



July 25, 2019

2020/21 Multi-Year Budget Property Tax Options

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City Council
222 Third Avenue
Saskatoon, SK
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Dear Mayor Clark and Members of City Council,

The NSBA annually submits comments on behalf of its members to City Council during deliberations on the City's annual business plan and budget. As the budget process has evolved for Administration and Council, the NSBA has also attempted to be diligent in responding at the appropriate time in the budget process where it identifies concerns. With the implementation of a multi-year business plan and budget for 2020/2021, the NSBA has been following this conversation more diligently as decisions made in 2019 will have much longer-term consequences.

At the June 17th Governance and Priorities Committee meeting, the Committee tasked the Administration to pursue a lower targeted property tax increase, correctly noting that increases at or above 4% annually are unsustainable for residents and businesses. The NSBA certainly agrees with that analysis and the direction to target a lower property tax increase for 2020 and 2021.

However, when reviewing the options proposed to achieve the directed "savings," the NSBA is concerned that none of the proposed options fall into the category of productivity enhancements/efficiencies. While the NSBA appreciates the work undertaken by Administration to produce a lower targeted property tax increase, it is our position that such measures as the ones proposed are stop-gaps and do not create genuine, long-term savings.

The NSBA would encourage City Council to target and identify systemic changes that improve efficiency and create long-term savings for the City, including analyzing how the City provides service across each of its business lines and which functions are best provided by internal staff versus external contracting. By finding these efficiencies, City Council will – in turn – have more ability to direct money towards growth and new projects that improve quality of life for our city.

The NSBA understands that the process of finding efficiencies in the City's processes is ongoing and commends the City for the efforts made in this area to date including those items highlighted in the 2018 Service, Savings, and Sustainability Report and the City's impending ERP implementation. However, this multi-year budget – being the first of its kind in Saskatoon – offers an opportunity for City Council to take a deep dive and identify further efficiencies to be achieved over the course of the budget term.

As always, the NSBA is willing to answer any and all questions relating to this letter and hope to assist City Council and Administration in the quest to find efficiencies moving forward.

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SASKATOON'S BUSINESS ASSOCIATION



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Sincerely,

A handwritten signature in black ink, appearing to read 'Keith Moen', is enclosed in a thin black rectangular box.

Keith Moen
Executive Director



SASKATOON'S BUSINESS ASSOCIATION