City of Saskatoon

PUBLIC AGENDA
EXECUTIVE COMMITTEE

Monday, January 19, 2015, 1:00 p.m.
Council Chamber, City Hall

Pages

5.2 Matters Requiring Direction

5.2.1 Firefighters' Pension Fund Trustees - December 31, 2012 Actuarial Valuation (File No. CK. 4730-4-2) — 21 - 75

Representative(s) will be available to answer questions.

Recommendation

That the information be received and forwarded to City Council.

5.2.2 Brent Penner, Executive Director, The Partnership, Saskatoon Downtown Business Improvement District - Appointment to The Partnership Board of Management (File No. CK. 175-48) — 76 - 76

Recommendation

That Executive Committee recommend to City Council that the appointment of Mr. Kevin Johnson to The Partnership Board of Management, replacing Mr. Shaun Grinde, be confirmed.

5.2.3 Randy Pshebylo, Executive Director, Riversdale Business Improvement District - Appointment to the Riversdale BID Board of Management (File No. CK. 175-49) — 77 - 77

Recommendation

That Executive Committee recommend to City Council that the appointment of Chef Darby Kells to the Riversdale Business Improvement District Board of Management, replacing Ms. Stephanie Norris, be approved.

5.2.4 Trans Canada Yellowhead Highway Association - Membership (File No. CK. 155-5) — 78 - 78

Recommendation

That Executive Committee recommend to City Council that the 2015 membership in the Trans Canada Yellowhead Highway Association, in the amount of $34,994.77, be paid.

5.2.5 Brad Woodside, FCM President - Membership (File No. CK. 155-2) — 79 - 80

Recommendation

That Executive Committee recommend to City Council that the 2015-16 membership in the Federation of Canadian Municipalities in the amount of $42,479.25, be paid.

5.2.6 Hudson Bay Route Association - Membership (File No. CK. 155-7) — 81 - 81

Recommendation

That Executive Committee recommend to City Council that the 2015 membership in the Hudson Bay Route Association in the amount of $300.00, be paid.

5.2.7 **Gregory Burke, Executive Director and CEO, Mendel Art Gallery; Remai Modern Art Gallery of Saskatchewan - Official Name - "Remai Modern Art Gallery of Saskatchewan" (File No. CK. 4129-15)** 82 - 82

Recommendation

That a report be forwarded to City Council recommending that "Remai Modern Art Gallery of Saskatchewan" be adopted as the official name for the Art Gallery of Saskatchewan, currently under construction at River Landing.

5.2.8 **Tribal Chief Felix Thomas, Saskatoon Tribal Council - Meeting Invitation (File No. CK. 225-51)** 83 - 83

Recommendation

That the invitation be received and accepted.

5.3 **Requests to Speak (new matters)**

6. REPORTS FROM ADMINISTRATION

6.1 **Delegated Authority Matters**

6.2 **Matters Requiring Direction**

7. LEGISLATIVE REPORTS

7.1 **Delegated Authority Matters**

7.2 **Matters Requiring Direction**

7.2.1 **The Adult Services Licensing Bylaw, 2012 - Implications of Criminal Code Amendments (File No. CK. 4350-25)** 84 - 86

Recommendation

That the information be received and forwarded to City Council.

8. URGENT BUSINESS

9. ADJOURNMENT

100-10

SENATE

The Honourable Lillian Eva (Quan) Dyck, Ph.D.
Senator

CANADA

SÉNAT

L'honorable Lillian Eva (Quan) Dyck, Ph.D.
Sénatrice

RECEIVED
DEC 04 2014
CITY CLERK'S OFFICE
SASKATOON

Dear Mayor Atchison,

Thank you for supporting Missing and Murdered Aboriginal Women and the calls for a national inquiry.

Lillian E. Dyck

807, Édifice Victoria Building
Ottawa, ON K1A 0A4
dyckli@sen.parl.gc.ca

Tel/Tél.: (613) 995-4318
Fax/Téléc.: (613) 995-4331
1-800-267-7362

NORTHWEST TERRITORIES

SENATE SÉNAT

NUNAVUT

CANADA

Missing and Murdered Indigenous Women

Call for National Inquiry

Hon. Lillian Eva Dyck: Honourable senators, the Sisters in Spirit vigils for missing and murdered indigenous women and girls occurred at the beginning of this month on October 4. Since then, we now find ourselves at the end of October with even more encouraging signs that a greater coalition of Canadians are coming together in calling for a national inquiry into missing and murdered indigenous women in Canada.

Yesterday, on Monday, October 27, Saskatoon City Council passed a motion calling for a national inquiry or round table into missing and murdered indigenous women. The Board of Police Commissioners sent a letter of support to council specifically asking for a round table with Aboriginal leadership to be convened by the federal, provincial and municipal governments. Saskatoon City Council joins Winnipeg City Council, which passed a similar motion in September, and by a vote of 14 to 1, Winnipeg was the first city to pass such a motion. I hope other city councils across Canada will pass similar motions. If that were to occur, united municipal and provincial governments could pressure the federal government into calling a national inquiry.

This problem, as honourable senators know, requires support from all levels of government. With municipal and provincial governments on side, I hope the federal government recognizes such support as a positive development and agrees finally to establish a national inquiry. These actions by municipal and provincial governments are a strong message that the status quo has proved to be unacceptable in Canada in 2014.

Additionally, on October 19, the members of the Canadian Public Health Association also added their voices to the growing list of Canadians who are demanding a national inquiry.

I wish to acknowledge Darlene Okemaysim-Sicotte who represents Iskwewuk Ewichiwitochik, which means "women walking together." It's a group that was formed in 2005 to call attention to the issue of missing and murdered indigenous women. She said an inquiry and action plan can operate simultaneously.

I also thank Councillor Mairin Loewen, who put forward the motion, Mayor Don Atchison, and all councillors who were present who voted unanimously for this motion calling for a national inquiry or round table into missing and murdered indigenous women.

Hansard – October 28, 2014

The Honourable Senator Lillian E. Dyck, Ph.D; D. Litt.

YUKON

BRITISH COLUMBIA

ALBERTA

SASKATCHEWAN

NEWFOUNDLAND AND LABRADOR

PRINCE EDWARD ISLAND

NOVA SCOTIA

NEW BRUNSWICK

QUEBEC

ONTARIO

City of Saskatoon
Office of the City Clerk

222 - 3rd Avenue North
Saskatoon, SK S7K 0J5
ph 306•975•3240
fx 306•975•2784

January 14, 2015

Executive Committee

Dear Committee Members:

Re: 2014 Budget Deliberations
(File No. CK. 1750-1)

The attached correspondence has been received regarding the 2014 Budget Deliberations. It is recommended the correspondence be received and included in the file.

Yours truly,

Joanne Sproule
City Clerk

JS:jh

Attachments

From: CityCouncilWebForm
Sent: December 15, 2014 11:27 AM
To: City Council
Subject: Write a Letter to City Council

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

frank regier
1415 ave f north
saskatoon, Saskatchewan
s7l 1x6

EMAIL ADDRESS:

frangreyhound @yahoo.ca

COMMENTS:

i have huge concerns over the city's debt limit of $558 million dollars. i feel that the debt level is getting too high and i am concerns . with the current economy with the low oil prices which will put pressure with federal and provincial governments budgets . that this could effect the city as well as much funding for projects do happen with the provincal or and federal governments. i advise council to use extreme caution when approving this . i am a very concern citizen of saskatoon and taxpayer.

1610-1

From: CityCouncilWebForm
Sent: December 12, 2014 1:17 PM
To: City Council
Subject: Write a Letter to City Council

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Dan Smith
814 Bellmont Crescent
Saskatoon, Saskatchewan
S7V1K7

EMAIL ADDRESS:

smithsaskatoon@shaw.ca

COMMENTS:

Star Phoenix Dec 12th Article "Councillor wants independent auditor" I whole heartedly support Councillor Davies concept. It goes without saying the "auditor" should indeed be an independent third party.

There are no issues with lack of revenue pouring into the city coffers, rather the challenge is to frugally manage the outflow.

A FIVE YEAR STRATEGIC financial plan is the answer versus the process now of nickel and diming each annual budget exercise.

As an aside, I was shocked 62 new staff members were hired. Why no push back on the requests as with the Police? As you no doubt know in the private sector when negotiating for complement the REQUEST is 62 - requesting party(s) HOPE to gain 50 and are very SATISFIED with 35

1920-1

From:	CityCouncilWebForm
Sent:	December 10, 2014 4:49 PM
To:	City Council
Subject:	Write a Letter to City Council

RECEIVED
DEC 1 0 2014
CITY CLERK'S OFFICE
SASKATOON

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Doug Stott
322 Baker Crescent
Sakatoon, Saskatchewan
S7N3K8

EMAIL ADDRESS:

dfstott@gmail.com

COMMENTS:

I was very dissapointed today to see that our Property Tax increase will be 5.34%. This year I received a 2% wage increase and my wife 0% (she works for the federal government). How is joe citizen supposed to come up with that much of an increase. At home we have to cut back to what we can afford. I feel the city should be doing the same.
Thanks for listening.

1711-2

From: CityCouncilWebForm
Sent: December 03, 2014 3:56 PM
To: City Council
Subject: Write a Letter to City Council

RECEIVED
DEC 03 2014
CITY CLERK'S OFFICE
SASKATOON

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

wendy warner
703 wakaw terrace
saskatoon, Saskatchewan
s7j 4c1

EMAIL ADDRESS:

wmwarner@sasktel.net

COMMENTS:

I can not believe that you think that the police service does not require more officers. When is the last time any of you have called the police for assistance? If you think that scrimping on the people who are trying to keep our city safe and in order than I think it's time to consider who is in council. And cutting back on garbage collection, Really?

Seems like the art gallery has more priority than the health and safety concerns of the general public. Please use some common sense We are already rating the highest crime centers in Canada along with Regina. Let's advertise some more about how we really are naïve and don't plan on changing things. Hello??!!

1920-1

From: CityCouncilWebForm
Sent: December 09, 2014 8:22 AM
To: City Council
Subject: Write a Letter to City Council

RECEIVED
DEC 0 9 2014
CITY CLERK'S OFFICE
SASKATOON

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Drew Preston
705-145 Sandy Court
Saskatoon, Saskatchewan
S7K 6P7

EMAIL ADDRESS:

drewpreston@shaw.ca

COMMENTS:

The proposed tax increase for this year is unacceptable.
I accepted the tax increase last year and the dedicated road tax (which has improved our roads substantially - the city should be congratulated on that) However, I believe the City needs to get aggressive with their budget decisions.
On Dec 2 I noticed a snow plow cleaning a skif a snow off Warman Rd - heading north - it didn't need it. Waste of money.Things like this should be looked at very closely to determine if the work is really needed. Other items city admin can look at to save tax payers - freeze wages, hiring freeze, city staff / employee attrition thru things like early retirement. Raise user fees at city facilities. Reduce money going to MVA - their MVA trail extension to Wanuskewin Heritage Park is a waste of money as its built right along Wanuskewin Rd extremely close to traffic. The money for this extension should have went to river bank clean up under the Akzo Noble chemical plant as nothing can grow along the river bank by their site. Increase taxes on empty lots to encourage development vs having another IMPARK Parking lot. IE 2nd Ave and 25th Street - the old Esso Gas and the Pat Hotel locations. Expand Red Light Cameras and direct that revenue into general revenue vs safety traffic programs. With the photo radar going up, the city could eliminate the air plane that "supposedely" patrols Circle Drive. I would think that is a fairly big expense. Thanks for your time.

7830-3

From: CityCouncilWebForm
Sent: Wednesday, December 03, 2014 9:00 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
Saskatoon, Saskatchewan
S7M 3S1

EMAIL ADDRESS:

balabatt@sasktel.

COMMENTS:

Is the city prepared for a Heath issue with biweekly garbage. Is city council partnered with the health authority..Biweekly garbage collection will lead to maggots in the garbage when the wrong things go in.And what is going to happen to dirty diapers and incontinent pads..With the heat thy will smell..Also what about dog litter and bagged feces.Has this city council leaders know this exists.. The gallery appears to be a top priority . Why do we need a first class art gallery here . This art gallery is way over budget.We need transparency from this city council..

From: CityCouncilWebForm
Sent: Wednesday, December 03, 2014 10:14 AM
To: City Council
Subject: Write a Letter to City Council

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Carol Duval
506 Bellmont Bay
Saskatoon, Saskatchewan
S7V 1K4

EMAIL ADDRESS:

c_rduval@hotmail.com

COMMENTS:

I'm writing this letter as I'm very disappointing in the decision to cut the garbage collection in the summer to every two weeks. The smell & flies will be a problem. Grass clippings will also smell & I won't have enough room for it all. Please don't say I need to recycle my grass clippings as two big bins in my yard are enough.

7830-3

From: CityCouncilWebForm
Sent: December 02, 2014 4:16 PM
To: City Council
Subject: Write a Letter to City Council

RECEIVED
DEC 02 2014
CITY CLERK'S OFFICE
SASKATOON

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Shelley Hood
1615 ave F N
Saskatoon, Saskatchewan
S7L1y1

EMAIL ADDRESS:

hero10@sasktel.net

COMMENTS:

I am writing this letter to let you know I wish to have weekly garbage collection year round.

From: CityCouncilWebForm
Sent: Wednesday, December 03, 2014 2:06 AM
To: City Council
Subject: Write a Letter to City Council

RECEIVED
DEC 03 2014
CITY CLERK'S OFFICE
SASKATOON

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Paul Ruck
3131 Mountbatten St.
Saskatoon, Saskatchewan
S7M 3T3

EMAIL ADDRESS:

paulruck@sasktel.net

COMMENTS:

I thought that now is an appropriate to bring up the subject of cut backs on garbage pickup in order to decrease the proposed property tax hike from about 7.5% to 5%.

I am fine with the current schedule (every 2 weeks in winter; weekly in the summer). However to save some money, perhaps the bi-weekly pickup schedule could be extended to the beginning of June and resume again in October, leaving only 4 months with weekly pickup service.

The reasons for this are two fold. The first reason is due to the higher temperatures during the summer (the black garbage bins get really hot inside) which would create nasty odors from rapidly decaying food scraps (the non-compostable type) and other organic waste.

This in turn becomes a nuisance and an attractant for varmit creatures (like skunks, raccoons, foxes and coyotes). And living here in Montgomery, we are quite close to the edge of the city where these critters normally live. I have seen my share of skunks, foxes and coyotes over the years under the best of circumstances. I would think they may become more frequent visitors in our neighborhood as well as other peripherally situated developments if summer time pick up is extended to every 2 weeks.

The second reason is highlighted in the latest issue of the Saskatoon Express. An article on page 9 talks about the increased presence of coyotes in various locations throughout the city. One of the suggestions for discouraging them is to not put food (such as meat, egg or dairy) scraps in compost bins (which should never be done to begin with). Again, the stink of rotting kitchen garbage in overheated black garbage bins in the summer could exacerbate a coyote problem that is already known to "The City of Saskatoon".

I would like your thoughts on this idea. It may not save a lot of money in one fell swoop, but every little bit helps. After all some of it is mine and some is yours.

Sincerely,

Paul Ruck
3131 Mountbatten St.

7830-3

From: CityCouncilWebForm
Sent: December 03, 2014 1:56 PM
To: City Council
Subject: Write a Letter to City Council

RECEIVED
DEC 03 2014
CITY CLERK'S OFFICE
SASKATOON

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Melissa McVicar
1031 Rosewood Blvd W
Saskatoon, Saskatchewan
S7V 0B9

EMAIL ADDRESS:

mdm23@shaw.ca

COMMENTS:

Dear City Council,
Presently I work for a property manager and I help look after apartment buildings and condos in the city. I completely disagree with there being less garbage pickup in May and September. We have huge problems as it is with people who do not live on our sites dumping their garbage in our bins and it will become worse. As well, they dump furniture, mattresses, etc. which the city will not pick up and it costs us extra money to have it taken to the dump. We have caught some people but not everyone and we don't have the time or the money to have surveillance.
You know as well as I do that people will not compost if they do not want to.

Please reconsider.

Melissa McVicar

1711-2

From: CityCouncilWebForm
Sent: December 08, 2014 7:24 PM
To: City Council
Subject: Write a Letter to City Council

RECEIVED
DEC 09 2014
CITY CLERK'S OFFICE
SASKATOON

TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Denis weinheimer
1760 Prince of Wales Ave
Saskatoon, Saskatchewan
S7K3E7

EMAIL ADDRESS:

dweinheimer@shaw.ca

COMMENTS:

I see the Chief of Police is coming up with a new budget...as he should. How could you support his original budget proposal? Does he really get it? I had to listen to has budget presentation twice. I couldn't believe my ears. I was totally bewildered by his lack of fortitude my not committing to identified efficiencies in his 2015 budget. For him to say that he didn't because the numbers might be phoney is beyond comprehension for someone in his position.I feel for the council members and senior administration staff who showed consternation and frustration by this very lame effort second year running.

4-129-15.

Increase in gallery cost not a pretty picture

TAMMY ROBERT
Columnist

We need to talk about Saskatoon's upcoming new, $100-million art gallery, the Remai Modern. If $100 million sounds like a lot of money for an art gallery, that's because it is. If it feels like we've been talking about the $100-million Remai Modern for years now, without actually opening it, it's because we have.

So allow me to refresh your memory.

It was Saskatoon's worst-kept secret for years: the iconic brick building on the shores of Spadina Crescent and the South Saskatchewan was no longer suitable to house a modern art gallery in a growing city, and with the exception of a vocal minority, the consensus was to move the whole thing to a brand-new building at River Landing.

The 2009 pricetag for construction of the new gallery was $60ish million, with just under half of that, $26 million, pledged by the federal and provincial governments. The rest was slated to be funded by the City of Saskatoon and private donors. Seemed reasonable enough at the time . . . so, of course, it didn't stay that way.

In August 2010, Saskatoon city council, fat and happy in the midst of a strong economy and barely a year after every single one of them was re-elected, considered the concept plan for the new gallery (then referred to as the Art Gallery of Saskatchewan).

Apparently city councillors didn't like what they saw — so they sent it back, ordering another $500,000 worth of drawings for a larger, flashier building. "Dream bigger," they said.

A noble notion, perhaps.

However today, as city council refuses the Saskatoon police chief's funding request while simultaneously cutting essential services to residents, one marvels at how cavalierly city council once not only decided to jack up the gallery project — and, by extension, the price cost — but to throw an extra half a million dollars at the process.

To be fair, perhaps council knew that the Frank and Ellen Remai Foundation was planning on announcing an astounding $30-million donation to the gallery, which they did the following spring: $15 million for capital costs and $15 million over 30 years for programming. A successful fundraising campaign over the next few years raised millions of dollars in donations, many in large chunks from Saskatoon's most prominent and successful families.

However, as the contributions crept up, so did the cost. In March 2013 city council approved a $74-million contract to build the gallery, plus an additional $20-million underground parkade, for a grand total of $93 million in estimated costs. In less than four years we had managed to dream up an additional $30 million of art gallery.

"The price of construction is higher here now than it is in the rest of Western Canada. Those are things that one didn't foresee occurring," said Saskatoon Mayor Don Atchison in 2013.

Well, actually, one could foresee exactly that occurring, as evidenced by this line from the report provided to city council in 2009 during that same meeting in which they giddily opted for the luxury gallery model right out of the gate: "Your Administration cautions City Council that given the scale of this development, and the uncertainty regarding the future cost of construction and material when this project is tendered in 2012, the contingency allowance identified for this project may not be sufficient."

And here we are, a year and a half later, facing yet another ginormous property tax increase to make up for all the years some people were too busy managing their campaign promises and not the actual city, and another $6 million is being siphoned off into the Remai Modern money pit.

how true

You know what I see before me? A bloated vanity project that could have, and should have, been scaled, budgeted and forecasted properly five years ago. Further, with over a year and a half until the gallery is completed, and a history of construction costs ballooning at a rate of almost $10 million per year, do you really believe that we're going to get out of this at only $100 million?

Here and now, in this column dated December 2014, I'm going to predict that when you walk through those gallery doors for the first time, headed straight for those lithographed Picasso prints, the price tag for this art gallery will be sitting at $125 million dollars (approximately half the cost of the construction of the Saskatchewan Children's Hospital).

that is an outrage

So when you do, make sure to find a bench, sit back and enjoy being cultured. Regardless of what you shell out for admission, you'll have still paid dearly for the experience.

1920-1

Budget about optics, not good spending

ELAINE HNATYSHYN
Columnist

Last year when council imposed a 7.43-per-cent tax increase, it was my understanding that 2.92 per cent of that increase was to be allocated each year to a three-year program for repairing our city's decaying roadway infrastructure.

I advocated for a special levy, which would mean that the special tax for roadways could only be used for the stated purpose and would have to be renewed each year and then, supposedly, when the goal was achieved, the tax would be eliminated. It would have prevented council from diverting taxes for roadway repair to some other purpose. And that portion of last year's increase designated for roadway restoration is still with us. No new taxes should be needed for this purpose if council sticks to last year's budget commitment.

This year, while struggling with ways to prevent another seven-plus-per-cent tax increase, one of the first items to hit the table is to thin out the monies spent on roadway repair by extending the initial three-year program to four years, in essence reducing the annual amount to be spent on roadway repair. It is this thinking that got us into an infrastructure crisis to begin with. Before the shell game was over, council extended the program by a year, the cost of which will be paid by another mill-rate increase and the balance from an unrelated reserve. In some circles this would be called "robbing Peter to pay Paul."

So where is the money being spent?

Our city of roughly 250,000 souls built a police station to service a city of 400,000. Now the police chief needs a whopping increase to his budget of $4.5 million, in part to pay for the increased operational costs of the new building. Added to this number are more police officers and salary increases. (Can we assume that the police salary increases are restricted to the percentage amount the other civic unions are getting?) The police chief was handed back his budget and told to pare it down. Outside of eliminating the new hires, what does he cut? Personally, I hope he reduces the fly time of that damn plane that buzzes my neighbourhood.

Aside from an additional $6 million for capital expenditures, the executive director of the Remai Modern Art Gallery, Gregory Burke, wants about a 20-per-cent increase in funding, claiming operational costs in the amount of $3.66 million in 2015, $4.33 million in 2016 and $4.63 in 2017. Although the gallery isn't expected to open for a year and a half, it sounds like the existing Mendel will be closed for about a year. According to Burke, more money is needed because of "transitional" costs and that the new gallery is about five times bigger and will need more money for heating and cleaning. Excuse me, but the new gallery will not be operational until 2016 and the existing Mendel will close halfway through 2015. Outside of a half year's operational costs for the Mendel, what operating costs are we talking about?

The library board wants in excess of five per cent, although I'm unclear as to what that increase is for, but it is over and above the general tax increase. The City hives off library costs and shows it as a separate tax, but in reality the libraries are owned and operated by the city. It is a municipal city tax collected by the City for its operating libraries. We do not show taxes on any other service individually, so why do we do it with libraries?

The fire chief is now flagging the need for new interchanges and fire halls. We are talking tens of millions of dollars here. And Rome burned while Nero fiddled.

Apparently we need money to service land for 16,688 new dwellings to accommodate our anticipated suburban growth. It matters not that local developers say that the housing market has cooled and unsold inventory is high. Are we operating on "if you build it they will come?"

In order to cut taxes, something has to give. It was recommended that we could have bimonthly garbage pickup all year round, but council ended with shaving off two months from the summer weekly pickup schedule. This city could literally stink considering administration proposes mandatory composting bins, along with recycling and garbage bins; and we will be charged a fee for both recycling and compost. Could it be that the City is preparing us for garbage pickup fees?

The icing on the cake is the addition of up to another 70 employees at City Hall. This is over and above the 50 hired last year. Will council wait until after the next election before it announces we need a new City Hall to house all these folks? However, as we absorb the costs of fees for services once covered by taxes, we need more and more people to monitor what we lowly citizens do.

Transit, of course, needs a greater subsidy, since there will be no fare increase. Would someone please tell us how much money transit has spent over the last decade on failed ideas to improve dismal service?

Leisure services received its requested increase to offset low volume usage, although the reduced use of these facilities may be due to the already high fees. And still council pontificates the need for more leisure facilities as it anxiously awaits a report on the matter due early next year.

What council should note, as it considers another whopping tax increase following last year's 7.43 per cent, is that seniors on fixed incomes did not get a seven-per-cent pension increase last year, nor will they get it this year. Unionized civic employees were restricted to a little more than a two-per-cent wage hike, and business is bellyaching that it is paying way more than its fair share. The number of people relying on food banks is growing out of control and there appear to be more homeless in need of shelter. Council should keep this in mind when designing the budget matrix.

This whole budget is about optics, not good spending. As I write this, council is still working on the budget and wants to reduce the tax increase as a result of public reaction to another seven-per-cent hike. A one-per-cent increase amounts to about $1.750 million, so even with slightly less than a six-per-cent increase, there isn't enough new revenue generated to cover the additional spending. It simply means more debt. And looming on the horizon is the Children's Discovery Museum, which is taking over the Mendel building. Then there's possibly $20 million for the riverbank slumping problem.

The theme of this budget is pay more, get less. When the average household gets its roughly $100 a year increase, it should add to that amount the library's spending, recycling fees, temporary fees and, what is no doubt coming, composting fees estimated to be about $10 a month.

On the upside, council is contemplating the creation of independent committees, one which will examine councillors' remuneration package to reward them for their stellar service. The downside is the committee will include councillors and/or civic employees.

So Santa, decide who is naughty or nice.

ehnatyshyn@gmail.com

Come next election we will have a much ~~great~~ greater turn out. The foolish spending of this Mayor & Council is similar to the Devine Gov't of years past. Ken Miller

1860-1

FCM FEDERATION OF CANADIAN MUNICIPALITIES / FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

November 25, 2014

His Worship Mayor Donald J. Atchison and Members of Council
City of Saskatoon
222 Third Avenue North
Saskatoon, Saskatchewan
S7K 0J5

Project Title: Water Treatment Sludge Reclamation
Application Number: GMF 1381

Dear Mayor Atchison and Members of Council:

We would like to inform you that a payment was made from FCM to the City of Saskatoon in the amount of $28,000. This amount constitutes the payment for the final contribution in regard to the Project Performance Reporting Grant Agreement for the project mentioned above.

The FCM is grateful to the City of Saskatoon for its initiative and its partnership with the Green Municipal Fund.

Yours sincerely,

Brock Carlton
Chief Executive Officer

BC:vl

10, rue Rideau Street,
Ottawa, Ontario

Mailing address/
Adresse postale
24, rue Clarence Street,
Ottawa, Ontario K1N 5P3

T. 613-241-5221
F. 613-244-1515

www.fcm.ca

City of Saskatoon

Office of the City Clerk
222 3rd Avenue North
Saskatoon SK S7K 0J5

www.saskatoon.ca
tel (306) 975.3240
fax (306) 975.2784

January 6, 2015

His Worship the Mayor and Members of City Council
(Executive Committee)

Dear Your Worship and Councillors:

Re: Firefighters' Pension Fund Trustees
December 31, 2012 Actuarial Valuation
(File No. CK. 4730-4-2)

The Firefighters' Pension Fund Trustees advises City Council of the filing of the December 31, 2012 Actuarial Valuation Report. Enclosed with this letter is a copy of the Actuarial Valuation Report on the City of Saskatoon Fire and Protective Services Depart Superannuation Plan as at December 31, 2012. The report and the accompanying Actuarial opinion were prepared by Aon Hewitt Inc. and have been filed with the Financial and Consumer Affairs Authority (Superintendent of Pensions).

On December 18, 2013, a Memorandum of Agreement (MOA) was signed between the City of Saskatoon and the Saskatoon Professional Fire Fighters Union agreeing to jointly review the current plan design with the aim to develop and implement a long-term sustainable benefit structure by no later than December 31, 2015, supported by City and employee contribution rates of 9.0% of earnings. Given the nature of this agreement, the Board of Trustees has elected to set the margin level at 5%, which is at the low end of the margin range within the Plan's funding policy. A copy of the MOA is attached for information.

Yours truly,

Rob Hogan, Chair
Firefighters' Pension Fund Trustees

SB

Attachments

Actuarial Valuation Report on the City of Saskatoon Fire and Protective Services Department Superannuation Plan as at December 31, 2012

Registration Number 0308262

December 23, 2013

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Executive Summary

An actuarial valuation has been prepared as at December 31, 2012 for the primary purposes of determining the financial position of the Plan on both a going concern and a solvency basis and assessing the adequacy of the Plan's fixed rate contribution schedule. This section provides an overview of the important results and the key inputs to the valuation process. The next actuarial valuation should be performed no later than as at December 31, 2015.

Summary of Valuation Results

	December 31, 2012		December 31, 2009	
	Going Concern ($)	Solvency ($)	Going Concern ($)	Solvency ($)
Assets	$ 169,031,000	$ 134,884,000	$ 163,205,000	$ 109,940,000
Liabilities	185,673,000	204,902,000	163,205,000	130,075,000
Surplus (Deficit)	**$ (16,642,000)**	**$ (70,018,000)**	**$ -**	**$ (20,135,000)**
Funded / Solvency ratio	**0.91**	**0.60**	**0.97**	**0.83**

Contribution Requirements

Considering the funded status of the Plan, and subject to CRA approval with respect to permitted employee contribution amounts, the total minimum employee and employer contributions would need to be equal to 15.4% of pensionable earnings for 2013 and 21.8% of pensionable earnings per annum commencing on January 1, 2014. It is noted that, despite the Plan having a solvency deficiency at December 31, 2012, the requirement to make special payments to fund this deficit no longer applies to the Plan following the proclamation of the Pension Benefits Amendment Regulations, 2013 on June 25, 2013.

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Executive Summary

Basic Membership Information as at December 31, 2012

	Active Members	Deferred Pensioners & Inactive	Pensioners & Survivors
Percentage of going concern liabilities	62.52%	0.10%	37.38%
Percentage of solvency liabilities	55.60%	0.15%	44.25%
Number	325	2	207
Average age (years)	42.3	44.6	73.0
Average earnings/lifetime pension	$102,302	$9,325	$31,948

Key Assumptions

The principal assumptions to which the valuation results are most sensitive are outlined in the following table.

	Current Valuation	
	Best Estimate	**Solvency**
Discount Rate	6.65%	Annuity purchases: 3.0% Transfers: 2.4% for first 10 years, 3.6% thereafter
Inflation Rate	2.5%	Implicit in discount rates
Earnings increase base rate	2013: 5.18% 2014: 3.10% 2015: 3.00% 2016: 3.00% 3.5% thereafter	n/a
Mortality Table	UP94@2022	UP94 Generational
Retirement Rates	Age / Rate 50 to 54: 2.5% 55: 10% 56 to 59: 2.5% 60: 100%	Age 60

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Executive Summary

Summary of Recommendations

1) In absence of any changes to current benefits, the employee and employer should make contributions (i.e. current service cost plus special payments) that are at least equal to 15.4% of pensionable earnings for 2013 and 21.8% of pensionable earnings for the period from January 1, 2014 until the next funding recommendation is certified.

   Note that the above contribution recommendations are subject to CRA approval with respect to permitted employee contribution amounts.

2) The next actuarial valuation for the purpose of developing a funding recommendation should be performed no later than December 31, 2015.

Respectfully Submitted,
Aon Hewitt Inc.

Troy Milnthorp, FSA, FCIA
Associate Partner

Johanan Schmuecker, ASA, ACIA
Consultant

Section 1: Introduction

Purpose and Terms of Engagement

We have been engaged by the Board of Trustees (the "Board") for the City of Saskatoon Fire and Protective Services Department Superannuation Plan (the "Plan") to conduct an actuarial valuation of the Plan as at December 31, 2012 for the purposes of:

- determining the going concern financial position of the Plan as at December 31, 2012;
- determining the solvency position of the Plan as at December 31, 2012;
- determining the current service cost for 2013, and;
- determining the rule to be used to determine the current service cost for the Plan years after 2012 and prior to the certification of the next actuarial funding recommendation; and
- providing the necessary actuarial funding recommendation under the *Pension Benefits Act, 1992 (Saskatchewan) (the "Act")* and the *Income Tax Act.*

As per our engagement, we have summarized the results of this actuarial valuation along with ensuing opinions and recommendations in this report to the Board. The results of this report may not be appropriate for accounting purposes, or any other purpose not listed above.

While we have been engaged by the Board to conduct this actuarial valuation, we note that the users of our work may well extend to parties external to the Board, notably the provincial and federal pension regulators and the Plan members. Out of respect for the Board's confidentiality, however, we will not communicate the terms of our engagement or results of our work with such other users unless so directed by the Board.

Summary of Changes since the Last Valuation

The last actuarial valuation report and corresponding funding recommendation that was filed under the *Act* and the *Income Tax Act* was prepared as at December 31, 2009 and dated September 13, 2010. The results in this report have been reconciled with the results from that previous report.

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Section 1: Introduction

Since the date of the previous valuation as at December 31, 2009 and up until the current valuation date of December 31, 2012, the following changes have taken place:

- The Plan was amended, as per Bylaw No. 9033, effective February 29, 2012 to provide:
  - members returning from a leave of absence with the ability to buy back the leave of absence service after one year of returning to work; and
  - members with a one-time window to buy back prior service.

- The going-concern and solvency assumptions and methods used to prepare the results as at December 31, 2012 have changed from those used as at December 31, 2009. Details on the assumptions can be found in Appendix C. Note that one of the key changes in the going-concern basis as at December 31, 2012 is the adoption of a going-concern basis that uses best estimate assumptions with the provision for adverse deviation (i.e. margin for conservatism) being established as an explicit dollar reserve rather than as margins in the going-concern assumptions.

- On June 25, 2013, The Pension Benefits Amendment Regulations, 2013 were proclaimed which impacts the minimum prescribed funding requirements for the Plan as at December 31, 2012. Specifically, these amendments provide for the following:

  - the legislated requirement to fund solvency deficiencies no longer applies to the Plan;
  - going-concern deficits must be amortized over at most a 10-year period; and
  - the valuation report must continue to disclose certain information relating to solvency.

  While this regulatory change occurred subsequent to the valuation date and is technically a subsequent event, its retroactive application to December 31, 2012 impacts the Plan at the valuation date and consequently must be reflected in the results of this valuation.

Information and Inputs

In order to prepare our valuation, we have relied upon the following information:

- Asset data as at December 31, 2012 taken from the Plan's audited financial statements obtained from the City of Saskatoon (City), as summarized in Appendix A;
- Membership data as at December 31, 2012 obtained from the City, as summarized in Appendix B;
- Plan text up to and including Bylaw No. 9033 as summarized in Appendix E;
- Information concerning events subsequent to the effective date of the valuation and prior to the date of this report as identified below.

Section 1: Introduction

Furthermore, our actuarial assumptions and methods have been chosen to reflect our understanding of the funding objectives that have been established for the Plan with due respect to accepted actuarial practice and regulatory constraints.

Subsequent Events

On June 25, 2013, *The Pension Benefits Amendment Regulations, 2013* were proclaimed which impacts the minimum prescribed funding requirements for the Plan as at December 31, 2012.

Effective December 19, 2013, a tentative agreement between the parties was reached which resulted in general salary increases equal to: 3.1% in 2011, 4.0% in 2012, 5.1% in 2013, 3.1% in 2014, 3.0% in 2015 and 3.0% in 2016. These amounts have been reflected in the financial position of the Plan as at December 31, 2012.

Apart from the above listed events, we have not been made aware of any subsequent events as at the date of this report which would have an effect on the results of this valuation. However, the following points should be noted in this regard:

- Actual experience deviating from expected since December 31, 2012 to the date of this report, will result in gains or losses.

- To the best of our knowledge, the results contained in this report are based on the regulatory and legal environment in effect at the date of this report and do not take into consideration any potential changes that are currently the subject of debate, review and / or court appeal. To the extent that actual changes in the regulatory and legal environment transpire, any financial affect on the Plan as a result of such changes will be reflected in future valuations.

- The Canadian Institute of Actuaries (CIA) is currently conducting a study of Canadian mortality levels and trends. While the study is not yet complete, the researchers have communicated that the study's preliminary results are suggesting that:

  - the widely used 1994 Uninsured Pensioner (UP94) mortality table together with generational improvements as per Scale AA overstates Canadian experience; and

  - more rapid improvements in mortality have been observed than suggested by the widely used AA improvement scale.

  As at the date of this report, the CIA has released a draft report on its research. The initial findings contained in this report suggest that the Plan's liabilities would likely increase by a material amount at the next valuation.

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Section 2: Going Concern Results

Going Concern Financial Position of the Plan

The financial position of the Plan on a going concern basis is measured by comparing the actuarial value of assets to the actuarial value of liabilities assuming the Plan continues indefinitely but with no new members. The difference between the actuarial value of assets and liabilities is a funding excess or surplus if positive and an unfunded liability if negative.

The going concern actuarial position of the Plan as at December 31, 2012 using the attained age actuarial cost method is summarized in the following table. For comparison purposes, the results as at December 31, 2009 are also shown. Further information concerning the asset data and assumptions, membership data, assumptions and methods used to determine the going concern actuarial position, and Plan provisions that have been valued, is contained in the Appendices.

	December 31, 2012	December 31, 2009
Assets		
Market value of invested assets	$ 122,977,000	$ 108,196,000
Actuarial smoothing adjustment	(2,518,000)	10,820,000
Actuarial value of assets	$ 120,459,000	$ 119,016,000
Present value of future employee current service contributions[1]	24,286,000	22,094,500
Present value of future employer current service contributions[2]	24,286,000	22,094,500
Total assets	$ 169,031,000	$ 163,205,000
Actuarial Liabilities		
Liability for service accrued to the valuation date for active members	$ 71,039,000	$ 62,930,000
Future liability for active members	40,219,000	39,059,000
Pensioners and survivors	66,011,000	61,105,000
Deferred pensioners	184,000	111,000
Transfer deficiency holdbacks	76,000	0
Provision for adverse deviations[3]	8,144,000	n/a
Total actuarial value of liabilities	$ 185,673,000	$ 163,205,000
Assets over Liabilities	**$ (16,642,000)**	**$ 0**
Contingency reserve	0	0
Surplus/(Unfunded Liability)	**$ (16,642,000)**	**$ 0**

1 Equal to the present value of fixed rate employee contributions of 7.7% of pensionable earnings for all future years of service for the current membership.

2 Equal to the present value of fixed rate employer contributions of 7.7% of pensionable earnings for all future years of service for the current membership.

3 An explicit provision for adverse deviation of 5% has been included in the going-concern financial position as at December 31, 2012. While there was no explicit provision for adverse deviations in the December 31, 2009 valuation, the assumption basis included an implicit provision for adverse deviations.

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Section 2: Going Concern Results

Change in Financial Position

During the period from December 31, 2009 to December 31, 2012, the going concern financial position of the Plan, before contingency reserve, changed from a nil surplus to an unfunded liability of $16,642,000. The major components of this change are summarized in the following table:

Surplus/(Unfunded Liability) at December 31, 2009	**$ 0**
• Removal of implicit margins	9,006,000
Best Estimate (BE) Surplus/(Unfunded Liability) at December 31, 2009	**$ 9,006,000**
• Expected interest on surplus/(unfunded liability)	1,971,000
Expected BE Surplus/(Unfunded Liability) at December 31, 2012	**$ 10,977,000**
Gains and losses in the inter-valuation period:	
• Return on actuarial value of assets less than expected	(15,755,000)
• Loss on salary increases greater than expected	(735,000)
• Gain due to new entrants	1,565,000
• Gain due to pensioner mortality different than expected	535,000
• Loss due to active decrement experience	(612,000)
• Increase in 50% excess due to contribution increase	(693,000)
• Change in best estimate assumptions	(3,868,000)
• Miscellaneous gains/(losses)	88,000
BE Surplus/(Unfunded Liability) at December 31, 2012	**$ (8,498,000)**
• Addition of 5% provision for adverse deviations	(8,144,000)
Surplus/(Unfunded Liability) at December 31, 2012	**$ (16,642,000)**

The nil surplus as at December 31, 2009 was calculated using a going-concern assumption basis that contained implicit margins. In order to be consistent with the going-concern basis and methodology used as at December 31, 2012, the gain/loss analysis was calculated under the best estimate assumption basis. The going-concern surplus using the best estimate assumptions as at December 31, 2009 was $9,006,000.

Section 2: Going Concern Results

Going Concern Valuation Sensitivity Results

In accordance with the Canadian Institute of Actuaries Standards of Practice specific to pension plans that became effective December 31, 2010, the table below presents the sensitivity of the going concern liabilities and the total current service cost of using a discount rate 1% lower than that used for the going concern valuation.

	Valuation Basis December 31, 2012	Based on Rate of 1% Lower	Effect $	Effect %
Going concern liabilities	$ 185,673,000	$ 219,129,000	$ 33,456,000	18.0%
Current service cost	$ 4,354,000	$ 5,640,000	$ 1,286,000	29.5%

Note that using a discount rate 1% higher than that assumed would result in a comparable reduction in the Plan's going concern liabilities and current service cost.

Section 3: Solvency Results

Solvency Financial Position of the Plan

The solvency valuation is a financial assessment of the Plan that is required by the *Act* and is performed in accordance with requirements prescribed by the *Act*. It is intended to provide an assessment of the Plan's financial position at the valuation date on the premise that the obligations of the Plan are settled on the valuation date for all members.

The financial position of the Plan on the solvency basis is measured by comparing the market value of the assets with the actuarial liability for benefits earned for service up to the valuation date assuming the Plan is being terminated on the valuation date. Presented below is the financial position of the Plan determined on the solvency basis as at December 31, 2012. For comparison purposes, the results as at December 31, 2009 are also shown. Further information concerning the asset data and assumptions, membership data, assumptions and methods used to determine the solvency position, and Plan provisions that have been valued, is contained in the Appendices.

	December 31, 2012	December 31, 2009
Assets		
Market value	$ 122,977,000	$ 108,196,000
Present value of 5 years of special payments	12,107,000[4]	1,944,000
Provision for wind-up expenses	(200,000)	(200,000)
Total	**$ 134,884,000**	**$ 109,940,000**
Actuarial Liabilities		
Actuarial present value of benefits for:		
• Active members	$ 113,739,000	$ 58,969,000
• Pensioners and survivors	90,859,000	70,962,000
• Deferred pensioners	228,000	144,000
• Transfer deficiency holdbacks	76,000	0
Total	**$ 204,902,000**	**$ 130,075,000**
Excess Assets/(Solvency Deficiency)	**$ (70,018,000)**	**$ (20,135,000)**

[4] Represents present value of 5 years of unfunded liability payments.

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Section 3: Solvency Results

It is important to note that the plan's solvency position is highly sensitive to a number of factors, notably:

- changes in the Government of Canada bond yield curve upon which the prescribed discount rate for computing commuted values is based;
- changes in the basis used by commercial insurers to price annuities;
- increases in pensionable earnings; and
- the rate at which active members fall into the category where they are assumed to have their plan termination obligation settled by the way of annuity purchase.

Consequently, the plan's solvency position can change significantly (both positively and negatively) within any given time frame.

Notional Solvency Contributions

Generally, when a solvency deficiency exists, the Act prescribes that special contributions be made to amortize the solvency deficiency over, at most, five years. However, as the Plan is classified as a "Specified Plan" under the Act these solvency funding requirements do not apply and consequently no such additional funding is required. Regardless, the Act does require disclosure of the minimum special contributions that would be required if the Plan was not a Specified Plan.

To this end, if the Plan was not a Specified Plan, the minimum special contributions required to amortize the Plan's solvency deficiency of $70,018,000 in accordance with the Act would be $1,239,000 per month paid at the end of each month from January, 2013 through December, 2017.

Solvency Ratio

The solvency ratio is the lesser of 1.0 or the ratio of the solvency assets (excluding the present value of special payments) to the solvency liabilities. If the solvency ratio is less than 1.0, certain conditions and restrictions, as prescribed by the Act, must be applied to the transfer of the commuted value of benefits from the Plan. Essentially, a transfer equal to the solvency ratio times the total commuted value can be made. The residual amount cannot be transferred out until either:

a) a special payment (over the amounts being paid in to the plan to amortize the solvency deficiency) in the amount of the residual has been made to the plan;

b) a subsequent valuation of the Plan discloses a solvency ratio of 1.0; or

c) five years have elapsed.

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Section 3: Solvency Results

If the residual amount is less than 5% of the YMPE ($51,100 x 5% = $2,555 for 2013), then the above restrictions do not apply.

The solvency ratio is determined as follows:

	December 31, 2012
Market value of assets	$122,977,000
Wind-up Expenses	(200,000)
Total solvency assets	$122,777,000
Total solvency liabilities	$204,902,000
Solvency Ratio	0.60

Solvency Valuation Sensitivity Results

In accordance with the Canadian Institute of Actuaries Standards of Practice specific to pension plans that became effective December 31, 2010, the table below presents the sensitivity of the solvency liabilities to using a discount rate of 1% lower than that used for the solvency valuation.

	Valuation Basis	Based on Rate of	Effect	
	December 31, 2012	1% Lower	$	%
Solvency liabilities	$204,902,000	$244,044,000	$ 39,142,000	19.1%

Note that using a discount rate 1% higher than that assumed would result in a comparable reduction in the solvency/hypothetical wind up liabilities.

Incremental Cost on a Solvency Basis

The incremental cost on a solvency basis represents the present value at December 31, 2012 of the expected aggregate change in the solvency liabilities between December 31, 2012 and the next calculation date, which is December 31, 2015. Appendix E gives more details on the calculation methodology and on assumptions.

Based on this methodology and on these assumptions, the incremental cost on a solvency basis, for the period from December 31, 2012 to December 31, 2015, is $37,158,000.

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Section 4: Contribution Requirements

Contribution Requirements

Contributions to the Plan must be sufficient to support adequate funding for:

- the cost of benefits on a going-concern basis in respect of service accruing after the valuation date (known as the current service cost); and
- shortfalls in trust assets that relate to past service benefits determined on a going-concern basis, amortized in accordance with the Pension Benefits Act.

Currently, the employees and the City are required to each contribute fixed rate contributions of 7.7% of pensionable earnings (15.4% in total). As per the Plan's provisions, should this level of contributions be insufficient to meet the plan's total funding needs (for both past and future service), then any additional contributions are to be shared equally.

The total contributions as a percent of pensionable earnings required to satisfy the Plan's funding needs is 15.4% for 2013 and, starting January 1, 2014, 21.8% on a going-concern basis. This amount is sufficient to cover both the current service costs and provide the additional contributions necessary so as to eliminate any unfunded liability relating to past service in the going-concern balance sheet. The total required contribution as a percent of pensionable earnings can be broken down as follows:

	2013		2014		2015	
	% of Pensionable Earnings	$ Per Year	% of Pensionable Earnings	$ Per Year	% of Pensionable Earnings	$ Per Year
Current Service						
Members	7.7%	$ 2,540,000	7.7%	$ 2,619,000	7.7%	$ 2,697,000
Employer	5.5%	$ 1,814,000	5.5%	$ 1,871,000	5.5%	$ 1,927,000
	13.2%	$ 4,354,000	13.2%	$ 4,490,000	13.2%	$ 4,624,000
Past service						
Members	0.0%	$ 0	3.2%	$ 1,088,000	3.2%	$ 1,121,000
Employer	2.2%	$ 726,000	5.4%	$ 1,836,000	5.4%	$ 1,891,000
	2.2%	$ 726,000	8.6%	$ 2,924,000	8.6%	$ 3,012,000
Total						
Members	7.7%	$ 2,540,000	10.9%	$ 3,707,000	10.9%	$ 3,818,000
Employer	7.7%	$ 2,540,000	10.9%	$ 3,707,000	10.9%	$ 3,818,000
Total	15.4%	$ 5,080,000	21.8%	$ 7,414,000	21.8%	$ 7,636,000
Estimated earnings		$32,987,000		$34,010,000		$ 35,030,000

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Section 4: Contribution Requirements

The following should be noted in relation to the above going-concern contribution rates:

- in the event that an updated funding recommendation is not prepared before January 1, 2016, the rule for determining the current service cost provided in the above table will continue to be appropriate for 2016;
- the contributions determined by applying these rates are payable monthly in arrears; and
- the employee contribution rates are subject to CRA approval with respect to permitted employee contribution amounts.

Contribution Requirements in Respect of Deficiencies

Contributions in addition to the fixed rate contributions of 15.4% are required in order to amortize the going-concern deficit over nine years as prescribed by the Pension Benefits Act. These additional contributions are equal to 6.4% of pensionable earnings, paid monthly in arrears over the period January 1, 2014 through December 31, 2022.

Since the plan is not subject to solvency funding rules under the Pension Benefits Act, no additional contributions are required other than those listed above.

Excess Surplus

The *Income Tax Act* prescribes the maximum going concern surplus (before contingency reserve) that may be retained by the Plan while employer contributions continue. In general, this maximum is defined as 25% of the going concern actuarial liability, including future service contribution deficiency. As at December 31, 2012, the maximum going-concern surplus (before contingency reserve) that can be retained while employer contributions continue was equal to $34,275,000. Since the Plan has an unfunded liability as at December 31, 2012, there is no excess surplus.

Section 4: Contribution Requirements

Minimum Employer Contributions

Under applicable legislation, the minimum amount that an employer must contribute is equal to:

- The employer's fixed rate contribution; plus
- The employer's share of any special amortization payments required to amortize any going-concern unfunded liability over at most 10 years from the valuation date the unfunded liability first arose; less
- Where applicable, any portion of the going-concern surplus which is used to meet the employer's current service costs.

The employer contributions recommended in this valuation report are at least equal to the legislated minimum requirements.

Maximum Employer Contributions

Under applicable legislation, the maximum amount that an employer is allowed to contribute is equal to:

- The current service cost less the employee required contributions in respect of service accruing after the valuation date; plus
- The lump sum amount to eliminate any deficiencies that exist at the valuation date; less
- Any excess surplus as permitted.

The employer contributions recommended in this valuation report do not exceed the legislated maximum requirements.

Section 5: Actuarial Certificate

Actuarial Opinion, Recommendations and Certification for the City of Saskatoon Fire and Protective Services Department Superannuation Plan at December 31, 2012

Opinion

This actuarial certification forms an integral part of this report as at December 31, 2012. I confirm that I have prepared an actuarial valuation for the Plan as at December 31, 2012 for the purposes outlined in the Introduction section to this report and consequently:

I Recommend That:

1. Subject to CRA approval with respect to permitted employee contribution amounts, the employee and employer make total contributions of 15.4% of pensionable earnings for 2013 and total contributions of 21.8% of pensionable earnings starting January 1, 2014, until the certification of the next actuarial funding recommendation, as detailed in the following:

	2013		2014		2015	
	% of Pensionable Earnings	**$ Per Year**	**% of Pensionable Earnings**	**$ Per Year**	**% of Pensionable Earnings**	**$ Per Year**
Total						
Members	7.7%	$ 2,540,000	10.9%	$ 3,707,000	10.9%	$ 3,818,000
Employer	7.7%	$ 2,540,000	10.9%	$ 3,707,000	10.9%	$ 3,818,000
Total	15.4%	$ 5,080,000	21.8%	$ 7,414,000	21.8%	$ 7,636,000
Estimated earnings		$ 32,987,000		$ 34,010,000		$ 35,030,000

2. The next actuarial valuation for the purpose of developing a funding recommendation be performed no later than as at December 31, 2015.

Section 5: Actuarial Certificate

I Certify That, in My Opinion:

1. With respect to the purposes of determining the Plan's financial position on a going concern basis as at the valuation date:

   a) The Plan has a deficiency of 16,642,000 after taking into account future employee and employer fixed rate contributions of 15.4% of pensionable earnings. This position is based on total assets of $169,031,000 and total liabilities of $185,673,000. There is no excess surplus as defined by Section 147.2(2) of the Income Tax Act in the Plan at the valuation date.

2. With respect to the purpose of determining the Plan's financial position on a solvency basis:

   a) The Plan has a solvency deficiency of $70,018,000 as at the valuation date, determined as solvency assets of $134,884,000 less solvency liabilities of $204,902,000.

   b) The solvency ratio is 0.60 at the valuation date.

   c) The liabilities of the plan would exceed the plan's assets by $82,125,000 if the Plan was terminated and wound-up as at the valuation date.

3. With the respect to the purpose of determining the Plan's funding requirements:

   a) The Plan's going concern current service cost for the Plan year commencing January 1, 2013 is estimated to be 13.2% of pensionable earnings.

   b) For the Plan year commencing January 1, 2013 and for each Plan year thereafter until the next actuarial valuation is certified, the Plan's going concern current service cost is determined as 13.2% of pensionable earnings for active members.

   c) The portion of the employer's fixed rate contributions allocated to past service benefits is 2.2% of pensionable earnings for 2013 and 5.4% of pensionable earnings for 2014 and 2015.

   d) A total contribution rate of 15.4% of pensionable earnings for 2013 and 21.8% of pensionable earnings commencing January 1, 2014 would be required in order to amortize the going-concern unfunded liability over a period of nine years.

   e) The contributions as recommended in this report are expected to be sufficient to satisfy the Plan's funding requirements.

   f) The employer contributions recommended in this report are eligible contributions under Section 147.2(2) of the Income Tax Act.

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Section 5: Actuarial Certificate

4. For the purposes of the valuation:
   - The data on which this valuation is based are sufficient and reliable;
   - The assumptions used are, in aggregate, appropriate; and
   - The actuarial cost methods and the asset valuation methods used are appropriate.

5. This report and its associated work have been prepared, and my opinion given, in accordance with accepted actuarial practice in Canada and in compliance with the requirements outlined in subparagraphs 147.2(2)(a)(iii) and (iv) of the Income Tax Act.

6. Notwithstanding the above certifications, emerging experience differing from the assumptions will result in gains or losses that will be revealed in subsequent valuations.

Troy Milnthorp
Fellow, Society of Actuaries
Fellow, Canadian Institute of Actuaries

December 23, 2013

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Appendix A: Assets

Trustee/Investment Manager

Contributions and benefit payments are invested in the Fire and Protective Services Department Superannuation Plan Fund. RBC Investor & Treasury Services is the custodian for the fund as at December 31, 2012. The investment of the assets is managed by various investment management firms.

This type of arrangement governs only the investment of the assets deposited into the trust fund and does not guarantee the benefits provided under the Plan or the costs of providing such benefits. Any excess income or, in fact, any other profit caused by the actual Plan experience varying from the actuarial assumptions will accrue to the fund. It is, of course, equally true that any losses due to variations of actual experience from the actuarial assumptions will emerge as a liability of the Plan, which will either cause a reduction in the surplus generated from other sources or require an increase in contributions to maintain the same benefit level.

Necessary asset data required for the valuation was taken from the Plan's audited financial statements provided by the City. The valuation included an examination of the asset data to test for general reasonableness, internal consistency, consistency with asset data provided in prior years, a comparison of the contributions and disbursements reported with those expected to be made, as well as a reconciliation with the previous valuation's asset data. These tests demonstrated that the asset data is sufficient and reliable for the purposes of the valuation.

Fund Values at December 31, 2012

Based on the Plan's audited financial statements received from the City, the composition of the fund is as follows:

	December 31, 2012		**December 31, 2009**	
	Market Value ($000)	**% of Total**	**Market Value ($000)**	**% of Total**
Accrued interest	420	0.34	296	0.27
Short Term	978	0.80	515	0.48
Fixed income	34,532	28.08	32,694	30.22
Equities *	87,615	71.24	75,184	69.49
Receivables less accounts payable	(568)	(0.46)	(493)	(0.46)
Total Fund	**122,977**	**100.00%**	**108,196**	**100.00%**

* *Includes foreign equities.*

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Appendix A: Assets

Target Asset Mix

The long-term target asset mix for the Plan's invested assets as given in the Plan's Statement of Investment Policies and Procedures dated December 31, 2011 is as follows:

	% of Total
Canadian Equities	27%
U.S. Equities	14%
Non-North American Equities	14%
Canadian Bonds	33%
Real Estate	10%
Short-term Investments	2%
Total	**100%**

Actuarial Asset Value of Fund

The calculation of the actuarial asset value of the fund is shown on the following page. A smoothing method is used which amortizes the excess/shortfall of actual net investment income over required net investment income over five years.

A complete description of the method used for this valuation appears in Appendix C. The previous valuation used the same smoothing method.

Appendix A: Assets

	2008	2009	2010	2011	2012
Reported Market value at beginning of year	119,604,000	98,186,000	108,196,000	115,190,000	114,137,000
Employee contributions	1,533,000	1,753,000	2,053,000	2,240,000	2,230,000
Employer contributions	1,308,000	1,752,000	2,047,000	2,203,000	2,211,000
Transfer from other Plans	57,000	75,000	21,000	95,000	135,000
Actual Net Investment Income	(17,937,000)	13,006,000	9,766,000	1,165,000	11,872,000
Pensions	(6,269,000)	(6,338,000)	(6,845,000)	(6,733,000)	(6,930,000)
Termination\Death payments	(110,000)	(238,000)	(48,000)	(23,000)	(678,000)
Investment and Administration expenses	-	-	-	-	-
Reported market value at end of year	98,186,000	108,196,000	115,190,000	114,137,000	122,977,000
Net Rate of Return	(15.2%)	13.5%	9.1%	1.0%	10.5%
Expected actuarial return	6.25%	6.25%	6.45%	6.45%	6.45%
Net Investment Income	(17,937,000)	13,006,000	9,766,000	1,165,000	11,872,000
Expected Actuarial Investment Income	7,366,000	6,043,000	6,889,000	7,358,000	7,264,000
Excess/(Shortfall)	(25,303,000)	6,963,000	2,877,000	(6,193,000)	4,608,000
20% of current year excess/(shortfall)	(5,061,000)	1,393,000	575,000	(1,239,000)	922,000
20% of current year, less 1 excess/(shortfall)	(1,690,000)	(5,061,000)	1,393,000	575,000	(1,239,000)
20% of current year, less 2 excess/(shortfall)	1,676,000	(1,690,000)	(5,061,000)	1,393,000	575,000
20% of current year, less 3 excess/(shortfall)	980,000	1,676,000	(1,690,000)	(5,061,000)	1,393,000
20% of current year, less 4 excess/(shortfall)	973,000	980,000	1,676,000	(1,690,000)	(5,061,000)
Total adjustment to actuarial investment income	**(3,122,000)**	**(2,702,000)**	**(3,107,000)**	**(6,022,000)**	**(3,410,000)**
Actuarial value at beginning of year	118,401,000	119,164,000	119,509,000	120,519,000	119,637,000
Employee contributions	1,533,000	1,753,000	2,053,000	2,240,000	2,230,000
Employer contributions	1,308,000	1,752,000	2,047,000	2,203,000	2,211,000
Transfer from other Plans	57,000	75,000	21,000	95,000	135,000
Actuarial Net Investment Income	4,244,000	3,341,000	3,782,000	1,336,000	3,854,000
Pensions	(6,269,000)	(6,338,000)	(6,845,000)	(6,733,000)	(6,930,000)
Termination\Deaths	(110,000)	(238,000)	(48,000)	(23,000)	(678,000)
Actuarial value at end of year (before corridor)	119,164,000	119,509,000	120,519,000	119,637,000	120,459,000
10% corridor adjustment[5]	(11,159,000)	(493,000)	-	-	-
Actuarial value at end of year (after corridor)	108,005,000	119,016,000	120,519,000	119,647,000	120,459,000
Net Rate of Return – Actuarial value	(5.9%)	13.2%	3.6%	1.1%	3.3%

[5] The actuarial value of assets is restricted to be no less than 90% or more than 110% of the market value of assets.

Appendix A: Assets

Rates of Return

The net rates of return on the market and actuarial value of assets were as follows:

Year	Market Value %	Actuarial Value %
2005	11.3	8.0
2006	14.1	10.2
2007	(0.4)	9.7
2008	(15.2)	(5.9)
2009	13.5	13.2
2010	9.1	3.6
2011	1.0	1.1
2012	10.5	3.3
Geometric Average 2005 – 2012	**5.0**	**5.2**

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Appendix B: Membership Data

Source of Data

Data as to the membership of the Plan was compiled as at December 31, 2012 and provided by the City. The relevant data required as of December 31, 2012, to carry out this valuation was extracted from these records. The data was checked for consistency with the previous valuation, general reasonableness, internal consistency, and reconciled with the previous valuation's membership data. Data testing did not include an independent audit from source records to test for completeness and accuracy.

Various tests on the membership data were conducted to ensure its validity to the best of our knowledge. Tests performed included the following:

- Membership reconciliation with prior valuation data;
- Comparison of changes in pensionable earnings, credited service, etc.;
- Comparison of pensions in pay, birthdates, spousal status, etc.;
- Validation with the City of material deviations we observed in information compared to data provided for the previous valuation.

The results of the tests performed demonstrated that the membership data is sufficient and reliable for the purposes of this valuation.

Reconciliation of Membership

	Actives	Deferred	Pending Termination	Pensioners	Survivors	Total
Number as at Dec. 31, 2009	**304**	**2**	**0**	**165**	**32**	**503**
Data correction	0	0	0	0	0	0
New Hires/Survivors	45	0	0	0	15	60
Terminations – Paid out	(4)	0	0	0	0	(4)
Terminations – Pending	0	0	0	0	0	0
Deaths	0	0	0	(23)	(2)	(25)
Retirements	(20)	0	0	20	0	0
Number as at Dec. 31, 2012	**325**	**2**	**0**	**162**	**45**	**534**

Appendix B: Membership Data

Summary of Membership Data

Active Members

	Males 31–Dec-2012	Females 31-Dec-2012	Total 31-Dec-2012	Total 31-Dec-2009
Number	304	21	325	304
Average age	42.5 years	38.8 years	42.3 years	42.2 years
Average pensionable service	15.5 years	11.2 years	15.3 years	15.0 years
Average required contributions accumulated with interest	$83,272	$48,379	$81,018	$75,321
Expected average remaining service lifetime	13.9 years	17.2 years	14.1 years	14.6 years
Average earnings[7]	$102,869	$94,098	$102,302	$86,589

Pensioners and Survivors

	Pensioners 31-Dec-2012	Survivors 31-Dec-2012	Total 31-Dec-2012	Total 31-Dec-2009
Number	162	45	207	197
Average annual pension:				
Life	$35,975	$17,453	$31,948	$30,529
Bridge[6]	$7,798	$0	$7,798	$7,694
Average Age	71.6 years	78.3 years	73.0 years	72.2 years

Deferred Pensioners

	31-Dec-2012	31-Dec-2009
Number	2	2
Average annual pension:		
Life	$9,325	$9,325
Bridge	$1,237	$1,237
Average age	44.6 years	41.6 years

7 This is the average earnings expected for 2013. To estimate the 2013 earnings, the 2012 reported earnings were annualized and then increased by 5.18%.

8 This is the average bridge for the 42 pensioners who are currently receiving a bridge pension. The previous valuation had 40 pensioners and 1 survivor who were receiving a bridge pension.

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Appendix B: Membership Data

Membership Distributions

Active Members

The distribution by age and service of the active membership (including disabled members, if any) at December 31, 2012 is as follows:

Age Group		Years of Credited Service								
		Under 5 ($)	5-9.99 ($)	10-14.99 ($)	15-19.99 ($)	20-24.99 ($)	25-29.99 ($)	30-34.99 ($)	35 or more	Total ($)
Under 20	Number									0
	Average Salary									0
20 to 24	Number	3								3
	Average Salary	67,314								67,314
25 to 29	Number	17	10							27
	Average Salary	83,956	93,303							87,418
30 to 34	Number	12	29	15	1					57
	Average Salary	84,570	93,539	96,378	n/a					92,172
35 to 39	Number	7	17	28	3					55
	Average Salary	88,823	94,390	98,317	101,370					96,061
40 to 44	Number	1	7	12	12	4				36
	Average Salary	n/a	96,361	100,695	102,896	102,855				101,109
45 to 49	Number	1	1	3	22	24	11			62
	Average Salary	n/a	n/a	99,614	103,550	108,216	123,484			109,338
50 to 54	Number	1		1	12	18	19	5	1	57
	Average Salary	n/a		n/a	103,991	107,333	120,978	122,948	n/a	112,643
55 to 59	Number				4	1	9	14		28
	Average Salary				102,546	n/a	122,402	126,997		121,133
Over 60	Number									0
	Average Salary									0
TOTAL	**Number**	**42**	**64**	**59**	**54**	**47**	**39**	**19**	**1**	**325**
	Average Salary	**84,706**	**94,098**	**98,437**	**102,762**	**107,289**	**122,013**	**125,931**	**n/a**	**102,303**

The average salary figures represent the expected 2013 earnings. Note that salary amounts for categories with less than 2 members have been left blank for confidentiality reasons.

Appendix C: Going Concern Assumptions and Cost Methods

Going Concern Actuarial Assumptions

A member's entitlements under a pension plan are generally funded during the period over which service is accrued by the member. In other words, the cost of a plan's benefits is allocated in some fashion over the member's service. An actuarial valuation provides an assessment of the extent to which allocations relating to periods prior to a valuation date (often referred to as the actuarial liabilities) are covered by the plan's assets.

The going concern valuation provides an assessment of a plan on the premise that the plan continues on into the future indefinitely. In order to prepare a going concern valuation, two important elements need to be established:

- going concern assumptions in respect of future events upon which the plan's benefits are contingent; and
- going concern methods which effectively determine the way in which the plan's costs will be allocated over the members' service.

Together, the going concern assumptions and methods provide a basis from which a pension plan's cost can be estimated and also help establish an orderly program for meeting the ultimate cost of the plan. The true cost of a plan, however, will emerge only as experience develops, investment earnings are received, and benefit payments are made.

This appendix summarizes the going concern assumptions and methods that have been adopted for the going concern valuation of the Plan at December 31, 2012. It is important to note that these assumptions and methods are reviewed periodically to ensure that they adequately reflect the experience of the Plan and continue to satisfy the Plan's funding objectives. For purposes of this valuation, the going concern methods and assumptions were reviewed and changes were made to the mortality table, discount rate, and inflation rate.

Appendix C: Going Concern Assumptions and Cost Methods

Provision for Adverse Deviation

For purposes of this going-concern valuation, the provision for adverse deviation has been addressed by establishing an explicit dollar reserve rather than building conservatism into the going-concern assumptions. Consequently, for this valuation:

- the going-concern assumptions represent best estimate assumptions (i.e. they contain no provision for adverse deviation)
- the going-concern liabilities determined using the best estimate assumptions (known as best estimate liabilities) contain no provision for adverse deviation;
- the provision for adverse deviation is shown explicitly in the going-concern balance sheet;
- the provision for adverse deviation to be included in the going-concern liabilities has been determined as 5% of the best estimate liabilities[7]; and
- the provision for adverse deviation to be included in the current service cost has been determined as 5% of the best estimate current service cost rate.

The explicit provision for adverse deviation has been chosen so as to balance the need for financial security for existing Plan members against overly conservative contribution requirements that potentially results in both intergenerational inequities among members and unnecessary financial strain on the Plan sponsor. To this end, the Plan's funding policy has been referred to for guidance and only adverse events that are plausible in usual operations have been contemplated.

The provision for adverse deviation for the previous valuation was addressed by building margins into the going-concern assumptions.

[7] If the provision for adverse deviation of 5% of best estimate liabilities established for this valuation was reflected in the form of a reduced going-concern discount rate assumption, the going-concern discount rate assumption would reduce from 6.65% per annum to approximately 6.35% per annum.

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Appendix C: Going Concern Assumptions and Cost Methods

Going-Concern Assumptions

The actuarial assumptions and methods used in the December 31, 2009 valuation were reviewed for appropriateness, and based on this review as well as the change in the handling of the provision for adverse deviation, a number of assumptions have changed. The following table summarizes the assumptions used for this valuation, along with the assumptions used as at December 31, 2009. As mentioned previously, with the change in how the provision for adverse deviation is handled, the December 31, 2012 assumptions are considered best estimate assumptions. The previous valuation assumptions included provision for adverse deviation where deemed appropriate.

	December 31, 2012	December 31, 2009
Demographic		
Mortality	UP-94@2022	UP-94@2025
Termination of employment	3.0% up to age 30 2.0% from 30 to 39 1.0% from 40 to 49 0.0% for 50 and over	3.0% up to age 30 2.0% from 30 to 39 1.0% from 40 to 49 0.0% for 50 and over
Retirement (active members)	Age / Rate 50 to 54: 2.5% 55: 10% 56 to 59: 2.5% 60: 100%	Age / Rate 50 to 54: 2.5% 55: 10% 56 to 59: 2.5% 60: 100%
Retirement (deferred members)	100% at age 60	100% at age 60
Disability	Nil	Nil
Economic		
Discount rate	6.65% per annum, net of all expenses	6.45% per annum, net of all expenses
Inflation	2.5% per annum	3.0% per annum
Interest credited on employee contributions	Inflation rate plus 2.0%	Discount rate less 2.0%
YMPE increase	3.5% per annum	4.0% per annum

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Appendix C: Going Concern Assumptions and Cost Methods

Economic (continued)			
Earnings increase	– base rate	2013: 5.10% 2014: 3.10% 2015: 3.00% 2016: 3.00% 3.5% thereafter	9.0% for 2010 4.0% per annum thereafter
	– merit and promotion increases	Actual contract adjustments for firefighters based on service	Actual contract adjustments for firefighters based on service
Increase in Plan's maximum pension limit		Nil	Nil
Other			
Expenses		Included in discount rate (40 bps)	Included in discount rate (40 bps)
Proportion with spouses		95%	95%
Age of female spouse		3 years younger than male spouse	3 years younger than male spouse
Lump sum settlement rate		4.0% per annum	n/a
Actuarial cost method		Attained age cost method	Attained age cost method
Asset valuation method		Smoothed value	Smoothed value

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Appendix C: Going Concern Assumptions and Cost Methods

Demographic Assumptions

Mortality

Benefits paid from the Plan in respect of a particular member are contingent on the survival of the member and/or the member's spouse. For example:

- If an active member dies prior to retirement, pre-retirement death benefits are triggered;
- A pension is paid to a pensioner only while the pensioner is alive;
- Where a member has elected a joint and survivor form of benefit, a pension is paid to the pensioner's spouse in the event the pensioner predeceases the spouse.

Consequently, an assumption regarding the survival of members and, where applicable, spouses to each age into the future has been made.

For the going concern valuation, gender-distinct mortality rates have been assumed to be in accordance with the Uninsured Pensioner 1994 Mortality Table with mortality improvements projected to the year 2022 in accordance with Scale AA (UP-94@2022). The previous valuation used the Uninsured Pensioner 1994 Mortality Table with mortality improvements projected to the year 2025.

The 1994 Uninsured Pension mortality table (UP-94) reflects mortality experience as of 1994 of a large sample of U.S. and Canadian pension plans. Applying projection scale AA to the valuation year provides an allowance for improvements in mortality after 1994 and is generally considered reasonable for reflecting current mortality levels for pension plans. This table is commonly used for valuations where the mortality experience of a plan is not statistically significant to assess the plan's specific experience and where there is no reason to expect the plan's experience to differ significantly. Projection to the valuation year is considered to represent the Plan's current mortality experience. Projection to 2022 (10 years after the valuation date) is expected to represent the best estimate future mortality experience for the current membership of the plan.

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Appendix C: Going Concern Assumptions and Cost Methods

Mortality rates per 1,000 lives at selected ages are as follows:

	UP-94@2022		UP-94@2025	
Age	Male	Female	Male	Female
30	0.749	0.285	0.738	0.276
40	0.921	0.500	0.899	0.478
50	1.668	0.950	1.579	0.903
60	5.459	4.145	5.202	4.086
70	16.712	12.830	15.971	12.638
80	50.337	34.797	48.842	34.072
90	146.985	113.929	145.229	113.898
100	331.693	289.020	330.699	288.156

Termination of Employment

A member's benefit entitlement under the Plan is affected by whether the member terminates employment prior to retirement for reasons other than death. In order to account for this effect in the calculation of the actuarial liability, an allowance has been made for the probability of members terminating employment prior to retirement. The following table, based on historic plan experience and considered to be best estimate, was used in the previous valuation and has been retained for this valuation:

Age	Annual Termination Rate
up to 30	3.0%
30 to 39	2.0%
40 to 49	1.0%
50 and over	0.0%

Retirement Ages

A member's benefit entitlement under the Plan is dependent on when the member decides to commence, or is deemed to commence, to receive a pension from the Plan (referred to as "retirement from the Plan"). The terms of the Plan determine the pension that is payable to a member on retirement from the Plan and is dependent on whether the member retires, dies or terminates from active employment. Accordingly, an assumption with respect to when a member is expected to retire from the Plan has been made.

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Appendix C: Going Concern Assumptions and Cost Methods

It has been assumed that all active members will retire in accordance with the following table which is, based on historic plan experience and is considered to be best estimate. This is unchanged from the previous valuation.

Age	Retirement Rate
50 to 54	2.5%
55	10%
56 to 59	2.5%
60	100%

Deferred members are assumed to retire at age 60 which is unchanged from the previous valuation.

Disability

The probability of future disability of current active members was assumed to be nil. Members who become disabled continue to accrue benefits based on earnings in effect from time to time for the member's regular employment classification, and are included in the active data. It was assumed that those members who are disabled recover in a relatively short time frame. This is unchanged from the previous valuation.

Proportion with Spouses and Age of Spouse

The Plan provides for certain survivor benefits to be paid to the surviving spouse of a member. Specifically, if a member has a spouse at the time the member commences to receive a pension and if the spouse survives the member, a lifetime pension will continue to the surviving spouse at the rate of 60% of that payable to the member at the time of the member's death. If, however, a member does not have a surviving spouse at retirement, the member's pension will cease on the member's death. If the member had not received at least 60 monthly payments, any remaining balance of the 60 monthly payments will be paid to the member's beneficiary.

As a member's benefit is dependent on whether there is a spouse at the time of pension commencement, an assumption has been made in this regard. For the current valuation we have assumed that female spouses are three years younger than male spouses and 95% of members are assumed to have a spouse at retirement and such spouse is assumed to be of the opposite gender. This is based on recent plan experience and is considered to be best estimate. The same assumption was used at the previous valuation.

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Appendix C: Going Concern Assumptions and Cost Methods

Economic Assumptions

Discount Rate

The actuarial liability of a future stream of benefit payments represents an estimate of the assets required at the valuation date that, together with future investment income, will be sufficient to provide for the future benefit stream. Therefore, in calculating actuarial liabilities, it is necessary to make an assumption with respect to the future expected investment returns that will be earned by the assets.

In selecting the going concern discount rate assumption, the following factors are typically taken into consideration:

- The Plan's investment policy;
- Long-term historical trends;
- The expected return on the invested assets; and
- The pattern of future expected benefit payments.

The discount rate for this valuation has been established as the long-term rate of investment return that the plan is expected to earn, net of all expenses paid from the plan. More specifically, the discount rate has been established based on:

- the current asset mix of the plan's invested assets;
- an underlying long-term inflation rate of 2.5% per annum;
- expected long-term passively managed asset class returns which are represented by the mean return over a 30 year period resulting from a Monte Carlo simulation applied to Aon's proprietary multi-variable asset model;
- a expense rate of 0.40% being charged to the plan in the future which is consistent with historical experience; and
- an additional net return expectation of 0. 25% per annum that is expected from employing an actively managed investment strategy and is consistent with the historical investment management expenses charged to the plan less estimated passively managed costs.

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Appendix C: Going Concern Assumptions and Cost Methods

The following table illustrates the development of the discount rate assumption:

Expected long-term passively managed asset class return	6.88% per annum
Expenses paid from plan	(0.40%) per annum
Additional net return from active management	0.17% per annum
Discount rate assumption	6.65% per annum

As described previously, the going-concern assumptions represent best estimate assumptions and, therefore, the discount rate assumption has been set equal to the best estimate rate of return on assets of 6.65% per annum. If the investment policy should target less equity exposure in the future, the discount rate assumption would need to be lowered. Furthermore, it is noted that the actual rate of return over the lifetime of the Plan could vary significantly from the assumed rate of 6.65% per annum. The previous valuation used an assumed discount rate of 6.45% per annum net of all expenses.

Underlying Inflation Rates

Long-term inflation is expected to be 2.5% per annum based on current economic and financial market conditions. The previous valuation used a long-term inflation rate of 3.0% as an assumption.

Increases in Pensionable Earnings

As the benefits paid to a member from the Plan are dependent on the member's future pensionable earnings, it is necessary for a going concern valuation to make an assumption regarding the future increases in such earnings.

For the going concern valuation, a member's future pensionable earnings are assumed to increase up until the time the member retires, dies or terminates from active employment. For this valuation, pensionable earnings are assumed to increase with the known contractual increases for 2013 through to 2016 (i.e. 5.1% in 2013, 3.1% in 2014, 3.0% in 2015 and 3.0% in 2016) and then increase at a rate of 3.5% per annum (which consists of 2.5% for inflation and 1.0% for productivity) plus a service and promotional increase based on service, in accordance with the table on the following page. The previous valuation used an ultimate base salary increase assumption of 4.0%.

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Appendix C: Going Concern Assumptions and Cost Methods

Service	Service and Promotional Scale
0 –1	0.0%
2	14.3%
3	12.5%
4	11.1%
5-9	0.0%
10	2.0%
11-14	0.0%
15	2.9%
16-19	0.0%
20	2.9%
21-24	0.0%
30	8.7%
31+	0.0%

The service and promotional scale was derived from the collective agreement and is considered to be best estimate.

To estimate the 2013 earnings, the 2012 reported earnings were annualized and then increased by 5.18% to reflect the actual 2013 general increase.

Year's Maximum Pensionable Earnings (YMPE) Levels

As the benefits paid to a member from the Plan are dependent on the future YMPE, it is necessary for a going concern valuation to make an assumption regarding the future increases in the YMPE.

For the going concern valuation, the 2013 YMPE of $51,100 is assumed to increase at 3.5% per annum, which consists of 2.5% for inflation and 1.0% for productivity. The previous valuation used a YMPE increase assumption of 4.0% applied to the 2010 YMPE of $47,200.

Maximum Pension Limit

The Plan limits the annual pension that can be paid by the Plan to $2,111.11 per year of pensionable service, and consequently, the maximum annual pension is assumed to be $2,111.11 per year of pensionable service, with no future indexing on this limit. This is unchanged from the previous valuation.

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Appendix C: Going Concern Assumptions and Cost Methods

Interest on Employee Contributions

As the Plan's benefits are dependent to some degree on the member contribution account balances (for example, the Plan must refund the portion of the member's accumulated contribution account balance that exceeds 50% of the value of the pension on termination, pre-retirement death or retirement), it is necessary to make an assumption regarding the interest rate that will be credited to member contribution account balances in the future.

For purposes of the going concern valuation, it has been assumed that member contribution account balances will be credited at the inflation rate plus 2%, or 4.5%. This assumption is considered to be best estimate and is based on expected long term rates of return on 5 year GIC products. The previous valuation used an assumption of discount rate less 2%, or 4.45%.

Other Assumptions

Expenses

Actual expenses charged to the fund over the last few years have averaged about 40 basis points. It is assumed that expenses will be 40 basis points of which 30 basis points relates to investment management and 10 basis points to administration. The same assumption was used in the previous valuation.

Lump Sum Settlement Rate

For the valuation as at December 31, 2012, lump sum settlements paid out of the Plan are assumed to be calculated using a lump sum settlement rate of 4.0% per annum. The previous valuation did not make an explicit lump sum settlement rate, but rather assumed lump sum settlements to be calculated using the discount rate assumption.

Going Concern Actuarial Cost Method

An actuarial cost method is a technique used to allocate in a systematic and consistent manner the expected cost of a pension plan over the years of service during which plan members earn benefits under the plan. By funding the cost of a pension plan in an orderly and rational manner, the security of benefits provided under the terms of the plan in respect of service that has already been rendered is significantly enhanced.

The Attained Age Actuarial Cost Method has been used for this valuation. Under this method, the actuarial present value of benefits in respect of past and future service is compared with the actuarial asset value

Appendix C: Going Concern Assumptions and Cost Methods

(which includes the present value of future fixed rate contributions), revealing either a surplus or an unfunded liability.

The actuarial present value at the valuation date of benefits for all future service accruing after the valuation date is expressed as a level percentage of the actuarial present value at the valuation date of the pensionable earnings for these future years. This level percentage is then applied to the estimated pensionable earnings in the year following the valuation date to determine the current service cost for that year.

When calculating the actuarial present value of benefits at the valuation date, the present value of all retirement, termination and pre-retirement death benefits are included. For each member, the retirement, termination and pre-retirement death benefits for a particular period of service are first projected each year into the future taking into account future vesting, early retirement entitlements and minimum pension/value entitlements. These projected benefits for each future year are then capitalized, multiplied by the probability of the member leaving the plan in that year and discounted with interest and survivorship to the valuation date. The actuarial present value of benefits for the particular period of service is then determined by summing the present values of these projected benefits.

The pattern of future contributions necessary to fund future benefit accruals is a level percentage of pensionable earnings. The difference between the present value of future benefit accruals and the present value of future fixed contributions is held as a liability in the going concern balance sheet which, for any one member, will decrease as the past service liability increases.

In the event of future adverse experience, contributions in addition to the current service cost calculated under the Attained Age Method may be required to ensure that a plan's assets are adequate to provide the benefits. Conversely, favourable experience may generate surplus, which may serve to reduce future contribution requirements and/or improve benefits.

The previous valuation also used the Attained Age Actuarial Cost Method.

Appendix C: Going Concern Assumptions and Cost Methods

Going Concern Actuarial Asset Value Method

The total asset value consists of two components: an actuarial asset value based on the value of the invested assets in the trust fund and the present value of future fixed rate contributions.
To determine the actuarial value of assets, a smoothing methodology is applied to the market value of the Plan's assets at the valuation date. Under this method, the actuarial value of the investment income for each year, net of all expenses, is determined as the sum of the actuarially required net investment income on the market value of assets and an amortization adjustment.

- The actuarially required net investment income is determined as the amount of net investment income that would result in a net rate of return on the market value of assets equal to the assumed valuation discount rate for the year.

- The amortization adjustment is determined by amortizing over a five-year period, the difference between the actual net investment income and the actuarially required net investment income for that year.

Following determination of the smoothed value of assets as described above, a further constraint is applied. The actuarial value of assets is restricted to be no less than 90% and no more than 110% of the market value of assets.

The previous valuation used the same smoothing methodology to determine the actuarial value of assets.

Contingency Reserve

The Plan requires the establishment of a contingency reserve to help protect the Plan from adverse contingencies. However, such a contingency reserve may not exceed the maximum surplus permitted by the Income Tax Act that can be retained in a registered pension Plan. Since the Plan has no surplus as at December 31, 2012, there is no contingency reserve as at December 31, 2012.

Appendix D: Solvency Assumptions and Methods

The Act requires that the Plan's financial position at the valuation date be assessed under the premise that the Plan is terminated and wound up on the valuation date. The Plan's liabilities calculated under this premise (known as the solvency basis) are determined using assumptions and methods prescribed by the *Act*. If the Plan's liabilities under the solvency basis exceed the assets of the Plan then additional funding contributions may be required.

The following summarizes the prescribed assumptions and methods that make up the solvency basis for the Plan at the valuation date. While the solvency valuation has been performed using assumptions prescribed by the *Act*, such legislation requires judgement to be exercised in setting certain assumptions, especially as it relates to determining:

- the proportion of the Plan's benefits expected to be settled by way of annuity purchase and by way of lump sum settlement; and
- the hypothetical annuity purchase rates at the valuation date.

However, if the Plan was terminated on the valuation date, the solvency liabilities may be different than the actual Plan liabilities. Such differences may be attributed to:

- differences between the actual and assumed proportion of benefits being settled by annuity purchase and lump sum benefits; and
- an actual annuity purchase rate that is different than the rates assumed to be representative of the annuity market on the valuation date.

AON Hewitt

Appendix D: Solvency Assumptions and Methods

Solvency Assumptions

Proportion of benefits settled by lump sum settlement and annuity purchase	Members and beneficiaries receiving a monthly pension at the valuation date will have their benefit entitlement settled by way of annuity purchase on Plan termination. All other members are assumed to have their benefit entitlement settled by way of a lump sum settlement.
Discount rate – annuity purchase	The discount rate assumed to apply to benefits that are settled by way of annuity purchase is 3.0% per annum. This discount rate assumption is representative of the rate that, together with the UP-94 Generational mortality table, approximates annuity purchase rates at the valuation date, in accordance with guidance on solvency valuations provided by the Canadian Institute of Actuaries.
Discount rate – lump sum settlements	The discount rate assumed to apply to benefits that are settled by way of lump sum settlement is 2.40% per annum for the first 10 years and 3.60% per annum thereafter in accordance with accepted actuarial practice.
Salary, YMPE and Maximum Pension Limits	No future increase is assumed since no future salary, YMPE or maximum pension limit increases are taken into account in the Plan termination benefits.
Expenses	It was assumed that wind-up expenses, if the Plan were terminated, would be $200,000.

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Appendix D: Solvency Assumptions and Methods

Mortality – annuity purchases	For benefits that are settled by way of annuity purchase, mortality is assumed to be in accordance with the gender-distinct rates of the UP-94 Generational Mortality Table. This mortality assumption is representative of the mortality rates that, together with the discount rate assumption of 3.0%, approximate annuity purchase rates at the valuation date, in accordance with guidance on solvency valuations provided by the Canadian Institute of Actuaries.
Mortality – lump sum settlement	For benefits that are settled by way of lump sum settlement, mortality is assumed to be in accordance with the unisex rates generated from the UP94 Generational Mortality Table where 95% of the population is assumed to be male and 5% female.
Termination rates	All members who are actively employed by the City on the valuation date are assumed to terminate their employment on this date and subsequently retire from the Plan in accordance with the retirement age assumption described below.
Retirement Age	All members are assumed to retire on their normal retirement date (i.e. age 60)
Proportion with a spouse upon retirement from the Plan and spousal age	100% of the members who have not retired from the Plan on the valuation date are assumed to have a spouse at retirement, with 5% of spouses assumed to be male and 95% female. For determining the spousal age, males are assumed to be three years older than females.

Appendix D: Solvency Assumptions and Methods

Solvency Valuation Method

The solvency liabilities have been calculated as the actuarial present value of the benefits prescribed to be valued under the *Act*. These prescribed benefits are those benefits to which a member would be entitled if the Plan was terminated on the valuation date.

The solvency liabilities do not take into consideration any benefit reductions that may be required in the event of Plan termination on the valuation date.

For purposes of the solvency valuation, assets have been valued at market value.

Incremental Cost on a Solvency Basis

The incremental cost on a solvency basis represents the present value, at the calculation date (time 0), of the expected aggregate change in the solvency liabilities between time 0 and the next calculation date (time t), adjusted upwards for expected benefit payments between time 0 and time t.

An educational note was published in December 2010 by the Canadian Institute of Actuaries' Committee on Pension Plan Financial Reporting to provide guidance for actuaries on the calculation of this new information.

The calculation methodology can be summarized as follows:

- The present value at time 0 of expected benefit payments between time 0 and time t, discounted to time 0, plus
- A projected hypothetical wind up or solvency liabilities at time t, discounted to time 0, allowing for, if applicable to the pension plan being valued:
  - expected decrements and related changes in membership status between time 0 and time t,
  - accrual of service to time t,
  - expected changes in benefits to time t,
  - a projection of pensionable earnings to time t,

minus

- The hypothetical wind up or solvency liabilities at time 0.

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Appendix D: Solvency Assumptions and Methods

The projection calculations take into account the following assumptions and additional considerations:

- The assumptions for the expected benefit payments and decrement probabilities, service accruals, and projected changes in benefits and/or pensionable earnings would be consistent with the assumptions used in the pension plan's going concern valuation.

  Note: Alternatively, if the actuary considers such experience to be different from the longer term expected experience assumed for a going concern valuation, he/she may reflect expected experience between time 0 and time t

- The assumptions used to calculate the projected liability at time t are consistent with the assumptions for the solvency liabilities at time 0, assuming that interest rates remain at the levels applicable at time 0, that the select period is reset at time t for interest rate assumptions that are select and ultimate and that the Standards of Practice for the calculation of commuted values and the guidance for estimated annuity purchase costs in effect at time 0 remain in effect at time t.

  – Active and inactive plan members as of time 0 are considered in calculating the incremental cost.

Appendix E: Summary of Plan Provisions

The following is a summary of the provisions of the Plan that materially affect the valuation. This summary reflects all Plan amendments up to and including Bylaw No. 9033. Reference should be made to the legal Plan documents for purposes of determining actual benefit entitlements.

Eligibility

Every person employed on a full-time basis by the City in its Fire and Protective Services Department, except those covered under one of the other pension Plans operated by the City, joins the Plan on their date of employment.

Part-time employees may elect to join the Plan provided the individual:

- has been in the employment of the City for 24 months prior to the date of application for membership in the Plan; and
- has in each of two consecutive calendar years immediately prior to the date of application earned at least 35% of the YMPE with respect to that employment.

Members' Contributions

Members are required to contribute 7.7% of their earnings effective January 1, 2010. Contributions cease after 35 years of contributory service.

Members are also required to contribute any additional amounts that may be necessary to maintain the funding of the Plan, at a rate of 50% of such additional amounts.

Disability Provisions

Periods during which a member is in receipt of long term disability benefits count as contributory service. A disabled member is not required to contribute to the Plan, and deemed earnings (based on the member's regular employment classification and the rates in effect from time to time) are used in applying the pension formula.

Disabled members cease making contributions at their date of disability. Contributions will commence upon their return to active status.

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Appendix E: Summary of Plan Provisions

Employer's Contributions

The City is required to contribute an amount equal to the contributions made by the members of the Plan.

In addition, the City is also required to contribute any additional amounts that may be necessary to maintain the funding of the Plan, at a rate of 50% of such additional amounts.

Retirement Date

The normal retirement date is the first day of the month immediately following the attainment of age 60.

Members may elect to retire early on the first day of any month following attainment of age 50. Members may retire with an unreduced pension on the first day of any month after attaining age 55 or after completing 30 years of continuous service. In case of ill health, a member may retire with an unreduced pension on the first day of any month after attaining age 50 or completing 25 years of continuous service. If a member retires on or after age 50 but has not yet reached age 55 or 30 years of continuous service, the member's pension is reduced by a percentage reflecting actuarial equivalency to a pension commencing at age 60.

Notwithstanding the above, effective December 31, 2007, in the event of wind-up or termination of the plan, transfer values and pensions for all active and disabled members are determined on the assumption that these members commence receiving their pensions at age 60 (i.e. their normal retirement date). In other words, early retirement subsidies are removed on wind-up or termination of the plan for all active members.

Pension Benefit

Upon retirement, a member will receive a retirement benefit based on the member's service and *final earnings* as follows:

1. Normal Retirement, Early Retirement, or completed 30 years of service:

    a) 2% of *final earnings* in excess of one-twelfth of the Final YMPE multiplied by the number of years of contributory service; plus

    b) 1.4% of the *final earnings* up to one-twelfth of the Final YMPE multiplied by the number of years of contributory service; plus

    c) Bridge benefit in case of early retirement: 0.6% of final earnings up to one-twelfth of the final YMPE multiplied by the number of years of contributory service.

2. Under 55 and have not completed 30 years of service:

Appendix E: Summary of Plan Provisions

a) The actuarial equivalent of the retirement benefits payable at the normal retirement date calculated in (1) above. This value will result in a reduction in pension amount at least as large as .25% for each month in which the date of retirement precedes attainment of age 55, completion of 25 years of service, or sum of age and service equals 75.

3. Postponed Retirement Benefit

   a) It is forbidden to remain in the service of the Fire and Protective Services Department of the City beyond the normal retirement date, hence this benefit is not applicable.

4. Disability Retirement Benefit

   a) Receive benefit in accordance with calculation in (1).

Final earnings means the highest consecutive three-year average earnings of the member.

The pension for members retiring prior to age 60 who do not qualify for an unreduced pension, is equal to the actuarial equivalent of the pension payable at the Normal Retirement Date.

A test is made at retirement to determine whether the member's accumulated contributions with interest provide more than 50% of the value of the pension benefit. Amounts in excess are refunded to the member or converted to additional lifetime retirement benefits for the member.

Normal Form of Pension

The normal form of pension for a member without a spouse at retirement is a monthly pension paid at the end of each month for the member's lifetime with the first 60 monthly payments guaranteed.

The normal form of pension for a member with a spouse at retirement is a monthly pension paid at the end of each month for the member's lifetime with the first 60 monthly payments guaranteed. After the member's death and after 60 monthly payments have been made, the surviving spouse receives 60% of the member's pension for the remainder of the surviving spouse's lifetime.
Optional forms are available subject to an actuarial equivalent adjustment from the applicable normal form.

Indexing Provisions

The Plan has a history of providing ad hoc indexing under the Plan. Members are eligible for indexing immediately upon retirement. The most recent pension increase was provided at January 1, 2008.

Appendix E: Summary of Plan Provisions

Maximum Pension Limit

The maximum lifetime pension permitted under the Plan is the lesser of:

(1) 2% multiplied by the average of the member's highest three years annualized contributory earnings multiplied by years of contributory service; and

(2) $2,111.11 multiplied by years of contributory service.

The *Income Tax Act* provides for the $2,111.11 maximum annual benefit accrual to be increased. The Plan does not provide for the $2,111.11 annual maximum to be increased.

Death Benefits before Retirement

In the event of the death of an active member or a terminated member prior to retirement, an amount equal to the greater of the commuted value of the pension, two times the member's accumulated contributions with interest, or the transfer-in account with credited interest is provided. For a member who is eligible to retire at the date of death, the commuted value is determined assuming the member retired immediately preceding the date of death. For all other members, the commuted value is based on the member's accrued pension deferred to age 60.

Termination Benefits

A member is vested upon completion of two years of continuous employment.

In the event of termination before the member is vested, an amount equal to the member's accumulated contributions with interest plus the transfer-in account with interest will be refunded.

A member who terminates employment after becoming vested may elect:

1. a deferred pension payable at normal retirement date, or

2. a lump sum transfer of the commuted value of the deferred pension payable at normal retirement date to a locked-in retirement account.

For members who are vested, the excess of the member's accumulated contributions with interest over 50% of the commuted value of the deferred pension benefit is payable to the member.

Appendix F: Plan's Administrator's Certification

With respect to the City of Saskatoon Fire and Protective Services Department Superannuation Plan and forming part of an actuarial report on a valuation of this Plan as at December 31, 2012:

I hereby certify that to the best of my knowledge and belief,

a) the summary of the Plan provisions contained in this report is a complete and accurate summary of the terms of the Plan;

b) the membership data supplied to the actuary provides a complete and accurate description of all persons who are entitled to benefits under the terms of the Plan in respect of service up to the date of the valuation;

c) the asset data supplied to the actuary provides a complete and accurate description of the market value of the pension fund assets as of the valuation date; and

d) all events subsequent to the valuation date that may have an impact on the results of the valuation have been communicated to the actuary.

Date December 12, 2013

Signed Richard Heusdens

Name Richard Heusdens
Authorized signature for the
City of Saskatoon Fire and Protective
Services Department Superannuation Plan

ERRORS AND OMISSIONS EXCEPTED

MEMORANDUM OF AGREEMENT
Between
THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS Local 80
(hereinafter referred to as the "Union")
and
THE CITY OF SASKATOON
(hereinafter referred to as the "City")

Re: Collective Bargaining

The Union and the City agree to the following changes to the Collective Agreement: (**Bolding** indicates added or revised wording. ~~Strike-through~~ indicates deleted wording.)

ARTICLE 2. TERM OF AGREEMENT

This Agreement shall come into force and take effect from January 1, **2014**, and shall continue in force until December 31, **2016**. This Agreement to remain in force after December 31, **2016**, and then from year to year thereafter, unless either party gives written notice to terminate or renegotiate this Agreement, in which case this Agreement shall remain in effect until the signing of a new or revised Agreement. Such notice shall be given in writing, not less than thirty (30) nor more than sixty (60) days prior to December 31, **2016**.

ARTICLE 39 - WAGES AND SALARIES

The wages and salaries of employees to whom this Agreement applies shall be in accordance with the rates and classifications set out in Schedule "A" attached.

December 31, 2014	2.50%
December 31, 2015	3.00%
January 1, 2016	2.00%
July 1, 2016	1.00%

ARTICLE 39 – MARKET ADJUSTMENT

December 31, 2014	0.60%

This Memorandum of Agreement includes:

Memorandum of Agreement: dated December 18, 2013.

Re: Article - 11 - Superannuation and Retirement

The parties agree that they will recommend this Memorandum of Agreement to their principals. It is further agreed that this Memorandum of Agreement shall come into effect on the date that it is ratified by both parties.

Dated this 18 day of December, 2013, in the City of Saskatoon, in the Province of Saskatchewan.

On behalf of: The City of Saskatoon	On behalf of: International Association of Fire Fighters Local 80

2013-12-18 4:10 PM

ERRORS AND OMISSIONS EXCEPTED

MEMORANDUM OF AGREEMENT
Between
THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS Local 80
(hereinafter referred to as the "Union")
and
THE CITY OF SASKATOON
(hereinafter referred to as the "City")

Re: Memorandum of Agreement Article - 11 - Superannuation and Retirement

The parties agree to:

1. Jointly review, with the assistance an agreed-to actuary, the current plan design with the aim to develop and implement a long-term sustainable benefit structure by no later than December 31, 2015.

2. Commencing January 1, 2016 the new benefit structure will be supported through fixed rate contributions by the City of 9.0% of earnings; and an employee contribution rate of no less than 9% with the option, if allowed by law, to increase from time to time to maintain a certain benefit level. For greater clarity, any increase in employee contribution rates beyond 9.0% of earnings must be structured so that the 50% test in section 31 of the Pension Benefits Act does not directly or indirectly require or cause any such increase in the City contribution rates beyond 9.0% of earnings or result in any future financial obligations or payments from the City to the employee as a result of those increased contributions by the employee.

3. Temporarily increase City and member contribution rates effective January 1, 2014 by equal amounts to cover the minimum funding requirements as recommended by the Actuary.

In the event the parties are unable to agree by September 30, 2015 on the benefit changes that would enable the implementation of the sustainable benefit structure within the time line set out in paragraph 1 (i.e. December 31, 2015), either party may refer the matter to a jointly agreed to or assigned arbitrator, recognized as having expertise in the area of pension design, to determine the reduction (if any) in future service benefits that would be required such that the total funding requirements (current service cost and special payments) could be supported by the contribution rates as outlined in paragraph 2. The arbitrator's resolution will be binding with a goal to resolve within 30 days.

Dated this 18 day of December, 2013, in the City of Saskatoon, in the Province of Saskatchewan.

On behalf of:
The City of Saskatoon

On behalf of:
International Association of Fire Fighters
Local 80

2013-12-18 4:10 PM

175-48

experience downtown
THE PARTNERSHIP
Saskatoon Downtown Business Improvement District

January 6, 2015

Office of the City Clerk
City of Saskatoon
222 Third Avenue North
Saskatoon, SK S7K 0J5

Attention: City Clerk

Re: Board of Management Appointment
Mr. Kevin Johnson – Colliers International

Please be advised that The Partnership Board of Management has made a motion to approve the appointment of Mr. Kevin Johnson to the Board. Mr. Johnson meets the criteria for membership on The Partnership Board of Management and we ask City Council to confirm his appointment. The appointment of Mr. Johnson will fill the vacancy left by Mr. Shaun Grinde who recently stepped down after serving eight years on the Board.

In addition, I would like to take this opportunity to thank Councillor Charlie Clark for his dedicated service to the Board since he joined in 2006. Councillor Clark always worked diligently to ensure the interests of Downtown were well represented.

On behalf of the Board of Management, we look forward to working with Councillor Troy Davies who we learned had recently been appointed to the Board.

Sincerely,

Brent Penner
Executive Director

cc: Mr. Dave Denny - Chair

242 Third Avenue South
Saskatoon, SK S7K 1L9
Telephone: (306) 665-2001 Fax: (306) 664-2245

175-49

RBID
RIVERSDALE
BUSINESS IMPROVEMENT DISTRICT

Wednesday, December 31, 2014.

222 3rd Avenue North
Saskatoon, Saskatchewan.
Canada, S7K 0J5

His Worship the Mayor and Members of City Council

The Riversdale Business Improvement District (RBID) Board of Management is requesting the appointment of Chef Darby Kells to the Board replacing the position held by Stephanie Norris of Hot Yoga on 20th.

Motion: *"Nomination of Darby Kells of the Riversdale Deli to join the Riversdale Business Improvement District as a board member."*
Moved By: *Carla Duval-Tyler*
Seconded By: *Neil Robinson*
Vote: *Unanimous; Passed*

Chef Darby Kells is representing the Riversdale Delicatessen and Market as well as the (opening in January) Capanna Pizzeria, both situated on the highly visible and prominent corner of Avenue A and 20th Street West.

Sincerely,

Randy Pshebylo

Randy Pshebylo, BDM.
Executive Director

Riversdale Business Improvement District
Facebook | Twitter | Web | P 306.242.2711 | F 306.242.3012
Riversdale Business Improvement District
344 20th Street West, Saskatoon, SK, S7M 0X2

155-5

TRANS CANADA YELLOWHEAD HIGHWAY ASSOCIATION

#3, 9343 - 50 STREET, EDMONTON, ALBERTA, T6B 2L5
TEL: 780 761 3800 admin@yellowheadit.com

INVOICE

City of Saskatoon
Attn: Donald J. Atchison, Mayor
222 Third Avenue North
Saskatoon, SK S7K 0J5

12 December 2014

INVOICE NUMBER: 15158

SERVICE	POPULATION	ANNUAL CONTRIBUTION ($)
Municipal Contribution for 2015		
$0.15 per head of population per annum - from 2011 Canadian Census	222,189	33,328.35
*****PLEASE NOTE OUR NEW ADDRESS and PHONE NUMBER*****		
	TOTAL	33,328.35
	GST @ 5% (#122028137)	1,666.42
	TOTAL INVOICE	34,994.77

Please make cheques payable to: Trans Canada Yellowhead Highway Association.

Please note any changes to your billing information when returning payment.

FCM FEDERATION OF CANADIAN MUNICIPALITIES FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

President
Président
Brad Woodside
Mayor,
City of Fredericton, NB

First Vice-President
Premier vice-président
Raymond Louie
Councillor,
City of Vancouver, BC

Second Vice-President
Deuxième vice-président
Clark Somerville
Councillor,
Regional Municipality of
Halton, ON

Third Vice-President
Troisième vice-présidente
Jenny Gerbasi
Councillor,
City of Winnipeg, MB

Past President
Président sortant
Claude Dauphin
Maire,
Arrondissement de Lachine,
Ville de Montréal, QC

Chief Executive Officer
Chef de la direction
Brock Carlton
Ottawa, ON

December 8, 2014

Dear Members of Council:

Thank you for your ongoing support of, and involvement in, the Federation of Canadian Municipalities (FCM). I am writing to ask you to renew your membership for 2015-16.

As a member of FCM, your municipality has played a vital role in FCM's ability to achieve key successes in recent years. You know, as I do, that by working together we can make a real impact on the federal scene. Together, we have secured the indexed permanent Gas Tax Fund that municipalities use for local infrastructure. The Building Canada Fund was renewed for 10 years; new railway safety regulations were put in place and key housing programs extended. Without a strong FCM membership, these advances would not have been possible.

As the mayor of Fredericton, I know that the responsibilities of municipal leaders grow daily. Regardless of the size of our municipalities, we must continually improve our core infrastructure, protect our environment, build our economies and keep our communities safe. Yes, we have many achievements, but I know first-hand that there is much work left to do.

With a federal election around the corner, we have a unique opportunity in 2015 to bring your issues to the top of the federal agenda. We will use the election campaign to raise awareness among federal politicians about the importance of our cities and communities. Strong, healthy cities and communities are vital to the economic and social well-being of our residents.

On behalf of FCM, I ask that you renew your membership for the year 2015-16 so FCM can continue to represent you at the federal level. You will find enclosed your renewal form and other information about FCM.

Your support is appreciated. Thank you!

Brad Woodside

Brad Woodside
Mayor, City of Fredericton
FCM President

24, rue Clarence Street,
Ottawa, Ontario K1N 5P3

T. 613-241-5221
F. 613-241-7440

www.fcm.ca

FCM FEDERATION OF CANADIAN MUNICIPALITIES FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

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

Membership Invoice 2015-2016 Facture d'adhésion

Mr. Murray Totland
City of Saskatoon
222-3rd Avenue North
Saskatoon, SK S7K 0J5
Canada

INVOICE/FACTURE: 34613
DATE: 11/25/2014
ACCOUNT/COMPTE: 92
DUE DATE/DATE LIMITE: 03/31/2015

ITEM/DESCRIPTION	AMOUNT/MONTANT
Membership Fee for April 1/15 to March 31/16 / Frais de cotisation du 1er avril 2015 au 31 mars 2016 Municipal Dues Calculated with a base fee of $330.00 plus per capita fees of $31,039.80(fee population of 222,189 x 13.97 cents).	$31,369.80
Optional contribution towards a travel fund that supports the participation of elected officials from small communities in FCM's National Board of Directors (fee population of 222,189 x 5.00 cents).	$11,109.45
TOTAL:	**$42,479.25**
PAID AMOUNT/MONTANT PAYÉ:	**$0.00**
BALANCE DU/MONTANT DÛ:	**$42,479.25**

RECEIVED
CITY OF SASKATOON
DEC 16, 2014
CITY MANAGER

155-7

HBRA 2015 MEMBERSHIP INVOICE

SUPPORT OUR PRAIRIE PORT

To Members and Potential Members,

2014 was an average year for the Port of Churchill as far as grain movement. A total of 530310 metric tonnes of grains and oilseeds were shipped this year compared to 636000 metric tonnes last year. Grain movement to Churchill was curtailed due to shortage of grain cars and service to The Pas. HBRA continues to explore other commodities besides grain that can be shipped through the port. We would like to remind everyone that the 2015 AGM and Convention will be in Churchill, Manitoba on July 21 – 23, 2015. For travel and accommodation including tours please go to our web site for complete information.

If you require more information, we would be pleased to have a member of our association attend a meeting. To make these arrangements call or email President Sinclair Harrison 1-306-435 7319 or sinc.gail@sasktel.net. Please visit our web site at www.hbra.ca. Our association is funded solely by membership and we would ask you to give strong consideration to renewing your membership or becoming a new member. The membership structure is as follows:

RM's, Cities and Associations	$300.00 per year
Towns	$100.00 per year
Villages & Corporations	$ 50.00 per year
Individuals	$ 20.00 per year

Make cheques payable to Hudson Bay Route Association and mail to Box 89 Moosomin, Sk. S0G 3N0. Please fill in bottom portion and return with your cheque.

Name City of Saskatoon

Address 222- 3rd Avenue No., Saskatoon, SK. S7K 0J5

Email

4-129-15

Report to Executive Committee and Council

January 13, 2015

From: Gregory Burke, Executive Director and CEO,
Mendel Art Gallery; Remai Modern Art Gallery of Saskatchewan

Reason for report: In 2014 the Executive Committee received as information the report on Strategic Brand Development for the Remai Modern Art Gallery of Saskatchewan. The purpose of this report is to recommend that Council now formally adopt the name Remai Modern Art Gallery of Saskatchewan.

Recommendation: That "Remai Modern Art Gallery of Saskatchewan", be adopted as the official name for the Art Gallery of Saskatchewan, currently under construction at River Landing.

Purpose

In 2013 the Art Gallery of Saskatchewan undertook a Strategic Brand Development Project. In January of 2014 the Gallery Board adopted the recommendations of that project. Later in January the Gallery Executive Director and CEO reported on the Strateigic Brand Plan to Executive Committee – In Camera. A new brand name "Remai Modern Art Gallery of Saskatchewan" was included in the plan and reported to the Committee.

In June of 2014, the Gallery officially launched the gallery brand and the name "Remai Modern Art Gallery of Saskatchewan". At the launch principal donor Ellen Remai expressed her strong enthusiasm for the brand name. The Gallery now uses the name in all communications and the community without controversy has adopted it.

This report requests that Council now officially adopt the name. This will allow the Gallery to use the name in legal contracts. Currently the legal name for contracts is "Remai Art Gallery of Saskatchewan". Adopting the name "Remai Modern Art Gallery of Saskatchewan" will eliminate any name confusion that may otherwise arise.

SASKATOON TRIBAL COUNCIL

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TREATY OFFICE
Office of The Tribal Chief
&
Office of The Tribal Vice Chief

COPY

December 12th, 2014

His Worship Mayor Donald Atchison
City of Saskatoon
222 - 3rd Avenue North
Saskatoon, Sk. S7K 0J5

Dear Mayor Atchison:

I would like to extend an invitation to you and your council to meet with myself and the Chiefs of the Saskatoon Tribal Council on January 29th, 2015 at 11:00 am at the office of the Saskatoon Tribal Council located at 200 – 335 Packham Avenue.

As leaders in our community, we share a vision to see an improved quality of life for our citizens. There are many initiatives and opportunities that are becoming apparent. We should take some time to have an open discussion amongst our leadership to ensure we make the most of these opportunities.

We were pleased to see the City of Saskatoon's commitment to working with First Nation organizations as outlined in your "The Vision is Clear" Strategic Plan. The recent Kitaskinaw report highlights the importance of aboriginal organizations providing service to aboriginal people. A leader in the First Nation community in Saskatoon, the Saskatoon Tribal Council has several initiatives that are in the planning stage to support our First Nation members and the aboriginal community at large.

I look forward to the opportunity to discuss our shared vision next month.

Sincerely,

Felix Thomas

Tribal Chief Felix Thomas
Saskatoon Tribal Council

cc: Gilles Dorval - City of Saskatoon

Kinistin Mistawasis Muskeg Lake Muskoday One Arrow Whitecap Dakota Yellow Quill

The Adult Services Licensing Bylaw, 2012 – Implications of Criminal Code Amendments

Recommendation

That this Report be received as information and forwarded to City Council for information.

Topic and Purpose

The purpose of this Report is to advise Executive Committee of recent amendments to the *Criminal Code* which may have implications for the licensing of adult services as required by *The Adult Services Licensing Bylaw, 2012* (the "Bylaw").

Report Highlights

1. Identify the primary recent amendments to the *Criminal Code*.
2. Identify the potential implications of the *Criminal Code* amendments to the Bylaw.

Strategic Goal

This Report is brought under the Strategic Goal of Quality of Life.

Background

The Bylaw was passed March 12, 2012 and came into force July 1, 2012. The Bylaw requires that persons engaged in the business of supplying adult services in the City of Saskatoon be licensed. Adult services is defined in the Bylaw as "any service of an adult nature appealing to or designed to appeal to erotic or sexual appetites or inclinations" and includes acting as an escort, companion, guide or date; modelling lingerie; performing a striptease or similar dance; and performing a body rub.

Bill C-36, which amends provisions of the *Criminal Code* related to prostitution, came into force on December 6, 2014. The amendments and potential implications for the licensing requirements under the Bylaw are discussed below.

Report

<u>Primary Recent Amendments to the *Criminal Code*</u>

The primary changes to the *Criminal Code* provisions respecting prostitution as contained in Bill C-36 are as follows:

1. The term “prostitution” no longer appears in the *Criminal Code*. Offences now relate to “offering, providing or obtaining sexual services for consideration”.

2. It is now an offence to communicate for the purpose of offering or providing sexual services for consideration in a public place or any place open to public view that is next to a school ground, playground or daycare centre.

3. It is now an offence, in any place, to obtain sexual services for consideration or to communicate for the purpose of obtaining sexual services for consideration (purchasing or attempting to purchase sexual services is now illegal).

4. Anyone who receives a financial or other material benefit, knowing that it is obtained or derived directly or indirectly from the sale of sexual services, is guilty of an offence. There is an exception for persons in a “legitimate living arrangement” with the person providing the sexual services.

5. Anyone who procures or recruits a person to offer or provide sexual services for consideration is guilty of an offence.

6. Anyone who knowingly advertises an offer to provide sexual services for consideration is guilty of an offence.

7. Notwithstanding the above noted amendments, no person shall be prosecuted for benefiting from or advertising their own sexual services.

In summary, the amendments to the *Criminal Code* contained in Bill C-36 do not prohibit individuals from the sale of their own sexual services or from advertising their own sexual services. However, it is now an offence for others to advertise sexual services or, except in the case of those with a “legitimate living arrangement” with a person providing sexual services, to receive a financial or other material benefit from the sale of sexual services.

<u>Potential Implications of the *Criminal Code* Amendments to the Bylaw</u>

In its current form, the Bylaw requires persons to obtain licenses prior to engaging in the operation of an adult service agency; an independent adult service agency; or carrying on business as an adult service performer, transient adult service performer or adult service worker. The definition of adult services under the Bylaw is broadly defined and therefore may include more than what would be included under the term “sexual services” that now appears in the *Criminal Code*. The term “sexual services” as used in the *Criminal Code* is not defined. As it stands, the Bylaw provides for the licensure of persons to participate in activities that could potentially be contrary to the *Criminal Code*. The recent amendments to the *Criminal Code* will therefore have implications with respect to the Bylaw.

Our Office will undertake a more thorough review of the Bylaw to determine the extent of any required amendments. Our Office will consult with the Planning and Development Division and the Saskatoon Police Service respecting this matter. In the meantime, no new licenses under the Bylaw will be issued.

Due Date for Follow-up and/or Project Completion

Our Office will report back to Executive Committee on this matter as the review continues.

Public Notice

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

Report Approval

Written by:	Christine G. Bogad, Solicitor, Director of Administrative Law
Approved by:	Patricia Warwick, City Solicitor

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