen Streisel
6 Fraser Crescent
Saskatoon, Saskatchewan
S7H 3H1

EMAIL ADDRESS:

al.colleen@sasktel.net

COMMENTS:

I would like to address the tax increase that is proposed.

I need the council to realize that my wage has only increased 12% in 11 years that I have been employed at my current place of employment. My husband's employment has been about the same. We have three children and are finding it harder every year.

What I am trying to get at is that if you plan to increase the taxes, the power and electrical, etc. you will be causing financial hardship on a lot of people especially the elderly.

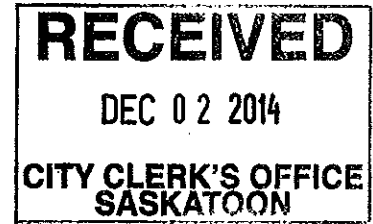
I know that a few dollars here and there does not seem like a lot but when you put everything together such as food prices increasing, taxes, gas and electricity the dollar amount is high. The cost an increase of \$10.00 a month ends up being \$50.00 or more per household. When you are on a tight budget \$50.00 is food.

Please consider other alternatives then cutting back on garbage pick-up. The summer will be filled with most wonderful aromas if that happens.

How about the art centre? Do we really need to give them five million dollars?

Thank you for your attention to this matter.

From: CityCouncilWebForm
Sent: Tuesday, December 02, 2014 9:51 AM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Kent Smith-Windsor
104 - 202 4th Avenue N
Saskatoon, Saskatchewan
S7K0K1

EMAIL ADDRESS:

communications@saskatoonchamber.com

COMMENTS:

The Combined Business Group
104 - 202 4th Avenue N
Saskatoon, SK S7K 0K1

December 2, 2014

His Worship the Mayor
And Members of City Council
c/o City Clerk's Office - City Hall
222 Third Avenue North
Saskatoon, SK S7K 0J5

Dear His Worship the Mayor and Members of City Council:

Please accept this letter as indication that the signatories listed below are in opposition to the proposed City of Saskatoon Fee Increases for New Business Licenses and License Renewals (File No. CK 1720-1; P1 1720-2).

Regards,

Kent Smith Windsor
Greater Saskatoon Chamber of Commerce

Sheldon Wasylenko
Sutherland Business Improvement District

Bradley Redman
Eighth Street Business Improvement District

Dave Hepburn
Saskatoon & Region Home Builders' Association

2015 Preliminary Corporate Business Plan and Budget Potential Opportunities for Reductions

Recommendation

That the following be considered at the 2015 Business Plan and Budget deliberations:

1. That the Property Levy Service Line be adjusted to reflect an additional \$200,000 in taxation revenue resulting from the 2015 Preliminary Assessment Roll; and
2. That the options identified in this report as part of the 2015 Preliminary Corporate Budget Plan and Budget deliberations be considered.

Topic and Purpose

To provide City Council with a number of options to reduce the property tax increase proposed within the Preliminary 2015 Operating Budget.

Report Highlights

1. The Administration has investigated potential adjustments to funding plans, phase-in taxation plans, and service levels, as well as the consideration of any new information that could result in budget reductions in an effort to reduce the proposed property tax increase.

Strategic Goal

This report supports the Strategic Goal of Asset and Financial Sustainability by ensuring the services the City of Saskatoon provides are aligned with what our citizens expect and are able to pay.

Background

The 2015 Preliminary Corporate Business Plan and Budget was tabled by the Administration with City Council's Executive Committee on November 17, 2014. The annual budget process includes timelines that allow for tabling of the document well in advance of City Council's review and approval to allow for public discussion. It is based on the information available at that time.

The Administration has been considering the reaction and discussion resulting from the proposed 2015 Preliminary Corporate Business Plan and Budget and has investigated potential adjustments to funding plans, phase-in taxation plans, and service levels, as well as the consideration of any new information that could result in budget reductions in an effort to reduce the proposed property tax increase

Report

The 2015 Preliminary Corporate Business Plan and Budget is based on the priorities within the Strategic Plan and input from citizens through the Civic Services Survey and previous direction of City Council. Another key input in the preparation of the budget was the expenditure mandate followed by the Administration that included a 2% continuous improvement reduction.

Therefore, the majority of the options presented in this report are not base operating budget reductions, but rather adjustments to funding plans, service levels or proposed changes to previous City Council-directed plans.

A summary of these options are presented in Attachment 1.

Adjustment

There is one budget adjustment that is being tabled with City Council based on new information.

- Taxation from Updated Assessment Growth: \$200,000
This adjustment automatically increases the taxation revenue resulting from assessment growth. This increase from \$5 million to \$5.2 million is based on the preliminary assessment roll which was just completed by staff in the Assessment and Taxation Division. Assessment growth is defined as the expected increase in property assessment based on new building construction that was completed in 2014 and will form part of the tax roll in 2015. This additional taxation revenue means \$200,000 less is required from the property tax levy, or a 0.11% decrease in the proposed property tax increase.

Options

Each option presented below has an identified mill rate impact as well as the consequence or risk associated with approving the option.

- Dedicated Road Tax Phase-In: \$1,706,000
City Council, during the 2014 Business Plan and Budget deliberations approved the Roadway Financial Management Plan which recommended a dedicated road tax of 2.92% for three years that would reach a level of funding required to bring the City's roadway assets to a Condition "B" (sufficient expenditures to maintain the asset in good condition and improve the condition of the overall network generally over time). 2014 marked the first of the three-year dedicated tax and the preliminary budget for 2015 included the second phase-in of the tax.

However, an option for consideration is to smooth out the impact and spread the remaining two years of 2.92% over three or more years. Moving to a three year phase-in will reduce the property tax increase by 0.98% or \$1.706 million. This adjustment would also have a beneficial impact to the 2016 budget as a similar reduction could be incorporated.

The latest pro forma analysis of the Evergreen neighbourhood has resulted in the Administration's being able to declare an additional \$10 million in net proceeds. The Administration was initially planning to recommend that the full \$10 million be held in reserve to offset capital cash flow requirements; however, in order to maintain the desired 2015 service level for the City's roadway assets, \$1.7 million could be allocated as one-time funding to back-fill the proposed reduction in dedicated tax funding. This way, the 2015 investment in the roads program

proposed in the 2015 Budget remains intact and is equivalent to the full 2.92% in dollar terms.

- Traffic Noise Attenuation Debt Repayment Phase-In: \$174,100
City Council, during the 2014 Business Plan and Budget deliberations, approved a plan to fund the construction of a number of sound walls to assist in reducing the current backlog. Funding consisted of a combination of reserve funds and debt. Construction was planned for 2016 and City Council approved a three-year phase-in plan to ensure sufficient funds were raised to repay the debt.

The tender documents can be prepared to require construction in 2016 with payment planned for 2017. This would provide an option to increase the phase-in period to four years. This would reduce the property tax increase by 0.1% or \$174,100. There is limited risk to this option as the last sound wall construction was successfully tendered in a similar manner.

- Civic Facilities Funding Plan Adjustments: \$1,000,000
The Civic Facilities Funding Plan represents a funding strategy to fund a number of major civic facilities over the next ten years, resulting in a Major Civic Facilities Reserve.

The following projects are included in the plan, as previously approved by City Council:

- New Police Headquarters
- Trunked Radio System Infrastructure
- Two Fire Halls (land, design, construction, and operational costs)
- Civic Operations Centre – Transit Relocation and Development of Snow Storage Facility (construction and operation)
- Civic Operations Centre – City Yards Relocation (construction and operation)
- Civic Office Space Renovations/Expansion

Initially, funding plans are developed conservatively as the intent is to manage risk and provide for some contingency that may be needed with estimated costs. As more information becomes available, plans can be adjusted. The Administration is now in a position to reduce some risk contingencies. This, together with project deferrals, translates into an opportunity to reduce contributions in 2015 as follows:

- \$400,000 reduction to the Plan resulting from the expectation that the Civic Operations Centre - Phase 1 project will be at least on budget, allowing some contingency to be released;
- \$500,000 as a result of deferring the City Yards Relocation to 2018 from 2017, as the timing change would better reflect the state of readiness of North Downtown Master Plan; and
- \$100,000 as a result of deferring expenditures related to Civic Office Space Renovations/Expansion and a reduction to a planned contingency.

These reductions total \$1.0M and would reduce the property tax increase by 0.58%. There are limited risks to this proposal as the funding plan is designed to be flexible

A summarized update relating to this plan will be provided to the Standing Policy Committee on Finance in early 2015.

- Meewasin Valley Authority Funding: \$50,000

The 2015 Budget includes an additional provision of \$250,000 to the Meewasin Valley Authority (MVA) directly targeted toward the maintenance, enhancement and new construction of the MVA Trail System. As this is an incremental amount to current MVA funding, there is an option to reduce this by \$50,000, which would equate to a 0.03% property tax reduction. The City's level of funding will directly impact the MVA's ability to address deficiencies in its trail system.

- Facility Site Replacement Reserve: \$50,000

The purpose of this reserve is to maintain and repair the infrastructure components at facilities which are not currently covered by the Civic Building Comprehensive Maintenance Reserve (e.g. parking lot repair). This is a new reserve with a start-up provision introduced in 2015. The reserve requirements total approximately \$600,000 annually. The 2015 allocation is currently \$100,000. This provision could be reduced by \$50,000 equal to a 0.03% property tax reduction. The reduction would extend the timeline until the reserve reaches a sufficient annual provision.

- Waste Handling Civic Service Review

A Civic Service Review for waste handling is underway to find ways to control expenditures and seek efficiencies related to garbage collections, containers and landfill operations. However, the Administration is bringing forward opportunities for service level adjustments to frequency of garbage collections and hours of operation at the landfill prior to the completion of the review, to assist in the deliberations of the 2015 Business Plan and Budget. The Civic Service Review will continue and there may be further savings and efficiencies; however the following are options for City Council's consideration:

- Reduce weekly collections to bi-weekly: \$40,000 to \$500,000

This option translates into a \$70,000 savings per month less a one-time advertising cost of \$30,000. This does not include funds to re-issue the collection calendar, as this process is also under review. The option of reducing weekly collections to bi-weekly could be considered for any portion of the 7-month period of April through October.

- Eliminate Additional Collection During Winter Holiday Season: \$48,800

This option relates to the additional collection offered during the winter holiday season. This collection requires the use of staff overtime for both collection and landfill operations. Savings total \$50,000 less advertising costs of \$1,200.

- Reduce Landfill Operating Hours: \$42,200
This option proposes the elimination of one day of the week where residents can drop off their garbage. The day chosen would be the one with the least impact on residents. The landfill would remain open for City and contract haulers. This proposal is consistent with other landfill providers. The savings in 2015 total \$47,200 less advertising costs of \$5,000.

- Other Options

Other options to consider are reductions to operating budgets. These might include, but are not limited to, areas where the expenditure budgets were higher than the mandated allocations. Police and Fire would be obvious areas where the expenditure mandate was not met.

Also, provisions to fund programs related to city growth and service level enhancements included within Schedule X of the Preliminary Corporate Business Plan and Budget Document (pages 243-252) could be adjusted.

Communication Plan

Communication plans will be developed based on the outcome of the review of the 2015 Preliminary Corporate Business Plan and Budget.

Financial Implications

The financial implications are outlined within the body of this report.

Other Considerations/Implications

There are no options, policy, environment, privacy or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

A follow-up report on the Civic Facilities Funding Plan will be provided in early 2015.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. Summary of Options

Report Approval

Written by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management

Approved by: Murray Totland, City Manager

Summary of Options

2015 Proposed Property Tax Increase	12,732,300	7.32%
<u>Adjustment</u>		
Taxation Revenues from Updated Assessment Growth	(200,000)	-0.11%
<u>Options</u>		
<u>Funding Plans</u>		
Dedicated Road Tax Phase-in	(1,706,000)	-0.98%
Traffic Noise Attenuation Debt Repayment Phase-in	(174,100)	-0.10%
Civic Facilities Funding Plan		
Civic Operations Centre - Phase 1	(400,000)	
Deferral of City Yards Relocation	(500,000)	
Deferral of Civic Office Space Reno Expenditures	<u>(100,000)</u>	(1,000,000) -0.58%
Meewasin Valley Authority Increased Funding	(50,000)	-0.03%
Facility Site Replacement Reserve Funding	(50,000)	-0.03%
Subtotal	<u>(3,180,100)</u>	<u>-1.83%</u>
Revised Property Tax Increase	<u>9,552,200</u>	<u>5.49%</u>

Service Level Adjustments

Garbage Collection

Bi-weekly collection monthly savings	(70,000)
less one-time \$30,000 advertising cost	30,000
Eliminate Additional Collection - Winter Holiday Season	(48,800)

Reduce Landfill Operating Hours

Close one weekday to residential drop-off	42,200
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Neighbourhood Land Development Allocation of Net Proceeds

Recommendation

That the following be considered during the 2015 Business Plan and Budget deliberations:

1. \$3.0 million of the Rosewood neighbourhood net proceeds be transferred to the Paved Roadways Infrastructure Reserve; and
2. \$750,000 of the Rosewood neighbourhood net proceeds be transferred to the Reserve for Capital Expenditures.

Topic and Purpose

The purpose of this report is to bring forward a set of recommended allocations of the recently declared surplus from the Neighbourhood Land Development Fund, specifically from the Rosewood neighbourhood.

Report Highlights

1. \$3.0 million of the \$3.75 million surplus funds from the recently declared Rosewood neighbourhood be allocated to the Paved Roadways Infrastructure Reserve.
2. \$0.75 million of the \$3.75 million surplus funds from the recently declared Rosewood neighbourhood be allocated to the Reserve for Capital Expenditures.

Strategic Goal

This report supports the four-year priority of providing revenue to fund new capital expenditures, and the long-term strategy of increasing revenue sources and reducing reliance on residential property taxes under Strategic Goal of Asset and Financial Sustainability.

Background

Further reporting on how to allocate the previously declared surplus funds from the Neighbourhood Land Development Fund for the Rosewood neighbourhoods is required.

The Rosewood neighbourhood declaration was made at the the Standing Policy Committee on Finance's meeting of September 8, 2014, with a recommendation to report further with recommended allocations of these funds.

Report

Rosewood Neighbourhood

The declared surplus funds of \$3.75 million from the Rosewood Neighbourhood Land Development Fund are being recommended for use as follows:

1. \$3.0 million to be transferred to the Paved Roadways Infrastructure Reserve to be invested in road rehabilitation and preservation in 2015; and
2. \$0.75 million to be transferred to the Reserve for Capital Expenditures (RCE) for allocation to capital projects during the 2015 budget review.

The above recommendations are within the allocations policy for the total allocation of the surplus funds from the Rosewood neighbourhood.

Options to the Recommendation

City Council will have the option to re-allocate surplus funds to other projects, recognizing that the funding is only available to fund one-time/short-term projects. However, alternative funding sources will then be required for the above-noted allocations.

Public and/or Stakeholder Involvement

There is no public or stakeholder involvement required.

Financial Implications

The financial implications are addressed in the body of this report.

Other Considerations/Implications

There are no policy, environmental, privacy, or CPTED implications or considerations, and a communication plan is not required.

Due Date for Follow-up and/or Project Completion

The capital projects affected by the approvals in this report will be considered during the 2015 Budget Review.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

Written by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management

Approved by: Murray Totland, City Manager