



CITY HALL UPDATE WARD 5



Councillor Randy Donauer

My name is Randy Donauer and I am your City Councillor for Ward 5, which consists of River Heights, Lawson Heights, Silverwood Heights, the North Industrial, and the Airport. I joined Council in November 2010 after winning a by-election. It is my goal to provide the residents of Ward 5 with an update at least once per year concerning civic issues. A lot has happened since my last update in 2011, so this edition is a little larger.

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City Response to Taxpayers

Streets and Roads

Residents of Ward 5 have been telling me that they want to see Council spend more money on road maintenance and repair. We have acknowledged this and responded. \$4.1 million extra has been added for road maintenance and repair for 2012. \$1 million extra has been added for road maintenance equipment, and we have almost doubled our budget for pot hole repair.

Police and Safety

Crime and Safety is routinely listed as the #1 area of concern by residents in our city, so we have added \$3.9 million to the police budget in 2012, and we added 6 new officers. Extra officers, and extra resources for the police will help to crack down on crime and make our streets and neighbourhoods safer.

River Landing To Profit \$8 million

A report to Council shows that, when all is said and done, River Landing will return an estimated \$8 million back to the city. Any cost escalation from the original investment will, in fact, be covered by the sale of the land. The result is that River

Landing will end up being a WIN/WIN project. We will have rejuvenated our river bank, and we'll realize an \$8 million return on our initial investment. Furthermore, the residents of River Landing will supplement the tax role with multiplied millions of dollars in property taxes in the years to come. Victory Majors is set to begin construction of the hotel, office tower and condos at River Landing later this summer.

Mandatory Curb Side Recycling

As you know, I opposed mandatory curb side recycling in Saskatoon. I do not believe in big government and we already had a variety of recycling options in Saskatoon... including two companies who provided excellent curb side service if you wanted it. Nevertheless, Council has approved a mandatory curb side recycling program for single family dwellings in the city of Saskatoon. The program will cost \$4-\$5 per household per month, and it will begin in 2013. The cost will be added to your utility bill.

One of my goals was to ensure the protection of Cosmopolitan Industries, where disadvantaged residents have been recycling paper for years. As such, Council has passed a resolution that Cosmo will

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be our recycling service provider for multi-family units in Saskatoon (apartments and condos). We will endeavour to sign a contract with Cosmo for that service as soon as possible.

North Bridge / Perimeter Road

The most congested traffic in Saskatoon is in the North West sector. We need a north bridge to alleviate congestion, and to allow smoother traffic flow across the

river. Currently, there are two proposals for bridges on the north end of Saskatoon. We are working with the province on the construction of a perimeter highway and a freeway bridge north of town. The private sector and the province will likely drive that initiative. However, we are also proposing a north "commuter bridge" between the North East sector and the North Industrial. We hope to see that bridge built within four years.

Financial Overview

2012 Budget

City Council approved the 2012 budget, resulting in a 4.0% mill rate increase. The \$690.3 million budget includes \$344.4 million for Operating and \$345.9 million for Capital. Fixing roads and enhancing public safety are the two main themes of this budget, as those are the two areas deemed most important by the residents of Saskatoon in the annual civic survey.

Highlights from the 2012 budget

- \$4.1 million extra for road maintenance and repair in 2012
- \$1.0 million added for road maintenance equipment
- \$3.9 million added to the police budget for public safety (including 6 new officers)
- Low Income Seniors Tax Deferral Program
- \$200,000 added to snow removal budget
- \$250,000 for planning the North Bridge and Perimeter Road

Municipal Property Taxes

During a period of booming economic development there will be property tax increases, but we are trying to keep tax increases reasonable to balance growth. Saskatoon was among the low end of property tax increases for 2011 and 2012 for major cities on the prairies.

City	2011 increase	2012 increase
Edmonton	3.85%	5.39%
Calgary	5.4%	6.0%
Regina	4.13%	3.9%
Saskatoon	3.99%	4.0%

* Winnipeg uses a different system, which is not directly comparable.

Saskatoon also has one of the lowest municipal property tax rates per capita for major cities on the prairies.

Edmonton	\$1043.26
Calgary	\$882.49
Regina	\$739.13
Winnipeg	\$571.32
Saskatoon	\$658.03

Many people also do not realize that only 50% of the property taxes collected go to City Hall.

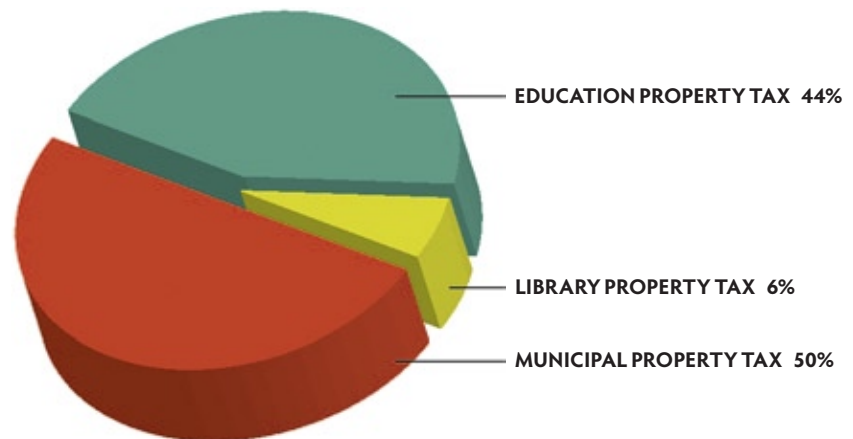


Photo credit: Marikay Falby (www.saskatoon.ca)



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Reserves

The City of Saskatoon has an excellent system of reserves. For most major capital assets that we own, there is a reserve (savings account) that we pay into every year. Then, when that asset requires construction, maintenance or replacement, we have some money in place to help pay for it. In 2012 the City of Saskatoon will put \$187.8 million into reserves, and 50% of our capital program for this year is funded by those reserves.

Saskatoon Receives Superior Credit Rating

Standard and Poors has completed their annual assessment and **Saskatoon is one of only 3 cities in Canada to receive a AAA credit rating.** This independent third party assessment is important because it means an impartial financial assessor tells us how well we manage our finances, and how we compare to other cities in Canada. Some quotes directly from the report:

*"Saskatoon's economic fundamentals, in our view, are **excellent**."*

*"The city has **strong** budgetary performance."*

*"In 2010, Saskatoon's debt burden was a manageable **3.2%** of operating revenues."*

*"In 2010 and since 2001, cash investments have been well above **1000%** of debt service."*

*"Saskatoon's financial management is **sound**, in our view."*

*"Relative to both international and domestic peers, we view Saskatoon's operating balances to adjusted operating revenues as **exceptional**."*

Here's how Saskatoon compares with other cities in Canada.

City	Rating	Outlook (as forecasted by Standard and Poor's)
Saskatoon	AAA	Stable
Regina	AA+	Negative
Edmonton	AA+	Stable
Calgary	AA+	Stable
Winnipeg	AA	Stable
Vancouver	AA	Stable
Toronto	AA	Stable

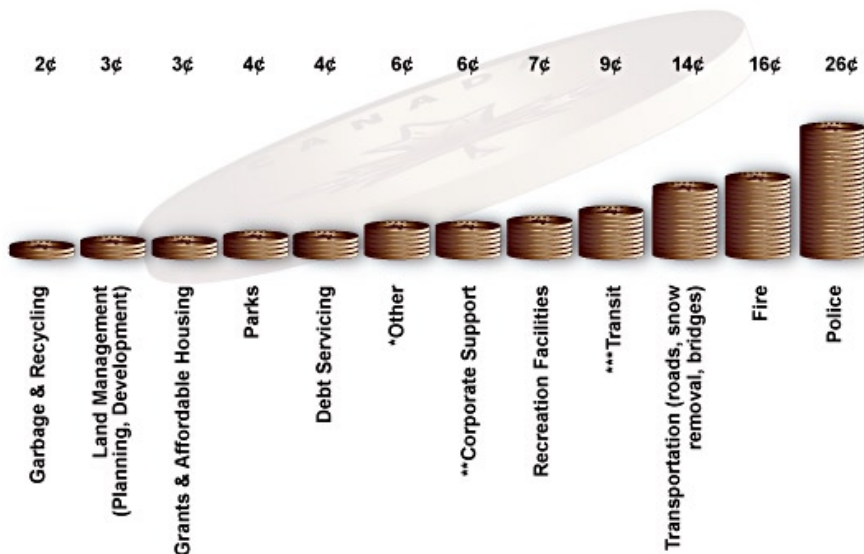
Debt/Borrowing

The City of Saskatoon does not run a deficit and borrow for operating funds, as some cities do. This would be like buying groceries on a credit card. We only borrow for large capital projects that take a significant amount of funds to build, like getting a mortgage on a house. But we monitor our borrowing carefully and report all of it publicly.

Revaluation of Property Taxes

Provincial law requires our city to revalue the properties in Saskatoon every 4 years for tax purposes. It is important to note that revaluation is revenue neutral. That means the City of Saskatoon does not collect more money due to revaluation. We simply reassess how property values have changed. Some properties have increased in value more than others. This will be reflected in the notices. Some people's taxes will go up. Some will go down. But in the end, the city will collect the same amount of money.

HOW YOUR MUNICIPAL TAX DOLLARS ARE DISTRIBUTED





Programs for Saskatoon Residents

Seniors Tax Deferral Program

Beginning in 2012, the new City of Saskatoon Property Tax Deferral Program will help support low-income senior homeowners by providing an option to defer payment of future increases in municipal property tax. Applications may be picked up at City Hall, Leisure Centres, Libraries, or by calling 975-2400. Saskatoon is the first city in Saskatchewan to implement this program to help keep seniors in their homes.

Affordable Housing Program

Saskatoon is a leader in Canada for encouraging affordable housing initiatives. Since 2007, over 2,200 new units have been built in our city. This helps keep rental rates from sky rocketing, and provides housing for working families. The city has leveraged \$15 million, to generate over \$300 million in capital costs from the private sector for affordable housing initiatives. For every \$1 we've spent on affordable housing, the private sector has spent \$20.



Upgrades and Options

Waste Water Treatment Plant

Council has allotted \$10 million for Waste Water Treatment Plant upgrades. Another \$8.5 million has been budgeted for 2013. This will help reduce odour when all the upgrades are complete. Part of the plan involves covering areas where the most odour is given off.

Snow Removal

Currently, we do not plow most residential streets. After a large snow fall, we only plow the major streets and arteries in each area. However, there is a proposal coming to budget this fall to begin residential snow removal. We will have three options:

1. We can leave it as is (no change);
2. Do full residential snow removal after each snow fall (cost is \$12 million per year); or
3. We can do partial residential snow removal... perhaps twice each winter (cost is \$2 million per year).

As option 2 or 3 will result in tax increases, I would like to know what the residents of Ward 5 choose. Please email and let me know which option you prefer.

To obtain more information about any of these topics, please visit my website: www.donauer.ca.



Image source: City of Saskatoon

TO CONTACT RANDY DONAUER:

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To receive regular email updates, please visit my website and click on "Get Timely Emails From Randy" under "Newsletter Signup".

www.donauer.ca

Facebook: Visit my Council Facebook page at www.facebook.com/RandyDonauer and "Like" it to receive posts on civic issues.

Follow me on Twitter: [@andydonauer](https://twitter.com/andydonauer) for daily updates on civic issues.

