



Audit and Finance Committee

**Thursday, October 29, 2026
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



OFFICE OF THE CITY CLERK

**Public Agenda
Audit and Finance Committee
Thursday, October 29, 2026**

Approval of Public Agenda

Adoption of Minutes

Minute of the meeting held September 24, 2026

Administration Reports

AFC26-23 2025 Annual Reserve Report & 2026 Second Quarter Reserve Report

Recommendation

Audit and Finance Committee recommends that City Council receive and file this report at its November 18, 2026, meeting.

Adjournment

AT REGINA, SASKATCHEWAN, THURSDAY, SEPTEMBER 24, 2026

AT A MEETING OF AUDIT AND FINANCE COMMITTEE
HELD IN PUBLIC SESSION

AT 4:00 PM

These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.

Present: Councillor Jason Mancinelli, in the Chair
Mayor Chad Bachynski
Councillor Clark Bezo
Councillor George Tsiklis (Remote)
Joe Carson
Jamie Eng
Jim Fallows

Also in Attendance: Council Officer, Janice Hudson
Acting Chief Financial Officer & Deputy City Manager, Jeff May
Corporate Controller, Kim Krywulak
Internal Auditor, Dhinakar Viswanathan

APPROVAL OF PUBLIC AGENDA

Jamie Eng moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.

ADOPTION OF MINUTES

Mayor Chad Bachynski moved, AND IT WAS RESOLVED, that the minutes for the meeting held on August 27, 2026 be adopted, as circulated.

ADMINISTRATION REPORTS

AFC26-22 Internal Audit Work Plan

Recommendation

That the Audit and Finance Committee:

1. Approve the 2026 - 2027 Internal Audit Work Plan; and
2. Recommend that City Council receive and file this report at its October 14, 2026, meeting.

Jim Fallows moved that the recommendations contained in the report be concurred in.

(Councillor George Tsiklis temporarily left the meeting.)

(Councillor George Tsiklis rejoined the meeting.)

The motion was put and declared CARRIED.

RESULT:	CARRIED [Unanimous]
MOVER:	Jim Fallows
IN FAVOUR:	Councillors: Bezo, Mancinelli, Tsiklis and Mayor Bachynski; Joe Carson, Jamie Eng and Jim Fallows

RESOLUTION FOR PRIVATE SESSION

Councillor Clark Bezo moved, AND IT WAS RESOLVED, that in the interest of the public, the remaining items on the agenda be considered in private.

Councillor Clark Bezo moved, AND IT WAS RESOLVED, that the Committee recess for 5 minutes.

The Committee recessed at 5:00 p.m.

Chairperson

Secretary



2025 Annual Reserve Report & 2026 Second Quarter Reserve Report

Date	October 29, 2026
To	Audit and Finance Committee
From	Financial Strategy & Sustainability
Service Area	Financial Strategy & Sustainability
Item No.	AFC26-23

RECOMMENDATION

Audit and Finance Committee recommends that City Council receive and file this report at its November 18, 2026, meeting.

ISSUE

2025 Annual Reserve Report

The City of Regina's (City) reserves are governed through stipulations in *Schedule A of Bylaw 2003-69, The Regina Administration Bylaw* (Bylaw) and the *Reserve Policy*. The Chief Financial Officer and Deputy City Manager (CFO) is required to submit an Annual Reserve Report to City Council. The Annual Reserve Report provides a description of the purposes of each reserve, the balances of each reserve for the previous year, comparison to the reserve limits, as well as recommended transfers to or from the reserves that will ensure reserves are within their minimum and maximum ranges.

2026 Second Quarter Report

On October 8, 2025, City Council considered *CR25-123 2025 Reserve Review* (CR25-123) and approved the following changes to Reserve reporting:

- i) Add the requirement to report the second and third quarter reserve reports.
- ii) Add the requirement to report deferred revenues in the annual reserve report.

These changes were also made to the reporting provisions in the Bylaw. This report and its appendix (Appendix A - the City of Regina 2025 Annual Reserve Report & 2026 Second Quarter Reserve Report) also address these reporting requirements.

IMPACTS

Financial Impact

Strategically setting aside funds through reserves such as the General Fund Reserve (GFR) or Asset Revitalization Reserve (ARR) to meet future growth and revitalization needs, aligns with the City's targeted outcome of balancing community needs and affordability across all services. Also, a well-balanced approach to the planning and use of reserve is considered good financial management.

Seven reserves are currently underfunded or expected to be below their minimum balance by 2030. This is, in part, due to past decisions to limit increases to property taxes and utility rates as much as possible, as well as decisions to transfer funds out of reserves to address other financial pressures, and to fund unbudgeted operating and capital needs. While past direction to limit increases in property taxes and utility rates provided short-term relief, it has constrained the City's ability to build and maintain adequate reserve balances. Moving forward, it is important that the City establishes plans to replenish reserves to ensure financial sustainability, support future operating and capital needs and smooth out property tax and utility rate increases.

Policy Impact

Schedule A of the Bylaw contains information about the City's reserves. As such, any change to the reserve funding source, minimum and maximums, as well as the creation of any new reserves requires City Council's approval of amendments to the Bylaw.

Strategic Priority Impact

Reserves are used as a mechanism to plan for future needs. They are a key component that helps to fund activities supporting all of the priorities on the 2026-30 Strategic Plan as well as supporting both the Sustain and Grow objectives within the Financial Perspectives.

There are no legal, labour, environmental, Indigenous or inclusion, diversity, equity & accessibility impacts respecting this report.

OTHER OPTIONS

None with respect to this report.

COMMUNICATIONS & ENGAGEMENT

None with respect to this report.

DISCUSSION

2025 Reserve Balance

Reserves contain funds authorized by City Council to be set aside for future capital and operating needs. They are a key component of the City's long-term financial strategy, supporting the City's priority of achieving long-term financial viability.

At the end of 2025, there were 28 reserves maintained by the City. These reserves are categorized into four: operating, capital, self-sustaining and sinking fund. Operating, capital and sinking fund reserves are funded through tax revenues while self-sustaining reserves are funded by user fees and charges. There are eleven operating reserves, six capital reserves, ten self-sustaining reserves and one sinking fund reserve.

As of December 31, 2025, the City's reserves totaled \$177.3 million. This total represents a \$19.3 million (9.8 per cent) decrease from the total of \$196.6 million on December 31, 2024. Both the operating and capital reserves are funded through tax revenues. Self-sustaining reserves are funded from user fees and charges. Compared to 2024, the total operating reserves decreased by \$1.2 million, capital reserves decreased \$8.6 million and self-sustaining reserves decreased \$13.2 million, while the new sinking fund reserve recorded a positive balance of \$3.8 million.

At the end of 2025, 20 of the City's 28 reserves were within range, five were below the minimum limit and three were above the maximum limit. These reserves are listed in Table 1 below and details on each reserve are provided in Appendix A to this report.

Minimums and Maximums

Table 1 below shows the revised minimum and maximum limits for all reserves as approved by City Council in 2025. It also reveals reserves that were within limits, below limits and above limits as of December 2025.

Table 1: Reserve Minimums and Maximums

Reserves	Actual Balance 2025 (\$000s)	Minimum (\$000)	Maximum (\$000)	Base Year Within Limit
General Fund Reserve	21,110	35,800	71,500	Below Limit
Social Development Reserve	5,560	N/A	N/A	Within Limit
Winter Road Maintenance Reserve	(1,674)	(3,000)	3,000	Within Limit
Elections & Property Reassessment Reserve	538	N/A	800	Within Limit
Community Investment Grants Reserve	307	N/A	850	Within Limit
Tourism Reserve	695	N/A	1,000	Within Limit
Regina Police Service General Reserve	1,771	300	4,000	Within Limit
Regina Police Service Community Policing Initiative Reserve	251	N/A	1,500	Within Limit
Regina Police Service Radio Equipment Reserve	431	65	300	Above Limit
City Centre Incentive Reserve	290	N/A	N/A	Within Limit
Heritage Property Incentive Reserve	184	N/A	N/A	Within Limit
Subtotal – Operating Reserves	29,463			
Fleet Replacement Reserve	916	2,400	49,600	Below Limit
Asset Revitalization Reserve	4,037	18,000	72,000	Below Limit
Asphalt Plant Reserve	536	200	1,300	Within Limit
Technology Reserve	394	100	1,000	Within Limit
mâdawêyatitân Reserve	784	N/A	N/A	Within Limit

Noise Attenuation Reserve	-	N/A	N/A	Within Limit
Subtotal - Capital Reserves	6,667			
General Utility Reserve	74,076	37,000	100,000	Within Limit
Solid Waste Reserve	52,210	43,900	65,400	Within Limit
Employer-Provided Parking Reserve	1,713	200	3,500	Within Limit
Golf Course Reserve	3,997	250	2,000	Above Limit
Cemetery Reserve	(760)	100	800	Below Limit
Planning & Sustainability Stabilization Reserve	(14,318)	1,700	13,000	Below Limit
Regina Revitalization Initiative Stadium Reserve	(3,589)	N/A	N/A	Within Limit
Intensification Infrastructure Reserve	(5,178)	N/A	N/A	Within Limit
Land Development Reserve	28,565	(10,000)	20,000	Above Limit
Industrial Development Charge Reduction Reserve	684	N/A	N/A	Within Limit
Subtotal - Self-Sustaining Reserves	137,399			
Sinking Fund Reserve	3,806	N/A	N/A	Within Limit

Projected Reserve Balances

The reserve balances over the last five years have been fairly stable. 2025 saw a decrease by 9.8 per cent compared to 2024 (from \$196.7 million to \$177.3 million). However, as shown in Table 2 below, reserves are projected to decrease from \$177.3 million in 2025 to \$137.6 million by the end of 2026 and to \$96.0 million in 2030.

Please note that in Table 2 the following applies:

	The closing balance (actual or forecast) is below the minimum limit.
	The closing balance (actual or forecast) is within the limits.
	The closing balance (actual or forecast) is above the maximum limit.

Table 2: Reserve Balances

Operating Reserves										
	Reserve Name (in "\$ 000"s)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
1	General Fund Reserve	35,800	71,500	20,528	21,110	20,834	22,344	26,282	31,540	38,117
2	Social Development Reserve	0	0	5,204	5,561	353	353	353	353	353
3	Winter Road Maintenance Reserve	(3,000)	3,000	15	(1,674)	(1,458)	(1,458)	(1,458)	(1,458)	(1,458)
4	Elections & Property Reassessment Reserve	0	800	497	538	743	948	467	436	641
5	Community Investment Grants Reserve	0	850	771	307	307	307	307	307	307
6	Tourism Reserve	0	1,000	0	695	745	440	224	(5)	110
7	Regina Police Service General Reserve	300	4,000	2,411	1,772	1,782	1,792	1,802	1,812	1,822
8	Regina Police Service Community Policing Initiative Reserve	0	1,500	874	251	0	0	0	0	0
9	Regina Police Service Radio Equipment Reserve	65	300	394	431	220	220	220	220	220
10	City Centre Incentive Reserve	0	0	0	290	370	370	370	370	370
11	Heritage Property Incentive Reserve	0	0	0	184	184	184	184	184	184
OPERATING RESERVES TOTAL				30,694	29,463	24,080	25,501	28,751	33,758	40,666

Capital Reserves										
	Reserve Name (in "\$ 000"s)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
12	Fleet Replacement Reserve	2,400	49,600	12,665	915	3,801	(285)	(13,399)	(26,787)	(61,145)
13	Asset Revitalization Reserve	18,000	72,000	1,173	4,037	4,664	6,684	9,714	13,754	18,804
14	Asphalt Plant Reserve	200	1,300	498	536	835	535	735	235	435
15	Technology Reserve	100	1,000	284	394	227	232	237	242	247
16	māmawēyatitān Reserve	0	0	686	784	882	980	1,078	1,176	1,274
17	Noise Attenuation Reserve	0	0	0	0	0	0	0	0	0
	CAPITAL RESERVE TOTAL			15,306	6,665	10,409	8,146	(1,635)	(11,380)	(40,384)

Self-Sustaining Reserves										
	Reserve Name (in "\$ 000"s)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
18	General Utility Reserve	37,000	100,000	112,364	74,077	47,712	39,244	34,039	26,271	34,515
19	Solid Waste Reserve	43,900	65,400	49,520	52,210	45,195	42,300	27,725	22,505	19,333
20	Employer-Provided Parking Reserve	200	3,500	2,677	1,713	1,501	588	254	33	259
21	Golf Course Reserve	250	2,000	3,906	3,997	3,637	1,187	(113)	87	687
22	Cemetery Reserve	100	800	(884)	(760)	(1,248)	(2,027)	(1,847)	(1,856)	(1,795)
23	Planning & Sustainability Stabilization Reserve	1,700	13,000	(12,181)	(14,318)	(17,289)	(19,644)	(21,999)	(24,354)	(26,709)
24	Regina Revitalization Initiative Stadium Reserve	0	0	103	(3,590)	(4,150)	(10,256)	(8,129)	(6,053)	(3,978)

25	Intensification Infrastructure Reserve	0	0	(7,338)	(5,178)	(4,871)	(1,007)	9,444	24,087	19,907
26	Land Development Reserve	(10,000)	20,000	2,439	28,566	23,004	26,524	26,868	15,171	4,634
27	Industrial Development Charge Reduction Reserve	0	0	0	684	2,102	4,305	7,341	11,261	16,116
SELF-SUSTAINING RESERVES TOTAL				150,606	137,400	95,595	81,215	73,585	67,153	62,969

SUB TOTAL	196,606	173,528	130,085	114,862	100,700	89,531	63,251
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Other Reserves										
	Reserve Name (in "\$ 000's)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
28	Sinking Fund Reserve	0	0	0	3,806	7,482	13,808	20,135	26,461	32,787

GRAND TOTAL	196,606	177,334	137,567	128,671	120,835	115,993	96,038
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City's Reserves in Comparison to Other Municipalities

In comparison to Saskatoon, Winnipeg, Calgary, Edmonton and Ottawa, the City is below average for reserves per capita, reserves to expense and debt to reserve ratios. The City's reserve to accumulated amortization ratio is at par when compared with municipality average. Detailed analysis are shown in Appendix A to this report on charts 3, 4, 5 and 6.

Reserve Reporting

Second Quarter Reserve Reports – On October 8, 2025, City Council considered CR25-123 and directed Administration to include in its Annual Reserve Reporting, information on the second quarter reserve balances. Detailed Reserve balances as of June 30, 2026, are shown on reserve tables 2 to 35 presented in Appendix A to this report.

Deferred Revenue

In alignment with report CR25-123, Administration is providing an update on some of the City's deferred revenue balances. As growth cycles fluctuate, development charge balances should be systematically monitored. Current balances of some of the Deferred Revenue accounts including Development Charge accounts are included in Table 36 in Appendix A to this report.

DECISION HISTORY & AUTHORITY

At its meeting held on September 25, 2024, City Council considered item *CR24-112 2023 Annual Reserve Report* and adopted a resolution that City Council:

1. Approve amendments to *The Regina Administration Bylaw, No. 2003- 69* as follows:
 - a. Add a Tourism Reserve to the list of reserves in Schedule A as outlined in this report.
 - b. Remove any reference to the *Event, Convention and Tradeshow Policy* or the Event, Convention and Tradeshow Attraction Program from the Community Investments Grant Reserve section of Schedule A.
2. Approve the transfer of the Event, Convention and Tradeshow (ECT) sub reserve and its funds to the Tourism Reserve as outlined in this report; and
3. Direct the City Solicitor to amend Bylaw 2003-69, *The Regina Administration Bylaw*, in accordance with recommendation 1, with such amendments to be brought forward to the meeting of City Council following approval of these recommendations by City Council.

At its meeting held on September 25, 2024, City Council considered item *CR24-113 MN24-5 Reserve Fund Policy* and adopted a resolution that City Council:

1. Amend the City of Regina Reserve Policy to direct surplus amounts from tax-funded reserves be transferred in the following order:
 - a. To reserves that are in a deficit position (i.e., those reserves with an amount below the approved minimum balance) with priority given to the General Fund Reserve first and then to the Asset Revitalization Reserve second to ensure those reserves meet their minimum balances;
 - b. Any remaining surplus amount from (a.) above could be transferred to those tax-funded reserves as recommended by the Administration and as approved by Council;
2. Amend and bring into alignment any other portions of the City of Regina Reserve Policy that 1(a) and (b) above affect;
3. Direct Administration to transfer surplus tax-funded reserve balances in accordance with the Reserve Policy as amended in 1(a) and (b) above, and in accordance with legislation for Notice to the Public no later than June 28, 2024;
4. Direct Administration to fulfill its commitment from June 2023 *CR23-76 Annual Reserve Report*

to review the Reserve Policy and reserve model and to have this completed and presented to the Audit and Finance Committee and subsequently to City Council in Q3 2025;

5. Direct the Audit and Finance Committee to include within its review of Capital Project and Reserve Fund Reporting the requirement for Administration to report to Council all Reserve Fund transfers and balances, complete with year-end forecast of same, on a quarterly basis;
6. Direct the Audit and Finance Committee to include within its review of Capital Project and Reserve Fund Reporting clear articulation of Capital Carry Forward balances and where they are held; and
7. Direct the Audit and Finance Committee to include within its review of the Investment Policy, the appropriateness of the allocation of income earned from Reserve balances held.

At its meeting held on October 8, 2025, City Council considered CR25-123 and adopted a resolution that City Council:

1. Approve amendments to the Bylaw as follows:
 - a. Update minimum and maximums for the following reserves:
 - i. Winter Road Maintenance Reserve minimum from \$1 million to negative \$3 million and the maximum from \$2 million to \$3 million.
 - ii. Civic sub-reserve of the Fleet Replacement Reserve minimum from \$0.9 million to \$1.1 million and maximum from \$8.2 million to \$11 million.
 - iii. Transit sub-reserve of the Fleet Replacement Reserve minimum from \$0.6 million to \$0.9 and maximum from \$5 million to \$35 million.
 - iv. Fire sub-reserve of the Fleet Replacement Reserve minimum from \$0.2 million to \$0.4 million and maximum from \$1 million to \$3.5 million.
 - v. Asset Revitalization Reserve minimum reserve from \$0.5 million to \$18 million and the maximum from \$30 million to \$72 million.
 - vi. General Utility Reserve minimum from \$25 million to \$37 million and maximum from \$90 million to \$100 million.
 - vii. Land Development Reserve minimum reserve from \$2 to negative \$10 million and increase the maximum from \$12 million to \$20 million;
 - b. Add the following reserves to Schedule A as further described in this Report:
 - i. Sinking Fund Reserve.
 - ii. City Centre Incentive Reserve.

- iii. Heritage Property Incentive Reserve.
- iv. Noise Attenuation Reserve;

c. Approve the following changes to reserve reporting:

- i. Add the requirement to report the second and third quarterly reserve reports.
- ii. Add the requirement to report deferred revenues in the annual reserve report;

2. Direct Administration to consider funding options in the 2026 Budget:

- a. For the following reserves that are currently expected to be below their minimum balances at the end of 2025 or within the next five years: General Fund, Winter Road Maintenance, Transit Fleet, Fire Fleet, Solid Waste, Cemetery, and Planning Sustainability and Stabilization.
- b. To fund new Noise Attenuation Reserve.
- c. To fund increases to the minimum limits that are approved.

3. Approve a transfer of \$56,422 from the Elections and Property Reassessment Reserve to the General Fund Reserve; and

4. Direct the City Solicitor to amend the Bylaw, in accordance with recommendations 1a to 1c, with such amendments to be brought forward to the meeting of City Council following approval of these recommendations by City Council.

Respectfully Submitted,



Calvin Ear
Acting Manager,
Financial Analysis & Support

Respectfully Submitted,



Jeff May
Acting Chief Financial Officer and
Deputy City Manager

Prepared by: Michael Bello Financial Business Partner, Treasury

ATTACHMENTS

Appendix A - 2025 Annual Reserve & 2026 Second Quarter Reserve

City of Regina

2025 Annual Reserve Report & 2026 Second Quarter Reserve Report

Contact: Calvin Ear, Acting Manager, Financial Analysis & Support

Prepared By: Michael Bello, Financial Business Partners, Treasury



Purpose of Reserves

Schedule A of The Regina Administration Bylaw 2003-69 (Bylaw) outlines the purpose of reserves and reporting requirements. It also provides details for each reserve, such as its primary purpose of the reserve, the funding source, and the minimum and maximum balances, if appropriate.

Reserves contain funds authorized by City Council to be set aside for future capital and operating needs. They are a key component of the City of Regina's (City) long-term financial strategy, supporting the City's priority of achieving long-term financial viability.

At the end of 2025, there were 28 reserves maintained by the City for four main purposes:

- **Asset management** - To support the sustainability of assets by providing for the renewal, major maintenance, and replacement of existing capital assets. This enables the City to allocate future costs of assets to users to match revenues and expenses over the long-term.
- **Financial stability** - To smooth the financial impact of unplanned cost increases or revenue reductions, or to stabilize fluctuations on property taxation and/or other fees.
- **Financial flexibility** - To respond to or capitalize on opportunities that could impact services such as government matching grants, private sector partnerships or other alternative service delivery methods.
- **New capital acquisitions** - To fund new capital assets identified in the long-term corporate strategy to address community growth.

Reporting Requirements

2025 Annual Report

Schedule A of the Bylaw requires the Chief Financial Officer and Deputy City Manager (CFO) to submit an Annual Reserve Report to City Council on or before September 30 of each year. The City's Reserve Policy specifies that the Annual Reserve Report should contain the following information:

- A list of every reserve in Schedule A and the balance of funds in each reserve in comparison to their minimum and maximum.
- Recommendations regarding transfers to and from reserves that will ensure that the appropriate balances are maintained in each reserve.
- Where there are reserves that have balance that are to remain outside their limit, the report shall advise of the rationale for not replenishing or reducing the reserve balance.
- Any other information relating to reserves that the CFO considers necessary.

Schedule A is entitled Reserves and Deferred Revenue; there is a requirement to report deferred revenue in the Reserve Annual Report. As such, Administration has included information on deferred revenue in this Annual Report to improve transparency and accountability.

Administration's *Reserve Policy* further detailed what the annual report will contain at a minimum:

- a. A description of the purpose for each reserve and balance of each reserve as of the end of the previous year.
- b. A list of reserves within and outside their minimum and maximum limits in

- comparison to their previous year's balance.
- c. A description of additions or reductions to reserves in the previous year, including investments made from reserves with an explanation of the nature of the additions and reductions.
 - d. A five-year projection of each reserve.
 - e. Recommended transfers to and from the reserves set out in clause (b) that will bring these reserves within the minimum and maximum limits.
 - f. Where there are reserves that are to remain outside the range, a plan that sets out how these reserves will be replenished or reduced to the minimum and maximum limits.
 - g. Where the conditions in clauses (e) and (f) cannot be met, the report shall advise of the rationale for not replenishing or reducing the reserve balance.
 - h. Any annual changes to the minimum and maximum limit of the Solid Waste Reserve.
 - i. A comparison of the City's reserve balance to other jurisdictions and best practices.

2026 Second Quarter Report

On October 8, 2025, City Council considered section c, *CR25-123 2025 Reserve Review (CR25-123)* and approved the following changes to reserve reporting:

- i) Add the requirement to report the second and third quarter reserve reports.
- ii) Add the requirement to report deferred revenues in the annual reserve report.

This Appendix and corresponding report address all of these reporting requirements including details on each reserve held by the City and their balances as of December 31, 2024, and December 31, 2025. The report also provides balances as of June 30, 2026, and projected balances to 2030. Like all forecasts, the projected balances in this report reflect a point in time estimate and can change as new information, additional actions, and City Council's decisions are made. Administration continues to analyze and monitor reserve balances, including possible impacts and opportunities as it relates to the City's reserves.

Executive Summary

December 31, 2025

As of December 31, 2025, the City had 28 reserves with a total value of \$177.3 million. This total represents a \$19.2 million (9.8 per cent) decrease from the total of \$196.6 million at December 31, 2024. The reserves are categorized into four categories: operating, capital, self-sustaining and sinking fund. Both the operating, capital and sinking fund reserves are funded through tax revenues. Self-sustaining reserves are funded by user fees and charges. There are 11 operating reserves (with a total of \$29.5 million, 16.6 per cent), 6 capital reserves (\$6.7 million, 3.8 per cent), 10 self-sustaining reserves (\$137.4 million, 77.5 per cent) and 1 sinking fund reserve (\$3.8 million, 2.1 per cent).

As of December 31, 2025, 20 reserves were within their minimum and maximum limits, five were below the minimum limit and three were above the maximum limit.

June 30, 2026

As of June 30, 2026, the City had 28 reserves with a total forecast value of \$137.6 million at the end of 2026. The reserves are categorized into four categories: operating (11 reserves), capital (6 reserves), self-sustaining (10 reserves) and sinking fund (1 reserve).

December 31, 2026

Reserves are forecast to decrease by \$39.8 million from December 31, 2025, total of \$177.3 million to \$137.6 million on December 31, 2026. There are 23 reserves expected to be within their minimum and maximum limits, four are expected to be below the minimum limit and one is expected to be above the maximum limit.

Comparison to Other Cities

In comparison to Saskatoon, Winnipeg, Calgary, Edmonton and Ottawa, the City is below average for reserves per capita and reserves to expense. Though the City's debt to reserve ratio is below the municipalities' average, it is above the minimum benchmark indicating the City owes more in debt than it has set aside in reserves. The City is above the average reserve to accumulated amortization.

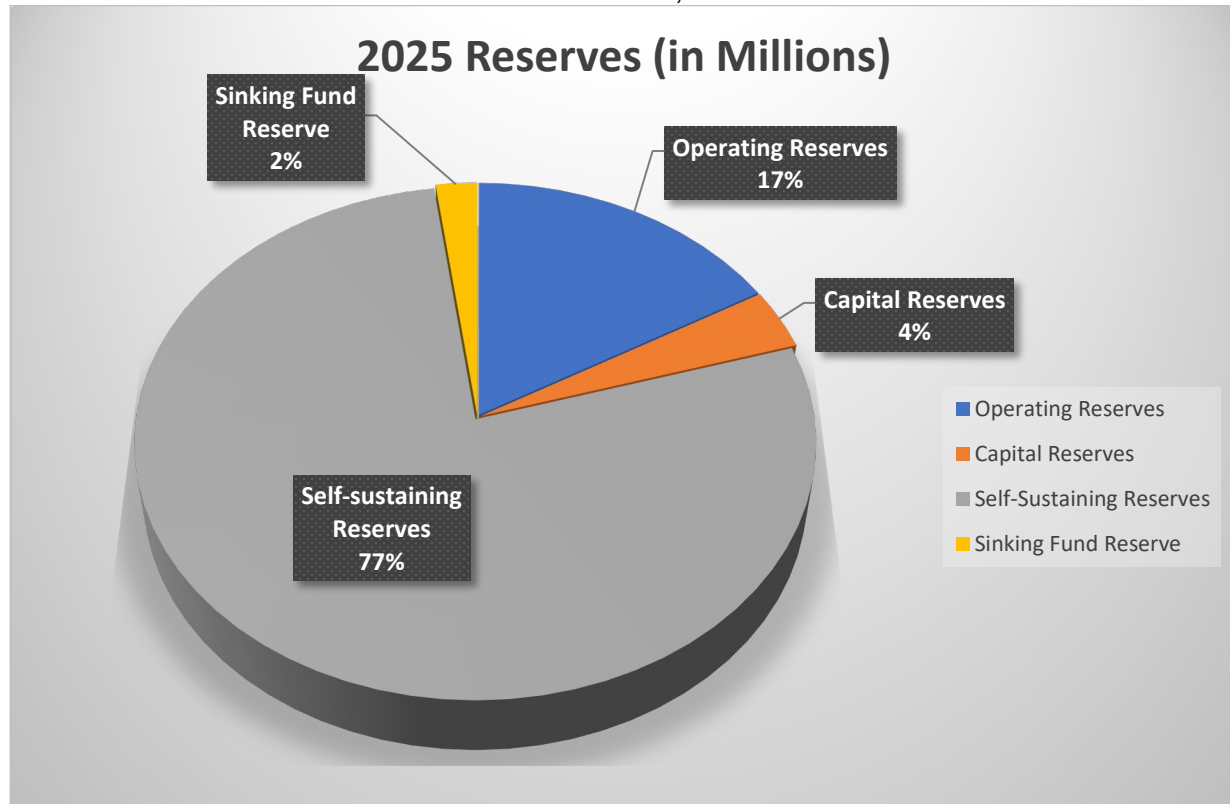
Administration will continue to monitor and manage reserves in accordance with the Bylaw and the *Reserve Policy* to ensure reserves continue to support City Council's priorities of keeping a vibrant city for future generations to come.

2025 Reserve Balances

As shown in Chart 1 below, the total reserve balance is comprised of the following:

- **11 Operating Reserves** (with a total balance of **\$29.5 million**) account for 16.6 per cent of the total reserve balance. The purpose of these reserves is to smooth out the financial impact of operational fluctuations. Therefore, these reserves are used to fund operating expenses for one-time projects; to stabilize operating budgets for unanticipated fluctuations in revenue or expenses; to comply with a contractual agreement; or for contingency funds for operational emergencies. The 2025 balance represents a decrease of \$1.2 million or 4 per cent from 2024.
- **6 Capital Reserves** (with a total balance of **\$6.7 million**) representing 3.8 per cent of the total reserve balance. Capital reserves are used to fund capital expenditures. The 2025 balance represents a decrease of \$8.6 million or 56 per cent from 2024. This decrease was observed in the Fleet Replacement Reserve.
- **10 Self-sustaining Reserves** (with a total balance of **\$137.4 million**) represent the largest category and account for 77.5 per cent of the total reserve balance. The purpose of these reserves is to fund operating and capital through net revenue generated by the activity. Surpluses from these activities are typically retained in the reserves to offset any future deficits or fund planned future capital projects. The 2025 balance represents a decrease of \$19.8 million or 9 per cent from 2024.
- **1 Sinking Fund Reserve** (with a total balance of **\$3.8 million**) representing 2.1 per cent of the total reserve balance. Sinking fund reserve is to be used for a singular purpose of paying off bullet debentures at maturity. This reserve was created in 2025.

Chart 1: Reserve Breakdown as of December 31, 2025



Reserves Compared to Minimum and Maximum Limits

Table 1 below compares the 2024, 2025 actual reserve balances and the 2026 to 2030 forecast balances to the minimum and maximum limits.

Please note that in Table 1, and other tables throughout the remainder of the document the following applies:

	The closing balance (actual or forecast) is below the minimum limit.
	The closing balance (actual or forecast) is within the limits.
	The closing balance (actual or forecast) is above the maximum limit.

Table 1: Reserve Balances (in '000')

Operating Reserves										
	Reserve Name (in "\$ 000"s)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
1	General Fund Reserve	35,800	71,500	20,528	21,110	20,834	22,344	26,282	31,540	38,117
2	Social Development Reserve	0	0	5,204	5,561	353	353	353	353	353
3	Winter Road Maintenance Reserve	(3,000)	3,000	15	(1,674)	(1,458)	(1,458)	(1,458)	(1,458)	(1,458)
4	Elections & Property Reassessment Reserve	0	800	497	538	743	948	467	436	641
5	Community Investment Grants Reserve	0	850	771	307	307	307	307	307	307
6	Tourism Reserve	0	1,000	0	695	745	440	224	(5)	110
7	Regina Police Service General Reserve	300	4,000	2,411	1,772	1,782	1,792	1,802	1,812	1,822
8	Regina Police Service Community Policing Initiative Reserve	0	1,500	874	251	0	0	0	0	0
9	Regina Police Service Radio Equipment Reserve	65	300	394	431	220	220	220	220	220
10	City Centre Incentive Reserve	0	0	0	290	370	370	370	370	370
11	Heritage Property Incentive Reserve	0	0	0	184	184	184	184	184	184
OPERATING RESERVES TOTAL				30,694	29,463	24,080	25,501	28,751	33,758	40,666

Capital Reserves										
	Reserve Name (in "\$ 000"s)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
12	Fleet Replacement Reserve	2,400	49,600	12,665	915	3,801	(285)	(13,399)	(26,787)	(61,145)
13	Asset Revitalization Reserve	18,000	72,000	1,173	4,037	4,664	6,684	9,714	13,754	18,804
14	Asphalt Plant Reserve	200	1,300	498	536	835	535	735	235	435
15	Technology Reserve	100	1,000	284	394	227	232	237	242	247
16	māmawēyatitān Reserve	0	0	686	784	882	980	1,078	1,176	1,274
17	Noise Attenuation Reserve	0	0	0	0	0	0	0	0	0
CAPITAL RESERVE TOTAL				15,306	6,665	10,409	8,146	(1,635)	(11,380)	(40,384)

Self-sustaining Reserves										
	Reserve Name (in "\$ 000"s)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
18	General Utility Reserve	37,000	100,000	112,364	74,077	47,712	39,244	34,039	26,271	34,515
19	Solid Waste Reserve	43,900	65,400	49,520	52,210	45,195	42,300	27,725	22,505	19,333
20	Employer-Provided Parking Reserve	200	3,500	2,677	1,713	1,501	588	254	33	259
21	Golf Course Reserve	250	2,000	3,906	3,997	3,637	1,187	(113)	87	687
22	Cemetery Reserve	100	800	(884)	(760)	(1,248)	(2,027)	(1,847)	(1,856)	(1,795)
23	Planning & Sustainability Stabilization Reserve	1,700	13,000	(12,181)	(14,318)	(17,289)	(19,644)	(21,999)	(24,354)	(26,709)
24	Regina Revitalization Initiative Stadium Reserve	0	0	103	(3,590)	(4,150)	(10,256)	(8,129)	(6,053)	(3,978)
25	Intensification Infrastructure Reserve	0	0	(7,338)	(5,178)	(4,871)	(1,007)	9,444	24,087	19,907
26	Land Development Reserve	(10,000)	20,000	2,439	28,566	23,004	26,524	26,868	15,171	4,634
27	Industrial Development Charge Reduction Reserve	0	0	0	684	2,102	4,305	7,341	11,261	16,116
SELF-SUSTAINING RESERVES TOTAL				150,606	137,400	95,595	81,215	73,585	67,153	62,969

SUB TOTAL				196,606	173,528	130,085	114,862	100,700	89,531	63,251
Other Reserves										
	Reserve Name (in "\$ 000"s)	Min	Max	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
28	Sinking Fund Reserve	0	0	0	3,806	7,482	13,808	20,135	26,461	32,787
GRAND TOTAL				196,606	177,334	137,567	128,671	120,835	115,993	96,038

At the end of 2025, 20 reserves were within range, three reserves were above their maximum limit, and five reserves were below their minimum limit.

The three reserves above their maximum limit include:

- Regina Police Service Radio Equipment Reserve - \$130,000 more than its maximum limit of \$300,000.
- Golf Course Reserve - \$1.9 million more than its maximum limit of \$2 million.
- Land Development Reserve - \$8.6 million more than its maximum limit of \$20 million.

The *Reserve Policy* specifies that, on the recommendations of the CFO and approval of City Council, excess amounts in reserves be transferred in the order described below, unless there is a rationale for allowing reserves to grow above their maximum limits, such as to fund ongoing projects or planned future projects:

- Excess amounts in a tax-funded capital reserve would be transferred to a tax-funded capital reserve that is below its minimum limit or to the Asset Revitalization Reserve.
- Excess amounts in a tax-funded operating reserve would be transferred to a tax-funded operating reserve that is below its minimum limit or to the General Fund Reserve.
- Excess amounts in self-sustaining reserves (non-tax funded reserves or external user fee funded reserves) may be retained in the reserve up to three years after which user fees may be adjusted to an appropriate level that reflects the excess amount. Prior to adjusting fees, proper consideration shall be given to achieving appropriate or full cost recovery where possible and ensuring the long-term care of reserve-supported assets, among other considerations.

The five reserves below their minimum limit include:

- General Fund Reserve – \$14.7 million below its minimum limit of \$35.8 million.
- Fleet Replacement Reserve – \$1.5 million below its minimum limit of \$2.4 million.
- Asset Revitalization Reserve – \$13.9 million below its minimum limit of \$18 million.
- Cemetery Reserve – \$0.86 million below the minimum limit of \$0.1 million.
- Planning & Sustainability Stabilization Reserve – \$16 million below the minimum limit of \$1.7 million.

The *Reserve Policy* also specifies that reserves in a deficit position (reserves below their minimum limit) be replenished as follows:

- Tax-supported capital reserves below their minimum limit may be replenished with excess funds from a tax-supported capital reserve or by a transfer from the general revenue as approved by City Council.

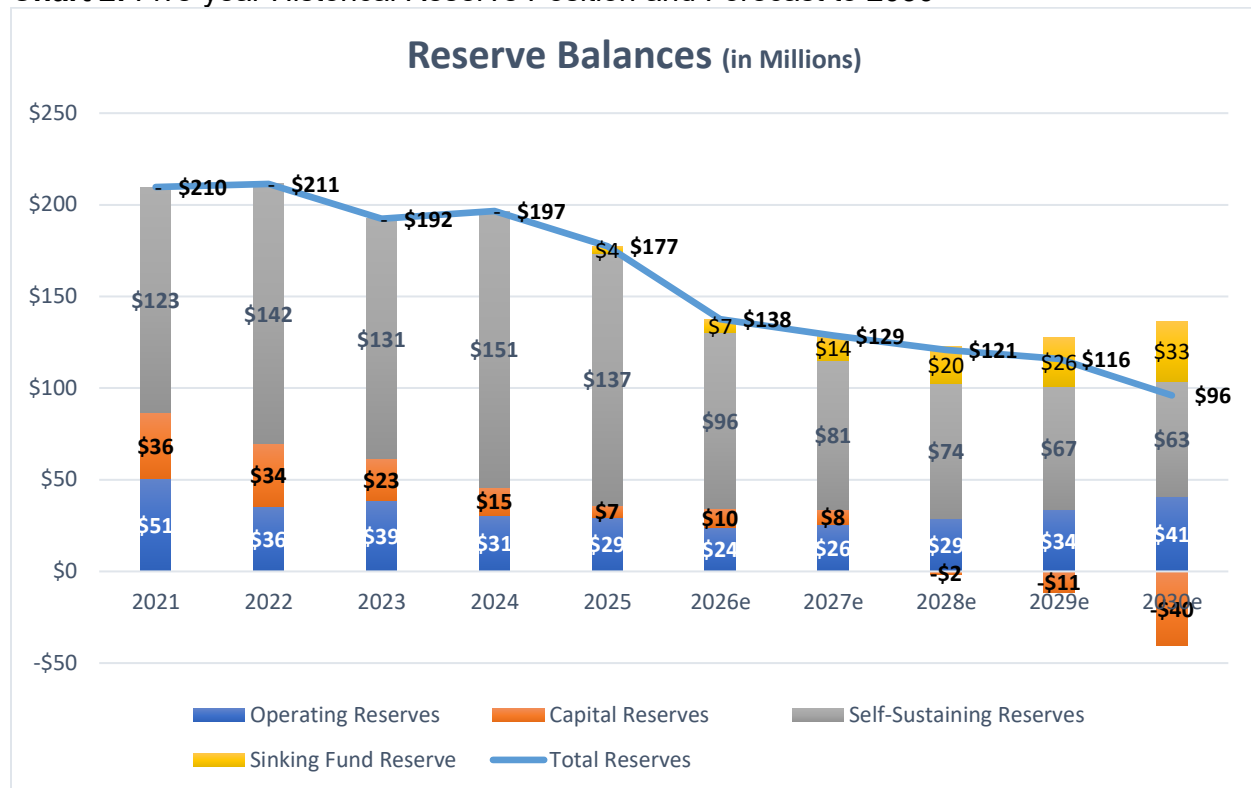
- Tax-supported operating reserves below their minimum limit may be replenished with excess funds from a tax-supported operating reserve or by a transfer from the general revenue as approved by City Council.
- Self-sustaining reserves below their minimum limit may be replenished by increasing user fees.

Based on the analysis in this report, Administration does not recommend any transfers be made to or from any reserves outside their limits.

Historical Balances and Forecasts

As shown in Chart 2 below, the reserve balances over the last five years have remained fairly stable until 2025 when reserve balances were reduced to \$177.3 million from \$196.6 million in 2024. It also indicates that reserves are projected to decrease from \$177.3 million in 2025 to \$137.6 million by the end of 2026 and to \$96 million by the end of 2030.

Chart 2: Five-year Historical Reserve Position and Forecast to 2030



OPERATING RESERVES

1. General Fund Reserve (GFR)

The GFR is a stabilization reserve used by the City primarily to smooth the financial impact of revenue fluctuation or cost increases, or to fund one-time unanticipated operating requirements. There is no dedicated funding source for this reserve as the reserve is funded primarily from an unanticipated net surplus from the City's general operating fund; as well as 50 per cent of the investment earnings that exceed budget as outlined in the Bylaw, Schedule A s.32(1).

The minimum and maximum limits of the GFR in 2025 were \$35.8 million and \$71.5 million respectively, based on the Government Finance Officer Association (GFOA) best practice of five per cent and ten per cent of the City's previous year's annual general operating expenditures.

Table 2: General Fund Reserve

General Fund Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	28,602	20,528	21,110	21,110	20,834	22,344	26,282	31,540
Additions to Reserve	19,474	13,825	5,282	8,950	7,490	10,460	13,430	14,750
Reduction to Reserve	27,548	13,243	1,152	9,225	5,980	6,522	8,172	8,172
Closing Balance	20,528	21,110	25,240	20,834	22,344	26,282	31,540	38,117
Minimum Balance	23,000	35,800	35,800	35,800	35,800	35,800	35,800	35,800
Maximum Balance	46,000	71,500	71,500	71,500	71,500	71,500	71,500	71,500
Variance from Min/Max Balance	(2,472)	(14,690)	(10,560)	(14,966)	(13,456)	(9,518)	(4,260)	-

In 2025, \$13.8 million was transferred into the GFR.

- \$762,000 allocated through the 2025 Budget to fund the Regina Humane Society new facility and represents a 20-year commitment with approximately nine years remaining at the end of 2025.
- \$4.7 million in surplus funds returned to source on completed projects.
- \$2.9 million transferred to GFR from investment income earned in 2025 (*CR24-51 Potential Allocation Investment Income to Reserves*).
- \$1.6 million transferred from Indoor Aquatic Facility 0.5 per cent dedicated mill rate.
- \$90,585 unspent consulting budget in 2025 (*CM25-3 2025 Proposed Budget Amendment #3 – Accessibility Plan – Digital advancement of Regina Accessibility Plan*).
- \$881,860 Community Social Impact Regina (CSIR) surplus as a result of entity dissolution (*CR26-7 Community & Social Impact Regina Inc. – Dissolution and 2025 Final Audited Financial Statements*).
- \$56,422 transferred from Elections & Property reassessment to GFR (*CR25-123 Third Quarter Reserve Reporting*).
- \$1.6 million transferred from Regina Revitalization Initiative (RRI) Reserve (Stadium) to GFR to correct funding source for the 2024 Allowance for Doubtful accounts entry.
- \$1.3 million in unexpended 2025 CSIR funding (*CR25-144 City of Regina's Role in Well-Being and Homelessness*).

In 2025, \$13.2 million was drawn from the GFR, primarily to fund City Council's approved commitments as follows:

- \$4.9 million deficit from the 2025 General Operating Fund.
- \$162,500 for 2025 Budget approval – Community Plan Studies Capital Project.
- \$1.0 million transfer of Catalyst Pathway (Central Loop Trail) Fund balance from

GFR to project.

- \$254 moved expense to GFR since related project balance has been transferred to source.
- \$90,000 Transfer for Regina Accessibility Plan – Level 2 Trainings in Disability Awareness (CR24-39 Regina Accessibility Plan). \$5.1 million transferred from GFR to fund 2025 General Operating Budget.
- \$1.1 million transfer from GFR to Downtown Intensification Projects.
- \$833,512 to fund Regina Humane Society (RHS) building as City grant contribution.

The GFR continues to provide City Council with the greatest flexibility to respond quickly to emergencies or to capitalize on opportunities without borrowing. However, the GFR is forecast to be below its minimum limits for the next four years. Depleting this reserve impacts the City's financial flexibility. Given the tight financial outlook of the City, it is not anticipated that the City will have a significant operating surplus to be transferred to the GFR. City Council has approved an annual incremental transfer of \$1 million to this reserve with the aim of getting the reserve back within limit by 2030.

2. Social Development Reserve

This reserve is used to provide grant funding for affordable and permanent supportive housing developments in accordance with the Housing Incentive Policy (HIP) and other City Council approved housing initiatives. There is no limit established for this reserve as it does not lend itself to having limits.

Table 3: Social Development Reserve

Social Development Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	5,137	5,204	5,561	5,561	353	353	353	353
Additions to Reserve	2,500	357	-	977	-	-	-	-
Reduction to Reserve	2,433	-	-	6,185	-	-	-	-
Closing Balance	5,204	5,561	5,561	353	353	353	353	353
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	-	-	-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

In 2025, there was no payment out of this reserve, but a transfer of \$356,660 into the reserve from operating account leaving the year-end balance at \$5.6 million. Administration recommends no action at this time.

3. Winter Road Maintenance Reserve (WRMR)

This is an operating reserve that is used to manage annual fluctuations in expenditures in the Winter Road Maintenance Program (WRMP) that may arise due to unpredictable winter storm events. The objective is to ensure that the City continues to maintain the road network and to ensure safe winter driving conditions for residents. The reserve is funded through expenditures in the annual operating budget for the WRMP. The minimum and maximum limits for this reserve are negative \$3 million and \$3 million, respectively.

Table 4: Winter Road Maintenance Reserve

Winter Road Maintenance Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	-	15	(1,674)	(1,674)	(1,458)	(1,458)	(1,458)	(1,458)
Additions to Reserve	15	-	-	217	-	-	-	-
Reduction to Reserve	-	1,689	-	-	-	-	-	-
Closing Balance	15	(1,674)	(1,674)	(1,458)	(1,458)	(1,458)	(1,458)	(1,458)
Minimum Balance	1,000	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Maximum Balance	2,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Variance from Min/Max Balance	(985)	-	-	-	-	-	-	-

In 2025, the WRMP experienced above average winter conditions in November and December, contributing to a deficit at year-end. There was a transfer of \$1.7 million from WRMR to fund general operating deficits, leaving us with a deficit balance of \$1.7 million by the end of 2025.

4. Elections & Property Reassessment Reserve

This reserve is used to manage planned future operating business requirements related to municipal elections and property reassessment, which occur once every four years. It is not intended to fund property revaluation appeals lost by the City as there is a process in place for managing appeal risks. The reserve is funded by a transfer of an amount per year that is equal to 25 per cent of the costs of elections and property reassessments. Funding is from the operating budget of City departments who utilize this reserve, including the Office of the City Clerk, and Assessment & Property Revenue Services. Respectively, the minimum and maximum limits of this reserve are \$0 and \$800,000. The maximum amount includes \$500,000 for elections and \$300,000 for property reassessments.

Table 5: Elections & Property Reassessment Reserve

Elections & Property Reassessment Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	854	497	538	538	743	948	467	436
Additions to Reserve	205	205	205	205	205	205	205	205
Reduction to Reserve	562	164	-	-	-	686	236	-
Closing Balance	497	538	743	743	948	467	436	641
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	800	800	800	800	800	800	800	800
Variance from Min/Max Balance	-	-	-	-	148	-	-	-

In 2025, the budgeted amount of \$205,000 was added to the reserve to ensure funding for

municipal election (\$161,000) and property revaluation (\$44,000). The 2025 ending balance of \$537,901 is within the limit. An amount of \$56,422 was transferred out of the Reserve to GFR (CR25-123). There was a \$164,000 reduction to the reserve related to 2024 late election expenses (\$57,686) and planned costs related to the reassessment (\$50,000)

This reserve is expected to remain mostly within its limits over the next five years except for 2027 when the balance would be above the maximum limit by \$148,000. Administration recommends no action is needed at this time.

5. Community Investment Grants Reserve

This reserve provides funding for City Council's approved contributions to programs and services aligned with City Council's Priorities but beyond the approved grants budget. The reserve is funded through unspent Community Investment Grants Budget. The City funds and partners with community non-profit organizations to deliver programs and services to residents that align with the City's priorities, have a clear community impact, and respond to community needs. Typically, all budgeted funding gets allocated during the current year. The overall minimum and maximum limits are \$0 to \$850,000 respectively.

Table 6: Community Investment Grants Reserve

Community Investment Grants Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	581	771	307	307	307	307	307	307
Additions to Reserve	240	134	-	-	-	-	-	-
Reduction to Reserve	50	598	-	-	-	-	-	-
Closing Balance	771	307	307	307	307	307	307	307
Minimum Balance	250	-	-	-	-	-	-	-
Maximum Balance	2,000	850	850	850	850	850	850	850
Variance from Min/Max balance	-	-	-	-	-	-	-	-

As of the end of 2025, the reserve is within its limits with a balance total of \$307,447. In 2025, *CR24-112 2023 Annual Reserve Report* was approved by City Council and the Events Conventions and Tradeshows (ECT) sub reserve (balance of \$555,000) was transferred to the Tourism Reserve. From 2025, funds are now allocated to the following sub reserves: Executive Committee Reserve and Community Investment Grant Program Reserve. These reserves cumulatively are only slightly above the reserve maximum guidelines. Administration recommends no action is needed at this time.

5a. Executive Committee Reserve

This reserve provides financial support for special events. In 2025, an addition of \$75,000 was transferred into the reserve with a reduction of \$5,000 for a community commitment.

Table 7: Executive Committee Reserve

Executive Committee Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	28	54	124	124	124	124	124	124
Additions to Reserve	26	75	-	-	-	-	-	-
Reduction to Reserve	-	5	-	-	-	-	-	-
Closing Balance	54	124	124	124	124	124	124	124
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	150	175	175	175	175	175	175	175
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

5b. Community Investment Grants Program Reserve (CIGPR)

This reserve provides financial support to organizations that deliver community services in sport, cultural, recreational, and social development. In 2025, \$60,000 was transferred to the CIGPR with no reduction for CIGPR as shown in Table 8 below.

Table 8: Community Investment Grants Program Reserve

Community Investment Grants Program Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	88	124	184	184	184	184	184	184
Additions to Reserve	86	60	-	-	-	-	-	-
Reduction to Reserve	50	-	-	-	-	-	-	-
Closing Balance	124	184	184	184	184	184	184	184
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	175	175	175	175	175	175	175	175
Variance from Min/Max Balance	-	9	9	9	9	9	9	9

6. Tourism Reserve

This reserve was created with the purpose of managing fluctuations relating to annual tourism events, tourism marketing needs and special events, revenue generated from tourism merchandise opportunities and tourism revenue from organizations such as the Regina Hotel Association, Tourism Saskatchewan and other sponsors or agencies. The maximum limit for this reserve is \$1 million.

Table 9: Tourism Reserve

Tourism Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	-	-	695	695	745	440	224	(5)
Additions to Reserve	-	700	-	375	375	375	375	375
Reduction to Reserve	-	5	-	325	680	591	605	260
Closing Balance	-	695	695	745	440	224	(5)	110
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Variance from Min/Max Balance	-	-	-	-	-	-	(5)	-

In 2025, \$555,375 was transferred from the Events, Conventions & Tradeshow Attractions Reserve to the Tourism Reserve, at year-end, an additional transfer of \$144,954 from net operating budget surplus and a reduction of \$5,000 transferred to operations to fund additional ECT budget spend. Administration recommends no action on this reserve at this time.

7. Regina Police Service (RPS) General Reserve

This is a stabilization reserve primarily used to smooth fluctuations in the annual operating budget of the RPS and to fund small one-time capital expenditures requested by the Board of Police Commissioners that are approved by City Council. The reserve is funded through unplanned surplus/deficit from the RPS annual operating budget. The minimum and maximum limits of the reserve are \$300,000 and \$4 million respectively.

Table 10: Regina Police Service General Reserve

Regina Police Service General Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	2,373	2,411	1,772	1,772	1,782	1,792	1,802	1,812
Additions to Reserve	38	11	-	10	10	10	10	10
Reduction to Reserve	-	650	-	-	-	-	-	-
Closing Balance	2,411	1,772	1,772	1,782	1,792	1,802	1,812	1,822
Minimum Balance	300	300	300	300	300	300	300	300
Maximum Balance	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

In 2025, \$10,770 was transferred to the reserve from the operating surplus and a transfer of \$650,000 out of the reserve for Police Headquarters 2nd Floor Design work as per City Council and Board of Police Commissioners decision (*CM25-3 2025 Proposed Budget*). The forecast shows the reserve would remain within its limit over the next five years assuming there are no unexpected operating deficits. Administration recommends no action on this reserve at this time.

8. Regina Police Service (RPS) Community Policing Initiatives Reserve

The primary purpose of this reserve is to support the RPS Community Policing Initiative and offset police overtime costs for police services that may be required at community events. This reserve was established in 2022 and is funded primarily through the annual RPS operating budget.

Table 11: Regina Police Service Community Policing Initiatives Reserve

Regina Police Service Community Initiative Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	874	874	251	251	0	0	0	0
Additions to Reserve	-	-	-	-	-	-	-	-
Reduction to Reserve	-	623	251	251	-	-	-	-
Closing Balance	874	251	0	0	0	0	0	0
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

In 2025, no addition was transferred into the reserve however a transfer of \$623,300 out of the reserve to fund Alternate Response Officers in 2025, resulted in a closing balance of \$250,500 which is within its limit. This reserve is projected to maintain a zero balance from 2026. Administration recommends no action is needed at this time.

9. Regina Police Service (RPS) Radio Equipment Reserve

This is an operating reserve used to smooth expenditures related to the operation, capital and maintenance of the civic radio system. The RPS Communication Technology Unit (CTU) manages the trunked radio system on behalf of City departments and outside agencies who use the system, such as Mobile Crisis Services, and Regina Health Authority. The reserve is funded through net revenue generated from the users of the radio system.

Table 12: Regina Police Service Radio Equipment Reserve

Regina Police Service Radio Equipment Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	347	394	431	431	220	220	220	220
Additions to Reserve	47	37	-	-	-	-	-	-
Reduction to Reserve	-	-	73	211	-	-	-	-
Closing Balance	394	431	358	220	220	220	220	220
Minimum Balance	65	65	65	65	65	65	65	65
Maximum Balance	300	300	300	300	300	300	300	300
Variance from Min/Max Balance	94	131	58	-	-	-	-	-

In 2025, the reserve increased by \$36,847 due to an operating surplus, resulting in a year-end balance of \$431,288 which is above its current limit by \$131,287. Administration recommends no action is needed at this time.

10. City Centre Incentive Reserve

The purpose of the City Centre Incentive Reserve is to manage funds committed and distributed through the City Centre Incentive Program which provides grant funding to support investment in the City Centre. The City Centre Incentive Reserve is an operating reserve, funded through the transfer of grants that are committed to projects in one year but not paid out until a future year given the nature of construction projects. This reserve does not require a minimum or maximum as the reserve will be based on actual funds that are to be paid out in subsequent years.

Table 13: City Centre Incentive Reserve

City Centre Incentive Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	-	-	290	290	370	370	370	370
Additions to Reserve	-	290	80	330	250	250	250	250
Reduction to Reserve	-	-	-	250	250	250	250	250
Closing Balance	-	290	370	370	370	370	370	370
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	-	-	-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

As of December 31, 2025, the balance of this reserve is \$290,000 as a result of grants that were committed, but not yet paid out. This balance was as a result of transfer into the reserve, and the reserve is forecasted to be positive in the next five years. There was no transfer out of the reserve in 2025. This reserve is forecasted to be within limit in the next five years.

11. Heritage Property Incentive Reserve

The purpose of the Heritage Property Incentive Reserve is to manage funds committed and distributed through the Heritage Property Incentive Program which provides grant funding for maintenance and rehabilitation of heritage properties in accordance with the *Heritage Incentives Policy*. The Heritage Property Incentive Reserve is an operating reserve, funded through the transfer of grants that are committed to projects in one year but not paid out until a future year given the nature of construction projects. To predict how many projects will be paid out in a year is not an easy one because some projects were completed the same year they were committed funding. This reserve has no minimum or maximum as the reserve will be based on actual funds that are to be paid out in subsequent years.

Table 14: Heritage Property Incentive Reserve

Heritage Property Incentive Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	-	-	184	184	184	184	184	184
Additions to Reserve	-	184	-	125	125	125	125	125
Reduction to Reserve	-	-	-	125	125	125	125	125
Closing Balance	-	184	184	184	184	184	184	184
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	-	-	-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

The balance of this reserve as of December 31, 2025, was \$184,000. This balance was as a result of transfer into the reserve and is forecasted to be positive in the next five years. This reserve is forecasted to be within limit in the next five years.

CAPITAL RESERVES

12. Fleet Replacement Reserve (FRR)

The FRR is used to provide funding for the maintenance and replacement of existing general civic, transit, fire fleet vehicles, and small tools. This reserve is funded through a budgeted transfer of an amount each year that is the equivalent of the annual amortization of the existing fleet. The fleet reserve has four sub reserves: General Civic, Transit, Fire and Small Tools. Each sub reserve is described below.

Table 15: Overall Fleet Replacement Reserve

Fleet Replacement Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	17,305	12,665	915	915	3,801	(285)	(13,399)	(26,787)
Addition to Reserve	13,605	24,159	17,368	19,181	19,551	19,854	20,160	20,071
Reduction to Reserve	18,245	35,909	16,196	16,295	23,637	32,968	33,548	54,429
Closing Balance	12,665	915	2,087	3,801	(285)	(13,399)	(26,787)	(61,145)
Minimum Balance	1,700	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Maximum Balance	14,300	49,600	49,600	49,600	49,600	49,600	49,600	49,600
Variance from Min/Max balance	-	(1,485)	(313)	-	(2,685)	(15,799)	(29,187)	(63,545)

12a. General Civic Fleet Replacement Reserve

The General Civic Fleet Replacement Reserve is used to provide funding for the maintenance and replacement of existing general civic fleet vehicles. This reserve is funded through a budgeted transfer of an amount each year that is the equivalent of the annual amortization of the existing civic fleet.

Table 16: General Civic Fleet Replacement Reserve

Civic Fleet Replacement Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	8,775	6,550	2,123	2,123	1,986	1,470	1,607	2,950
Addition to Reserve	9,325	17,242	9,050	10,863	11,234	11,537	11,843	11,754
Reduction to Reserve	11,550	21,669	10,999	10,999	11,750	11,400	10,500	12,500
Closing Balance	6,550	2,123	174	1,986	1,470	1,607	2,950	2,205
Minimum Balance	900	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Maximum Balance	8,200	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Variance from Min/Max Balance	-	-	(926)	-	-	-	-	-

In 2025, capital investments of \$21.7 million were made in civic replacement while \$17.2 million was transferred to the reserve to address future replacement requirements, resulting in a year-end balance of \$2.1 million. Administration recommends no action at this time.

12b. Transit Fleet Replacement Reserve

The Transit Fleet Replacement Reserve provides funding for the maintenance and replacement of existing transit and paratransit fleet vehicles. This reserve is funded through a transfer of an amount each year equivalent to the annual amortization of the existing transit and paratransit fleet vehicles. The minimum and maximum limits for this reserve are

\$900,000 and \$35 million, respectively.

The current methodology used to establish the Fleet Reserve minimum balance is 1 per cent of original fleet asset costs and maximum is peak year capital expenditures

Table 17: Transit Fleet Replacement Reserve

Transit Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	7,317	4,033	(2,157)	(2,157)	1,034	(2,053)	(14,982)	(30,031)
Addition to Reserve	3,063	5,701	6,101	6,101	6,100	6,100	6,100	6,100
Reduction to Reserve	6,347	11,891	2,910	2,910	9,187	19,029	21,149	39,405
Closing Balance	4,033	(2,157)	1,034	1,034	(2,053)	(14,982)	(30,031)	(63,336)
Minimum Balance	600	900	900	900	900	900	900	900
Maximum Balance	5,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Variance from Min/Max Balance	-	(3,057)	-	-	(2,953)	(15,882)	(30,931)	(64,236)

In 2025, \$5.7 million was transferred to the reserve. There was a total transfer out of \$11.9 million for the year. The reserve's year-end balance is a negative \$2.2 million, which is below its minimum limit at the end of 2025, and is forecasted to be below its limit from 2027 to 2030 based on projected transit fleet replacement of buses, except for 2026. The capital plan for 2026-2030 includes fleet replacement program. The Zero Emission Transit Grant covers 50 per cent of the cost of electric buses and the remaining 50 per cent of costs is planned to be spent from the Transit Fleet Replacement Reserve. This plan will bring the reserve below its minimum balance from 2027.

12c. Fire Fleet Replacement Reserve

The Fire Fleet Replacement Reserve provides funding for the maintenance and replacement of existing fire fleet vehicles and equipment. This reserve is funded through a transfer of an amount each year equivalent to the annual amortization of the existing fire fleet equipment.

The current methodology used to establish the Fleet Reserve minimum balance is 1 per cent of original fleet asset costs and maximum is peak year capital expenditures. The balances have now been updated to reflect the increases in costs due to inflation. Fire Fleet reserve minimum and maximum were updated to \$400,000 and \$3.5 million respectively as of December 31, 2025.

Table 18: Fire Fleet Replacement Reserve

Fire Fleet Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	938	1,807	690	690	536	119	(188)	145
Addition to Reserve	1,133	1,133	2,133	2,133	2,133	2,133	2,133	2,133
Reduction to Reserve	264	2,250	2,287	2,287	2,550	2,440	1,800	2,425
Closing Balance	1,807	690	536	536	119	(188)	145	(147)
Minimum Balance	200	400	400	400	400	400	400	400
Maximum Balance	1,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Variance from Min/Max Balance	807	-	-	-	(281)	(588)	(255)	(547)

In 2025, \$1.1 million was added to the reserve and \$2.3 million was invested in Fire Fleet assets, bringing the reserve balance to \$0.7 million at the end of the year. The reserve is currently within the target range in 2025 but projected to be negative balance in 2028 and 2030.

12d. Small Tools Fleet Replacement Reserve

The Small Tools Fleet Replacement Reserve provides funding for the maintenance and replacement of existing small tools. The reserve is funded through the transfer of an amount equivalent to the annual amortization of the existing small tools each year. The minimum and maximum limits for this reserve are \$0 and \$100,000, respectively.

Table 19: Small Tools Fleet Replacement Reserve

Small Tools Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	275	275	260	260	245	179	164	149
Addition to Reserve	84	84	84	84	84	84	84	84
Reduction to Reserve	84	99	-	99	150	99	99	99
Closing Balance	275	260	344	245	179	164	149	134
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	100	100	100	100	100	100	100	100
Variance from Min/Max Balance	175	160	244	145	79	64	49	34

At the end of 2025, the reserve balance was \$260,000 which exceeds the maximum limit by \$160,000. This reserve has a minimal impact on the City's reserve position. Administration recommends no action at this time.

13. Asset Revitalization Reserve (ARR)

This reserve provides funding for the City's strategic capital priorities that assist in managing the growth and revitalization of the capital assets and infrastructure of the City. This reserve is not intended to fund new developments or growth projects that are typically funded through Service Agreement Fees (SAF) charged to developers, or projects that are funded through a dedicated reserve. The ARR is funded through 50 per cent of investment earnings that exceeds budget as outlined in the Bylaw, Schedule A s. 32(1).

In 2025 Administration updated the minimum reserve balance to \$18 million and the maximum to \$72 million and with the increases in costs due to inflation, deferred maintenance and the expansion of the City's capital assets.

Table 20: Asset Revitalization Reserve

Asset Revitalization Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	3,664	1,173	4,037	4,037	4,664	6,684	9,714	13,754
Additions to Reserve	8,509	8,864	1,010	2,638	2,020	3,030	4,040	5,050
Reduction to Reserve	11,000	6,000	2,010	2,010	-	-	-	-
Closing Balance	1,173	4,037	3,037	4,664	6,684	9,714	13,754	18,804
Minimum Balance	500	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Maximum Balance	30,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
Variance from Min/Max Balance	-	(13,963)	(14,963)	(13,336)	(11,316)	(8,286)	(4,246)	-

In 2025, \$2.9 million was transferred from investment income and \$6 million from City Council approved transfer funds back to funding source while a \$6 million reduction was used for corporate transactions i.e. to return the \$6 million that was transferred when capital projects are deferred back to Corporate Account. The ARR is projected to have a balance of \$4.7 million at the end of 2026.

Like the GFR, the ARR provides City Council flexibility to respond to one-time capital needs by avoiding the use of debt. In 2024, City Council approved excess revenue above the investment income budget which will be split evenly between the GFR and ARR to help provide financial flexibility and stay within their desired limits (*CR24-51 – Potential Allocation Investment Income to Reserves*). To ensure the City continues to utilize the ARR to fund critical capital projects, City Council has approved an annual incremental transfer of \$1 million to this reserve with the aim of getting the reserve back within limit by 2030.

14. Asphalt Plant Reserve (APR)

The APR is a capital reserve used to fund capital requirements and maintenance costs of the City's asphalt plant. The reserve is funded through net revenue generated from asphalt plant operations after deducting the cost of producing asphalt and other expenditures related to asphalt plant operations. The minimum and maximum limits of the reserve are \$200,000 and \$1.3 million, respectively.

Table 21: Asphalt Plant Reserve

Asphalt Plant Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	1,244	498	536	536	835	535	735	235
Additions to Reserve	129	138	-	299	200	200	-	200
Reduction to Reserve	875	100	-	-	500	-	500	-
Closing Balance	498	536	536	835	535	735	235	435
Minimum Balance	200	200	200	200	200	200	200	200
Maximum Balance	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

In 2025, \$137,517 was transferred to reserve and \$100,000 was transferred out for annual capital budget resulting in a closing balance of \$536,265. Projections show that the reserve balance would be within its limit for the foreseeable future.

15. Technology Reserve

This reserve provides funding for replacing and enhancing existing technology equipment in the event of unexpected equipment failure or changes in digital information delivery. It is also used to smooth operating requirements for the City's internal Print Services. The reserve is not intended to fund capital investments in new technology equipment as these are procured through a lease program. Funding is primarily generated through net revenues from Print Services operations. The minimum and maximum limits of the reserve are \$100,000 and \$1 million, respectively.

Table 22: Technology Reserve

Technology Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	208	284	394	394	227	232	237	242
Additions to Reserve	76	110	-	6	5	5	5	5
Reduction to Reserve	-	-	-	173	-	-	-	-
Closing Balance	284	394	394	227	232	237	242	247
Minimum Balance	100	100	100	100	100	100	100	100
Maximum Balance	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

In 2025, the reserve balance increased to \$394,274 as a result of \$109,867 operating surplus. This reserve is currently projected to remain within its limits over the next five years.

16. mâdawêyatitân Reserve

The purpose of this reserve is to provide funding for future capital repairs to the mâdawêyatitân center. The reserve is funded through the City's annual budget process.

There is no established minimum or maximum limit for this reserve.

Table 23: māmawēyatitān Reserve

Māmawēyatitān Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	588	686	784	784	882	980	1,078	1,176
Additions to Reserve	98	98	98	98	98	98	98	98
Reduction to Reserve	-	-	-	-	-	-	-	-
Closing Balance	686	784	882	882	980	1,078	1,176	1,274
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	-	-	-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

The funding source for the reserve is the general operating budget of the māmawēyatitān center, the annual funding amount is 1.5 per cent of the City's capital budget for the center and equates to \$98,000 per year. The transfer represents a budgeted transfer of \$98,000 per year for 2026-2030. The reserve is expected to remain within minimum and maximum limits for the foreseeable future.

17. Noise Attenuation Reserve

The Noise Attenuation Reserve is to provide funding for noise attenuation capital projects that are not captured by the *Noise Attenuation Policy*. The Noise Attenuation Reserve is a capital reserve funded through annual budget transfers. Funds would be used for projects approved through the budget process and any unspent funds from completed projects will remain in the reserve. Approved funds would be added to this reserve when the City is in a surplus so it can be used at a later time in addressing retroactive pose concerns. This reserve has no minimum or maximum for this reserve.

Table 24: Noise Attenuation Reserve

Noise Attenuation Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	-	-	-	-	-	-	-	-
Additions to Reserve	-	-	-	-	-	-	-	-
Reduction to Reserve	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	-	-	-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

There is no balance on this reserve as of December 31, 2025, and was forecasted to remain nil in the next five years unless a Noise Attenuation capital project and fund transfer are approved.

SELF-SUSTAINING RESERVES

18. General Utility Reserve

This reserve is a self-sustaining reserve that provides funding for the capital upgrades, replacement and maintenance costs related to the water, wastewater and stormwater utility (utility services). The reserve is also used to smooth the effects of fluctuations in the operating budget for utility services. Funding is through the net revenue generated from the utility services.

The minimum and maximum are \$37 million and \$100 million, respectively. The update in 2025 was due to increases in costs as a result of inflation. The minimum and maximum are based on the Municipal Finance Officers' Association of Ontario (MFOA) best practices, which is 20 per cent of total expenses to determine the minimum balance and the maximum as the peak of the capital plan.

Table 25: General Utility Reserve

General Utility Reserve (\$'000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	112,698	112,364	74,077	74,077	47,712	39,244	34,039	26,271
Addition to Reserve	76,389	68,253	-	77,754	83,014	91,767	101,649	112,083
Reduction to Reserve	76,723	106,540	104,119	104,119	91,482	96,972	109,417	103,839
Closing Balance	112,364	74,077	(30,042)	47,712	39,244	34,039	26,271	34,515
Minimum Balance	25,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000
Maximum Balance	90,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Variance from Min/Max Balance	22,364	-	(67,042)	-	-	(2,961)	(10,729)	(2,485)

In 2025, a net transfer of \$68.3 million was added to the reserve, and \$106.5 million was transferred out from the reserve to fund various utility capital programs or projects. The 2025 Utility Capital Plan focuses on investment in water infrastructure, wastewater collection infrastructure and stormwater infrastructure.

It is recommended that no transfers be made from the reserve as funds are currently dedicated to planned capital projects over the next five years.

19. Solid Waste Reserve

The Solid Waste Reserve is used to fund the landfill closure and post closure liability, renew, and replace capital assets used to deliver the landfill operations, the waste diversion program, and the recycling program; and to smooth the effects of fluctuations in the operating budget for these programs. The reserve is funded primarily through net fees and charges generated from landfill operations, the waste diversion program and the recycling program.

The minimum and maximum are based on the present value of the landfill closure and post closure liability costs. Based on updated present value of landfill closures and post closure liability the 2025 reserve minimum is \$43.9 million and the maximum is \$65.4 million.

Table 26: Solid Waste Reserve

Solid Waste Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	41,654	49,520	52,210	52,210	45,195	42,300	27,725	22,505
Additions to Reserve	9,724	5,895	-	1,391	3,000	2,500	2,000	4,000
Reduction to Reserve	1,858	3,206	8,405	8,405	5,895	17,075	7,220	7,173
Closing Balance	49,520	52,210	43,805	45,195	42,300	27,725	22,505	19,333
Minimum Balance	43,900	43,900	43,900	43,900	38,400	38,400	38,400	38,400
Maximum Balance	65,400	65,400	65,400	65,400	59,900	59,900	59,900	59,900
Variance from Min/Max Balance	-	-	(95)	-	-	(10,675)	(15,895)	(19,067)

In 2025, \$3.2 million was invested in various capital projects, while the net operating surplus of \$5.9 million was transferred to the reserve. The reserve balance was within the minimum and target maximum in 2025 and until 2028 when it goes into the negative. For this reason, Administration is open to new funding options in the 2027 Budget to address the underfunding.

20. Employer-Provided Parking Reserve

This is a self-sustaining reserve used to fund the operating, maintenance and capital replacement and renewal requirements of the employer-provided parking facilities. This reserve is funded through the net parking fees from an employer-provided parking program. The reserve has minimum and maximum limits of \$200,000 and \$3.5 million, respectively.

Table 27: Employer-Provided Parking Reserve

Employer-Provided Parking Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	3,610	2,677	1,713	1,713	1,501	588	254	33
Addition to Reserve	-	-	-	808	825	866	866	950
Reduction to Reserve	933	964	350	1,020	1,738	1,200	1,087	725
Closing Balance	2,677	1,713	1,363	1,501	588	254	33	259
Minimum Balance	200	200	200	200	200	200	200	200
Maximum Balance	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Variance from Min/Max Balance	-	-	-	-	-	-	(167)	-

In 2025, there was no addition made to the reserve. A net reduction to the reserve of \$963,625 resulted in a balance of \$1.7 million at the end of the year. The intent of the

reserve is to cover the cost of capital renewal and preservation of employee parking lots and the City Hall Parkade. The reserve is projected to be within limits for 2026-2028 but below the minimum in 2029 due to higher capital investment and in 2030, the reserve is back within limits.

21. Golf Course Reserve

The Golf Course Reserve is a self-sustaining reserve that provides funding for the capital requirements and maintenance costs of the golf courses, as well as to smooth operating needs of the golf course program. The reserve is funded through net revenues generated from golf sales. This reserve has a minimum limit of \$250,000 and a maximum limit of \$2 million.

Table 28: Golf Course Reserve

Golf Course Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	2,785	3,906	3,997	3,997	3,637	1,187	(113)	87
Addition to Reserve	1,371	1,391	-	1,016	1,400	1,400	1,400	1,400
Reduction to Reserve	250	1,300	1,375	1,375	3,850	2,700	1,200	800
Closing Balance	3,906	3,997	2,622	3,637	1,187	(113)	87	687
Minimum Balance	250	250	250	250	250	250	250	250
Maximum Balance	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Variance from Min/Max Balance	1,906	1,997	622	1,637	-	(363)	(163)	-

In 2025, an operating surplus of \$1.4 million was transferred to the reserve while \$1.3 million was invested in golf course capital projects resulting in a year-end balance of \$4 million. Although the reserve is above its maximum limit there are projected capital expenditures that will bring the balance down close to the maximum balance guideline of \$2 million in 2027. Administration recommends no action is needed at this time.

22. Cemetery Reserve

This is a self-sustaining reserve that provides funding for the capital requirements and maintenance costs of the cemeteries, and to manage the operating requirements of the cemetery program. The reserve is funded through net revenues generated from the cemetery program. The reserve's minimum and maximum limits are \$100,000 and \$800,000 respectively.

Table 29: Cemetery Reserve

Cemetery Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	(808)	(884)	(760)	(760)	(1,248)	(2,027)	(1,847)	(1,856)
Additions to Reserve	194	264	3	205	252	290	331	331
Reduction to Reserve	270	140	692	692	1,031	110	340	270
Closing Balance	(884)	(760)	(1,449)	(1,248)	(2,027)	(1,847)	(1,856)	(1,795)
Minimum Balance	100	100	100	100	100	100	100	100
Maximum Balance	800	800	800	800	800	800	800	800
Variance from Min/Max Balance	(984)	(860)	(1,549)	(1,348)	(2,127)	(1,947)	(1,956)	(1,895)

In 2025, a capital investment of \$140,000 was made from the reserve to restore existing infrastructure, while an operating surplus of \$263,513 was added to the reserve, resulting in a year-end negative of \$760,845 balance. The reserve was below the minimum balance in 2025 mainly due to previous budgeted capital expenditures. Administration reviewed the reserve in 2022 (*CR 22-34 – Cemeteries Funding Structure, fee schedule and Bylaw Amendments*). As a result, there was a new financial model that was implemented to improve the reserve balance and its financial sustainability into the future. Per City Council CR22-34, (March 16, 2022) Cemetery fees were revised, and the funding of major capital projects, specifically upgrades or replacements of the Administrative Building, are to be funded by current contributions to capital. The reserve is still projected to have a negative balance from 2026 to 2030. Administration is open to new funding options to address the underfunding.

23. Planning & Sustainability Stabilization Reserve (PSSR)

This reserve is used to provide funding to smooth the effect of fluctuations in the operating budget for the City's building and development activities, and to fund one-time planning and sustainability capital projects. The reserve is funded through the net fees and charges generated from fee for service development activities. When reserve fees are greater than the costs of the service, the excess is added to the reserve. When reserve expenses are greater than fees collected, the revenue shortfall reduces the reserve balance. This reserve has a minimum limit of \$1.7 million and a maximum limit of \$13 million.

Table 30: Planning & Sustainability Stabilization Reserve

Planning & Sustainability Stabilization Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	(8,952)	(12,181)	(14,318)	(14,318)	(17,289)	(19,644)	(21,999)	(24,354)
Additions to Reserve	-	-	-	-	-	-	-	-
Reduction to Reserve	3,229	2,137	-	2,970	2,355	2,355	2,355	2,355
Closing Balance	(12,181)	(14,318)	(14,318)	(17,289)	(19,644)	(21,999)	(24,354)	(26,709)
Minimum Balance	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Maximum Balance	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Variance from Min/Max Balance	(13,881)	(16,018)	(16,018)	(18,989)	(21,344)	(23,699)	(26,054)	(28,409)

In 2025, net operating expenses related to planning and development activities were approximately \$2.1 million, resulting in a draw from the reserve. The reserve balance was negative \$14.3 million at the end of 2025. A comprehensive review is underway to address the reserve's negative balance and support its long-term sustainability. The results of this work will be brought forward to City Council in 2027. The outcome of this review is expected to support the reserve's long-term sustainability with no additional draws. As a result, future forecast for this reserve reflect no additional draws beyond 2028.

24. Regina Revitalization Initiative (RRI) Stadium Reserve

The RRI Stadium Reserve is a self-sustaining reserve that provides funding for the capital and operating expenditures of the Mosaic stadium. The reserve is funded through the net revenues received for the Mosaic Stadium operations. There are no limits established for this reserve as it does not lend itself to having reserve limits.

Table 31: Regina Revitalization Initiative (RRI) Stadium Reserve

Regina Revitalization Initiative (RRI) Stadium Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	(1,026)	103	(3,590)	(3,590)	(4,150)	(10,256)	(8,129)	(6,053)
Additions to Reserve	2,803	266	-	1,964	2,221	2,577	2,776	2,776
Reduction to Reserve	1,674	3,959	2,400	2,524	8,327	450	700	700
Closing Balance	103	(3,590)	(5,990)	(4,150)	(10,256)	(8,129)	(6,053)	(3,978)
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	-	-	-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

In 2025, stadium operations resulted in a surplus of \$266,000 and a transfer from the reserve of \$3.9 million which reduced the balance in the reserve to negative \$3.6 million. The 2027 to 2030 forecast assumes the fees generated will be similar with fee revenue in 2024. The forecasted reduction to the reserve in 2026 represents Administration's current estimate of capital replacement and refurbishment requirements.

The *Reserve Bylaw* allows for this reserve to go into a negative balance to address anticipated temporary negative cash flows. As a self-sustaining reserve, the expectation is that the revenues from the stadium will cover ongoing and future capital and operating expenditures over the long term. As a result, the stadium financial model was designed to break-even over a 30-year period. Administration continues to monitor the stadium's operation to ensure its long-term financial viability. Administration recommends no action at this time.

25. Intensification Infrastructure Reserve (IIR)

The IIR was established to provide funding for intensification related infrastructure projects. Specifically, the infill share of the Capital Projects identified in the Capital Project List as defined in *The Development Levy Bylaw*, 2011 and *The Development Charges Policy*. The reserve has no established minimum and maximum limits.

Table 32: Intensification Infrastructure Reserve

Intensification Infrastructure Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	(6,900)	(7,338)	(5,178)	(5,178)	(4,871)	(1,007)	9,444	24,087
Additions to Reserve	346	3,020	6,248	6,248	9,895	13,760	17,910	-
Reduction to Reserve	784	860	5,031	5,941	6,031	3,310	3,267	4,180
Closing Balance	(7,338)	(5,178)	(3,961)	(4,871)	(1,007)	9,444	24,087	19,907
Minimum Balance	-	-	-	-	-	-	-	-
Maximum Balance	-	-	-	-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

Under *CR24-87 Development Charges Policy and Model Review* dedicated mill and utility rates were approved as funding sources for the IIR, replacing the previous Intensification Tax Lift approach. These dedicated rates will generate revenue for the IIR to fund capital projects that support intensification and gradually address the reserve's deficit.

In 2025, the opening balance of the reserve was negative \$7.3 million. A revenue of \$3 million was added to the reserve from the Intensification Tax Lift Revenue and a reduction of \$860,000 due to intensification infrastructure-related expenses resulting in an end of year negative balance of \$5.2 million. This reserve is still projected to maintain a negative balance till 2027 but change to positive from 2028. Administration recommends no action at this time.

26. Land Development Reserve (LDR)

This reserve is used to fund land acquisition and development, and to manage fluctuations in the operating budget for the Land and Real Estate operations. The reserve is funded through net revenues from Land and Real Estate Management operations of the City. The minimum and maximum limits for the reserve have been updated and currently the minimum reserve limit is negative \$10 million, and the maximum is \$20 million.

Allowing the reserve to go to a negative balance is required to accommodate the timing mismatch between when costs are incurred to service land and when revenues from the sale of serviced lots and parcels are received. The City must fund significant upfront expenses (e.g., civil engineering fees, servicing agreement fees, and construction of utilities, roadways and parks) before land can be sold. Revenue comes later, once lots are ready for market or once development proceeds. To ensure development proceeds on schedule, the reserve may temporarily operate in a deficit, essentially acting as an internal financing mechanism. Once land sales occur, proceeds are deposited back into the reserve, which replenishes the balance and ultimately repays the temporary negative position.

Increasing the maximum balance is important to ensure the City has sufficient funding available to support ongoing and future development projects. A stronger reserve balance provides financial stability, reduces the risk of the reserve going into a deficit, and minimizes the need for external borrowing. By maintaining an adequate balance, the City can respond to market demand and advance development in a timely manner. Ultimately, increasing the reserve balance strengthens the City's ability to manage growth responsibly while reducing financial risk and ensuring long-term affordability for residents.

Table 33: Land Development Reserve

Land Development Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	(12,208)	2,439	28,566	28,566	23,004	26,524	26,868	15,171
Additions to Reserve	27,363	49,791	4,171	28,668	28,218	10,044	3,803	4,063
Reduction to Reserve	12,716	23,664	12,750	34,229	24,698	9,700	15,500	14,600
Closing Balance	2,439	28,566	19,986	23,004	26,524	26,868	15,171	4,634
Minimum Balance	2,000	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Maximum Balance	12,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Variance from Min/Max Balance	-	8,566	-	3,004	6,524	6,868	-	-

In 2025, total additions of \$49.8 million were made mainly from monthly transfers of land sales, including a transfer of \$11.3 million for The Towns Land development cost. There were total reductions of \$23.7 million which included approximately \$11.3 million related to the Towns Land cost of sales for 2025. This reserve is above the limit by \$8.6 million and is in a positive balance. It is projected to be above its maximum balance from 2026 to 2028. Administration recommends no action at this time.

27. Industrial Development Charge Reduction Reserve

This reserve was established in 2024 with the primary purpose of funding industrial development charge reductions. The funding source to this reserve is a contribution from special dedicated mill and utility rates.

Table 34: Industrial Development Charge Reduction Reserve

Industrial Development Charge Reduction Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	-	-	684	684	2,102	4,305	7,341	11,261
Additions to Reserve	-	684	1,418	1,418	2,202	3,036	3,920	4,854
Reduction to Reserve	-	-	-	-	-	-	-	-
Closing Balance	-	684	2,102	2,102	4,305	7,341	11,261	16,116
Minimum Balance	-	-		-	-	-	-	-
Maximum Balance	-	-		-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

This reserve is expected to have an addition of \$1.4 million in 2026. This reserve is still projected to maintain a positive balance from 2026 through 2030. There is no minimum or maximum limit set for this reserve. Administration recommends no action at this time.

28. Sinking Fund Investment Reserve

The purpose of establishing a Sinking Fund Reserve is to segregate the sinking fund investment, required under the borrowing bylaw, to retire the bullet debenture at maturity. This reserve is required to ensure the sinking fund investments and investment earnings remain within the sinking fund and does not form part of the surplus in the General or Utility Fund. This reserve is funded through annual budget transfers and investment earnings until maturity. The reserve does not require a minimum or maximum.

Table 35: Sinking Fund Investment Reserve

Sinking Fund Investment Reserve (\$000's)	2024	2025	Jun 2026	Dec 2026	2027	2028	2029	2030
Opening Balance	-	-	3,806	3,806	7,482	13,808	20,135	26,461
Additions to Reserve	-	3,806	3,676	3,676	6,326	6,326	6,326	6,326
Reduction to Reserve	-	-	-	-	-	-	-	-
Closing Balance	-	3,806	7,482	7,482	13,808	20,135	26,461	32,787
Minimum Balance	-	-		-	-	-	-	-
Maximum Balance	-	-		-	-	-	-	-
Variance from Min/Max Balance	-	-	-	-	-	-	-	-

As of December 31, 2025, the balance of this reserve stood at \$3.8 million. The reserve is forecasted to maintain positive balance in the next five years.

Comparison to Other Cities

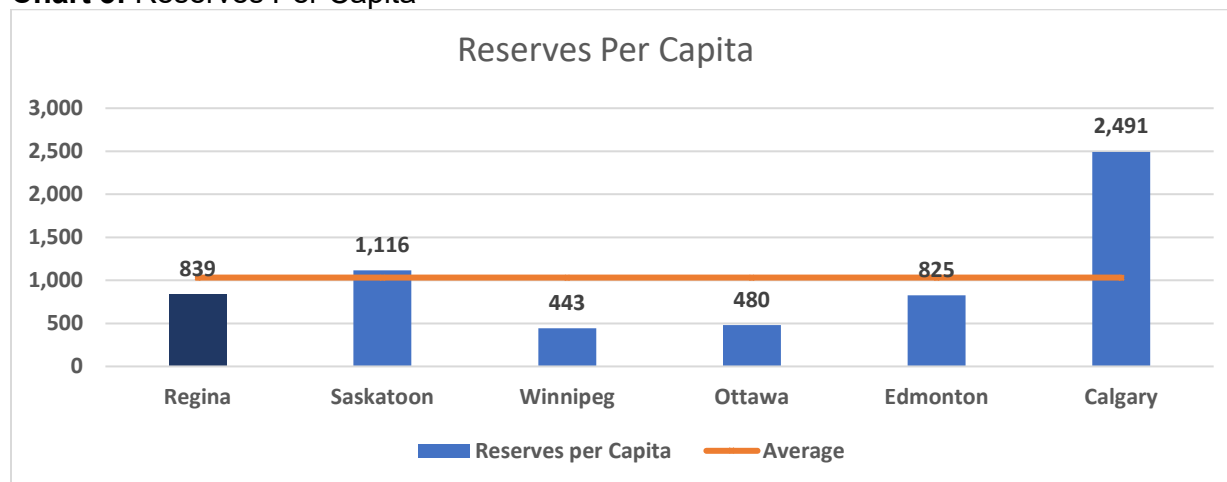
The level of reserves maintained by a municipality is influenced by a range of factors, including service levels, internal financial policies, risk tolerance, the condition of infrastructure, and long-term financial plans. To assess the City's reserve levels, Administration applied industry-recognized indicators recommended by the GFOA of the United States and Canada and the Municipal Finance Officers' Association (MFOA) of Ontario, comparing City's reserves to five other Canadian municipalities: Saskatoon, Winnipeg, Calgary, Edmonton and Ottawa. The MFOA recommends a municipality maintain at least 20 per cent of its annual expenditure in reserves (see Chart 4 below). Although there is no recommended maximum benchmark, best practice suggests benchmarking reserve balances against those of other municipalities to gauge whether a City's reserves are excessively high or low.

In comparison to other cities, the City is below average for reserves per capita and reserves to expense. Though the City's debt to reserve ratio is below the municipalities' average, it is above the minimum benchmark indicating the City owes more in debt than it has set aside in reserves, The City is above the average for reserve to accumulated amortization.

Reserve Per Capita

The reserves per capita ratio measures the total reserves a city maintains relative to its population, indicating the amount of property taxes, rates, and charges allocated per person for future capital projects or emergencies. A higher ratio suggests that residents are contributing more towards future financial needs. Comparing cities, the City has a reserve per capita of \$839 which is below the peer group average of \$1,032. In contrast, Calgary has the highest reserves per capita at \$2,491, while Winnipeg has the lowest at \$443.

Chart 3: Reserves Per Capita

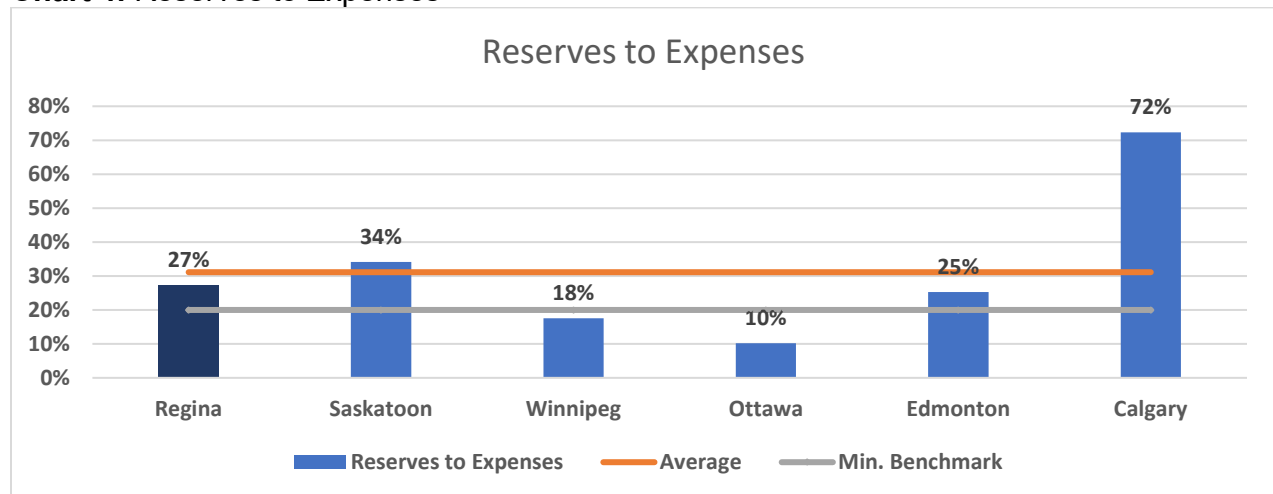


Percentage of Reserves to Expenses

The percentage of reserve to expense ratio is a key indicator of financial stability, reflecting a municipality's capacity to manage unexpected revenue shortfalls or cost increases without resorting to borrowing. A ratio of at least 20 per cent is recommended by MFOA as good

practice. According to the data, the City has a ratio of 27 per cent, compared to an average of 31 per cent for the peer group. While the City's ratio is below the average, it remains within a reasonable range as it exceeds the recommended minimum benchmark. This ratio accounts for both planned capital expenditure and the ability to absorb unexpected fluctuations in revenue or expenses. In comparison, Calgary has the highest ratio at 72 per cent, while Ottawa has the lowest at 10 per cent.

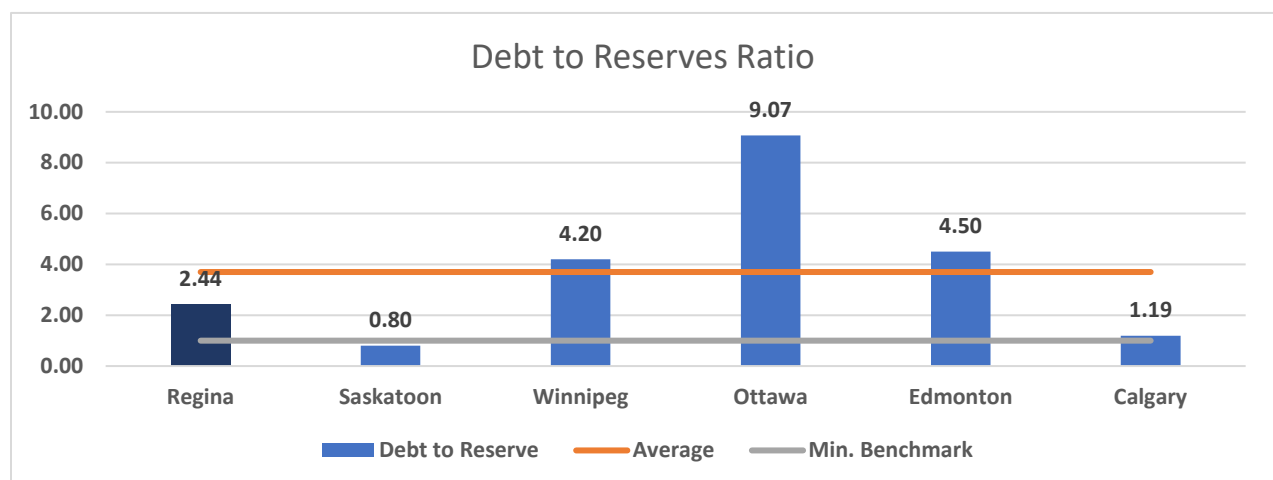
Chart 4: Reserves to Expenses



Percentage of Debt to Reserves

The percentage of debt to reserves ratio measures a municipality's debt to its reserve balances. Credit rating agencies often recommend a debt-to-reserve ratio of 1:1, meaning that reserves should match debt to ensure financial stability. A lower ratio is preferred, indicating either lower debt or higher reserves. Based on the data, the City has a debt-to-reserve ratio of 2.44, which is lower than the 3.7 peer group average. This indicates that City has \$2.00 in reserves for every \$2.44 of debt. Conversely, Saskatoon has the lowest ratio at 0.8, showing a substantial reserve relative to its debt, while Winnipeg, Ottawa and Edmonton have higher ratios at 4.2, 9.07 and 4.5, respectively, reflecting a higher level of debt compared to their reserves.

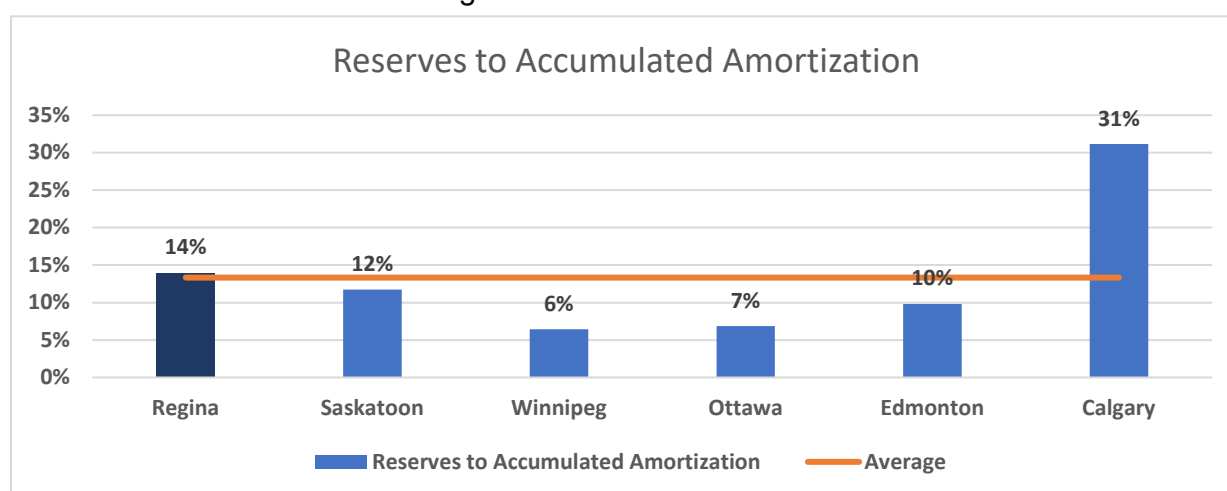
Chart 5: Debt to Reserves Ratio



Percentage of Reserves to Accumulated Amortization

Reserves are also compared to accumulated amortization to gauge the City's ability to manage future asset replacement needs. Accumulated amortization represents the portion of a city's tangible capital assets that have been used up and thus require renewal or replacement. It serves as an indicator of asset condition and the potential need for future capital investments. In 2025, the City's reserves cover 14 per cent of its accumulated amortization. By this we mean the City reserve as of December 2025 was about 14 per cent of the accumulated amortization. Calgary's reserves covered 31 per cent of its accumulated amortization, and both Winnipeg and Ottawa reserves cover 6 and 7 per cent of its accumulated amortization. These per cents are significantly lower compared to the average municipality's of 13 per cent.

Chart 6: Reserves as a Percentage of Accumulated Amortization



Limitations of Reserve Balance Comparisons

While jurisdictional comparisons provide useful context with respect to the appropriateness of reserve balances held by cities, it is important to note that comparatives are not necessarily indicative of what the City should have in its reserves. The following factors are worth considering in comparing reserve balances:

- **Condition of Assets** - Some cities may have newer assets or more robust maintenance programs than others and therefore would require lower reserve balances to replace assets. For example, a city that has delayed its capital improvements and maintenance will therefore require more reserves in the future to catch up with capital improvements and replacements.
- **Pay-As-You-Go** - Cities may have a funding strategy, whereby revenues from current operating budget (pay-as-you-go), instead of reserves, are used to pay for expenditures. Cities that use pay-as-you-go as their funding strategy for asset renewal will typically maintain a lower reserve balance in comparison to their assets. This model usually means that users pay based on how much is consumed and might only be appropriate for those reserves that are self-sustaining.
- **Capital Carryforward** - Some cities may keep reserve-type funds, such as approved but upspent capital funds, in a project account instead of a reserve. All else being

equal, cities that carry-forward unspent capital funds in a project account rather than a reserve will report a lower reserve balance compared to cities that report approved but unspent capital funds as part of their reserve balance.

Deferred Revenue

In alignment with report CR25-123, Administration is providing an update on some of the selected City's deferred revenue balances. These selected deferred revenues are monitored and forecast as growth cycle fluctuates, including development charges under service agreements. It provides the City's financial position and how the revenues are being deferred until the service is delivered with a five-year forecast to 2030.

The table below represents selected deferred revenue as of December 31, 2025, totaling a balance of \$46.7 million for the General Fund and (\$35.5 million) for the Utility Fund. The five-year forecast balance is expected to increase to \$58.9 million for the General Fund and (\$56.6 million) for the Utility Fund.

Table 36: Deferred Revenues and Service Agreement Fees/Development Charges

General 110							
Deferred Revenues and Service Agreement Fees							
(\$000's)	2024	2025	2026	2027	2028	2029	2030
Alley Maintenance - Gravel	0	(161)	(161)	(161)	(161)	(161)	(161)
Alley Maintenance - Paved	175	289	482	482	482	482	482
Dedicated Lands Charges	806	3,027	3,027	3,027	3,027	3,027	3,027
Development Charges - Parks Reserve	11,897	11,563	12,707	13,412	14,140	14,892	15,669
Development Charges - Roadways Reserve	25,800	31,931	38,400	41,858	43,145	43,910	39,810
Downtown Deferred Revenue Account (DDRA)	25	35	45	55	55	55	55
Total	38,703	46,685	54,500	58,674	60,689	62,206	58,883
Utility 130							
Deferred Revenue and Service Agreement Fees							
(\$000's)	2024	2025	2026	2027	2028	2029	2030
Development Charges - Utilities	(36,864)	(35,470)	(39,426)	(55,063)	(58,008)	(58,085)	(56,640)