

2021 Annual Report Highlights

Responsive Recovery & Investment

The 2021 Annual Report reflects the City's corporate and financial performance, including priorities set in the 2021 Budget.

Responsible, Inclusive Governance



The City recognized the **National Day for Truth and Reconciliation** on Sept. 30. Employees and residents were encouraged to observe a day of quiet reflection and to participate in or support community events focused on understanding the tragic history and ongoing legacy of residential schools.

Council endorsed renaming Dewdney Pool and Park to **Buffalo Meadows**, recognizing the harmful policies of Edgar Dewdney towards Indigenous peoples, including establishing and overseeing residential schools.

The City continues to maintain its **AAA credit rating** from S&P Global, demonstrating long-term financial planning strength.



Advancing Economic Development



2021 was an extraordinary year for economic development. Close to **\$3 billion of new private investment** was announced within the Greater Regina area.

Agricultural technology led the way, with confirmation of several major developments:

- Red Leaf Pulp – wheat straw pulp mill
- Cargill – canola processing facility
- Viterra – canola crushing facility



The City supported local small- and mid-sized businesses through the **Regina Economic Recovery Grant** program.

Since August 2020, more than \$1.7 million in matching grants have helped 319 local businesses to adapt or transform their operations in response to COVID-19. Over \$1.3 million was distributed in 2021.

Strengthening Partnerships



The development and implementation of a **Winter City Strategy** led to the inaugural Frost Winter Festival event announced in December 2021. The project was led by the Regina Winter Festival Committee and service partners.



The City developed a **Community Safety & Well-being Plan** in collaboration with the Canadian Municipal Network on Crime Prevention, Regina Police Service and other community partners.



Development of a 29-unit permanent supportive housing facility was advanced with \$7.8 million from the Government of Canada's **Rapid Housing Initiative**.



Through the Canadian Tire Foundation, \$1.2 million was secured for a **new spray pad/playground** to be constructed in 2023.

Financial Position

As at December 31, 2021 (in thousands of dollars)

| | Actual 2021 | Actual 2020 |
|--|----------------|----------------|
| Financial Assets | | |
| Cash | \$169,267 | \$96,587 |
| Short-term Investments | 421,574 | 461,126 |
| Accounts Receivable | 56,632 | 43,450 |
| Taxes Receivable | 12,123 | 14,964 |
| Land Inventory | 25,257 | 20,592 |
| | 684,853 | 636,719 |
| Financial Liabilities | | |
| Bank indebtedness | 1,725 | - |
| Accounts payable and accrued liabilities | 64,233 | 47,213 |
| Taxes payable to school boards | 1,323 | 11,570 |
| Deferred revenue | 119,790 | 121,984 |
| Capital lease obligations | 1,197 | 1,223 |
| Long-term debt | 331,657 | 292,989 |
| Employee benefit obligations | 72,068 | 74,483 |
| Landfill closure and post-closure | 14,678 | 12,574 |
| | 606,671 | 562,036 |
| Net Financial Assets | 78,182 | 74,683 |
| Non-Financial Assets | 2,462,963 | 2,377,971 |
| Accumulated Surplus | \$2,541,145 | \$2,452,654 |
| Reserves | | |
| City of Regina Reserves | | |
| General utility reserve | 110,391 | 96,663 |
| General fund reserve | 36,421 | 29,398 |
| Covid-19 recovery reserve | 2,902 | 15,872 |
| Solid waste reserve | 38,839 | 30,915 |
| Regina revitalization initiative - stadium reserve | (3,734) | (4,312) |
| Land development reserve | (23,268) | (16,357) |
| Asset revitalization reserve | 14,640 | 14,625 |
| Fleet replacement reserve | 20,012 | 20,964 |
| Social development reserve | 4,954 | 3,694 |
| Elections & property reserve | 424 | 192 |
| Planning & sustainability reserve | (4,012) | (2,331) |
| Winter road maintenance reserve | 1,812 | 2,169 |
| Regina Police Service general reserve | 3,206 | 1,618 |
| Employer provided parking reserve | 3,422 | 2,930 |
| Other City of Regina reserves | 3,636 | 3,402 |
| Group Benefits reserves: | | |
| Group life insurance reserve | 7,693 | 8,758 |
| Dental benefits reserve | 2,685 | 2,359 |
| Medical - City of Regina reserve | 1,010 | 1,076 |
| Police services premium red' reserve | 422 | 367 |
| Other group benefits reserves | 239 | 184 |
| Other Entities reserves: | 16,486 | 18,358 |
| | \$238,180 | \$230,544 |

Financial Assets:

Financial Assets increased by \$48 million (7.6%) due to a \$73 million increase in cash as term deposits matured. They were not reinvested in anticipation of hiring an investment manager to implement the Council-approved investment policy. Accounts receivables increased by \$13 million with claims to Infrastructure Canada related to the Winnipeg Street Overpass project and other receivables, offset by a \$40 million reduction in short-term investments. The increase in Land Inventory reflects more work done for the Towns Phase 2 development.

Financial Liabilities:

Financial Liabilities increased by \$45 million (7.6%) mainly due to a \$39 million increase in long-term debt associated with the Buffalo Pound plant renewal project approved by Council in February 2021. Other significant changes include an increase of \$17 million in accounts payable in the City of Regina and consolidated entities, offset by a \$10 million decrease in taxes payable to school boards due to a change in the timing of the payments.

Non-financial Assets:

Non-financial assets increased by \$85 million (3.4%) as a result of continued investments in tangible capital assets to strengthen service delivery.

Reserves:

Most City reserves are self-sustaining whereby both the operating and capital costs are funded from the reserves, such as the Utility Fund Reserve. Other reserves are established for future capital replacement like the Fleet Replacement Reserve. Unallocated funding within the General Fund Reserve and the Asset Revitalization Reserve provides Council with the most flexibility. Reserves (committed and uncommitted funds) increased by \$8 million. Major changes include: an increase in the General Utility, Solid Waste and General Operating reserves for net operating surpluses for the year, offset by a planned decrease in the COVID-19 Reserve to offset pandemic-related costs and a decrease in the Land Development Reserve due to development of City-owned land.

Consolidated Financials

Consolidated Statement of Operations and Accumulated Surplus Revenue

As at December 31, 2021 (in thousands of dollars)

| | Actual 2021 | Actual 2020 |
|--|--------------------|--------------------|
| Revenue | | |
| Taxation | \$292,063 | \$284,740 |
| Fees and charges | 255,611 | 227,757 |
| Government Transfers | 102,684 | 103,719 |
| Electrical distribution | 30,492 | 29,502 |
| Licenses, fines and levies | 18,037 | 14,684 |
| Gas distribution | 6,139 | 6,216 |
| Interest and penalties | 7,885 | 9,133 |
| Interest on long term investments | 1,046 | 893 |
| Servicing agreement fees | 9,069 | 8,080 |
| Land sales | 181 | 26 |
| Other | 6,685 | 7,468 |
| Contribution of tangible capital assets | 17,739 | 4,061 |
| Other capital contributions | 958 | 644 |
| | 748,589 | 696,923 |
| Expenses | | |
| Parks, recreation and community services | 135,571 | 117,695 |
| Police | 98,012 | 98,326 |
| Legislative and administrative services | 86,081 | 89,927 |
| Water, wastewater and drainage | 103,987 | 94,332 |
| Roads and traffic | 81,651 | 66,394 |
| Fire | 53,367 | 50,590 |
| Transit | 42,884 | 40,490 |
| Waste collection and disposal | 29,728 | 28,235 |
| Grants | 12,205 | 12,974 |
| Planning and development | 16,612 | 15,231 |
| | 660,098 | 614,194 |
| Annual Surplus | 88,491 | 82,729 |
| Accumulated Surplus, Beginning of Year | 2,452,654 | 2,369,923 |
| Accumulated Surplus, End of Year | \$2,541,145 | \$2,452,654 |

Revenues:

Revenues increased by \$52 million (7.4%). The increase is mainly related to the following:

- \$28 million increase in fees and charges as various activities resumed at REAL and other City of Regina facilities
- \$14 million increase in contribution of capital assets with higher levels of development and favorable economic factors
- \$7 million more in taxation revenue related to growth and tax rate increases

Expenses:

Expenses increased \$46 million (7.5%). Parks, Recreation & Cultural Services saw increased costs associated with meeting demand as the number of events and activities increased during the year. Roads & Transportation expenses grew with the investment in infrastructure and construction. Water, Wastewater and Environment experienced higher costs associated with a high number of watermain breaks due to a dry summer, higher costs of water purchases and other increased costs.

Annual Surplus:

Annual surplus is the amount of revenue greater than expenses. The increase in consolidated surplus for 2021 was \$6 million.

Accumulated Surplus:

Accumulated surplus includes both cash and non-cash items (such as tangible capital assets) that are not available to spend. The Accumulated surplus shows a growth of \$88 million. This is related to a \$83 million increase in our tangible capital assets such as land, buildings, roads, and equipment that the City continues to invest in and an increase in the net financial assets of \$4 million.

Environmental Sustainability



Regina's **Energy & Sustainability Framework** was developed. It outlines a path for Regina to become a renewable, net-zero community by 2050.

About 2,800 households took part in a **Food & Yard Waste Pilot**, diverting 300 tonnes of residential waste from the landfill through the fall and winter of 2020-21. This successful pilot led to the approval of a citywide service expected to divert up to 24,000 tonnes of waste every year while reducing annual emissions by 10,000 tonnes.

The \$5.3 million **Maple Leaf Pool** reopened in June, prioritizing accessibility and sustainability. Solar panels generate enough electricity for half of the facility's needs, and a new filtration system reduces water consumption by 90 per cent. Similar features will be included in the new Wascana pool.

After significant upgrades, the **Landfill Gas to Energy Facility** continues to create new sources of renewable energy, reduce greenhouse gases and lessen dependence on traditional energy sources such as fossil fuels.

Twenty additional landfill gas wells were installed in 2021, bringing the total number of active wells onsite to 53. These additional wells are used to capture more landfill gas. Landfill gas capture reduced emissions by nearly 9,500 tonnes in 2021.

A project to monitor energy use in 50 City facilities was initiated and will provide the City with the ability to track energy consumption and make recommendations for energy savings.



Investing in Infrastructure



In 2021, the City invested a total of **\$176 million toward capital infrastructure and facilities**, including \$30.9 million using provincial funding from the Municipal Economic Enhancement Program (MEEP). MEEP-funded projects included Residential Road Renewal, the new Wascana Pool, redeveloping the Municipal Justice Building, and repairing/constructing sidewalks.

Other 2021 investments:

- Resurfaced **10.1 km of pavement** and replaced **13 km of sidewalks** on major roadways
- Refreshed **12.8 km of gravel alleys** and reconstructed **6.4 km of paved alleys**
- Installed **3.7 km of multi-use pathways** and **1 km of on-street bike lanes**
- **Improved sidewalks** and **access to transit** on Park Street
- Relined **23 km of sewer mains** and renewed **10.4 km of water mains**
- Replaced **41 hydrants**, as well as **153 water service connections**
- Inspected and cleaned more than **80 km of large and small diameter sewer mains**
- Dredged **9 km of creek** and **improved storm channels**
- Installed **seven new sets of traffic signals**, renewed **two traffic signals** with two more to be completed by end of season
- Installed **one new pedestrian corridor** with five more renewed
- Completed **15.2 km of permanent pavement markings**
- Planted **477 trees** in parks or along roadways