



FINANCE AND ADMINISTRATION COMMITTEE

**Tuesday, September 4, 2012
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



Office of the City Clerk

Public Agenda
Finance and Administration Committee
Tuesday, September 4, 2012

Approval of Public Agenda

Adoption of Minutes

Tabled Reports

FA12-30 Exemption Request for Leased Locations of Regina Public Library

Recommendation

1. That a property tax exemption for 2012 be provided to the Regina Public Library for the portion of the property at 331 Albert Street that they occupy and use as a library branch location;
2. That the City Solicitor be instructed to amend Bylaw No. 2012-27 being *The Properties Exempt From Taxation Bylaw, 2012* to add the property at 331 Albert Street to the list of 2012 annual tax exemptions;
3. That the portions of property that are leased and occupied by the Regina Public Library be placed on the Annual Exemption Bylaw in 2013 and subsequent years; and
4. That this report be forwarded for consideration at the August 20, 2012 meeting of City Council.

FA12-31 Municipal Incentive Policy for the Preservation of Heritage Properties -
Application for Property Tax Exemption at 2310 McIntyre Street

Recommendation

1. That a tax exemption for the property located at 2310 McIntyre Street be approved in an amount equal to the lesser of:
 - (a) Fifty percent of eligible costs as described in Appendix C;
 - (b) \$150,000; or
 - (c) An amount equivalent to the total property taxes payable for the years 2013 to 2017 inclusive.



Office of the City Clerk

2. That the provision of the property tax exemption be subject to the following conditions:
 - (a) Eligibility for the property tax exemption includes the requirement that the property possesses and retains its formal designation as Municipal Heritage Property in accordance with *The Heritage Property Act*.
 - (b) The property owner shall submit detailed written documentation of payments made for actual costs incurred (i.e. itemized invoices and receipts) in the completion of identified conservation work, as described in Appendix C. In the event that actual costs exceed the corresponding estimates by more than 10 percent, the property owner shall provide full particulars as to the reason(s) for such cost overruns. It is understood that the City may decline to approve any cost overrun, or portion thereof, if considered not to be reasonably or necessarily incurred for eligible work.
 - (c) Any property tax exemption shall be applied in the year following the completion of the eligible work items or any portion thereof, or in the current year for any work items completed and confirmed by the City prior to December 31, and shall be limited to 50 percent of actual costs.
3. That the City Solicitor be instructed to prepare the necessary agreement and authorizing bylaw for the property tax exemption as detailed in this report.

FA12-32 First Nations and Metis Recruitment Strategy - Final Report

Recommendation

That items MN11-4 and FA12-6 be removed from the list of outstanding items for the Finance and Administration Committee.

Administration Reports

FA12-33 Reserve Balances in Comparison to Minimum and Maximum Target Balances

Recommendation

1. That \$233,000 be transferred from the Small Tools Fleet Replacement Reserve to the General Civic Fleet Replacement Reserve.
2. That this report be forwarded to the September 17, 2012 meeting of City Council for approval.



Office of the City Clerk

FA12-34 Annual Status Report on City Debt

Recommendation

That this report be forwarded to City Council for information.

FA12-35 Portions of NW & NE 1/4 Section 8, Township 18, Range 19, W2M &
Portions of NW & NE 1/4 Section 9, Township 18, Range 19, W2M
Roadway Dedication of Land to Her Majesty the Queen in Right of
Saskatchewan

Recommendation

1. That the dedication of land to Her Majesty the Queen in right of Saskatchewan be approved under the terms and conditions shown in the body of this report;
2. That the City Manager be authorized to finalize the terms and conditions of the road right-of-way dedication documents;
3. That the City Clerk be authorized to execute the legal Plan of Survey and any other legal land transfer documents as provided by the City Solicitor; and
4. That this report be forwarded to City Council September 17, 2012 for consideration in order for public notice to be given.

Adjournment

AT REGINA, SASKATCHEWAN, TUESDAY, JULY 3, 2012

AT A MEETING OF THE
FINANCE AND ADMINISTRATION COMMITTEE
HELD IN PUBLIC SESSION

AT 4:00 PM

Present: Councillor Wade Murray, in the chair
Councillor Louis Browne
Councillor Sharron Bryce
Councillor Michael Fougere
Councillor Terry Hincks

Also in Attendance: Committee Assistant, Todd Blyth
Executive Director, Governance & Strategy, Jim Nicol
Director, Assessment and Property Taxation, Don Barr
Director of Finance, Chuck McDonald
Legal Counsel, Christine Clifford

Approval of Public Agenda

Councillor Sharron Bryce moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.

Adoption of Minutes

Councillor Sharron Bryce moved, AND IT WAS RESOLVED, that the public minutes for the meeting held on June 5, 2012 be adopted, as circulated.

Administration Reports

FA12-25 City of Regina Property - McLeod Park - Grow Regina Community
Gardens Incorporated - 3500 Queen Street - Block R2, Plan 60R07552

Recommendation

1. That the Lease of the subject property to the Grow Regina Community Gardens Incorporated be approved under the terms and conditions shown in the body of this report;
2. That the Deputy City Manager of Community Planning and Development be authorized to finalize the terms and conditions of the lease documents;

3. That the City Clerk be authorized to execute the Lease Agreement documents as prepared by the City Solicitor; and
4. That this report be forwarded to the July 23, 2012 meeting of City Council for consideration after public notice has occurred.

Councillor Louis Browne moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.

FA12-26 Johnson-Shoyama Graduate School of Public Policy - Executive Internship Program

Recommendation

That the City Clerk be authorized to enter into agreements with the Johnson-Shoyama Graduate School of Public Policy (JSGS), at the University of Regina and the University of Saskatchewan, as well as with the individual interns, to provide a select number of internship opportunities on an annual basis for the period September 1, 2012 to April 30, 2016.

Councillor Louis Browne moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.

Communications

FA12-27 2011 Civic Annual Report

Recommendation

That this communication be forwarded to City Council for information.

Councillor Terry Hincks moved, AND IT WAS RESOLVED, that this report be forwarded to City Council for information.

FA12-28 The Casual Employees' Superannuation and Elected Officials Money Purchase Pension Plan 2011 Annual Report

Recommendation

That this communication be forwarded to City Council for information.

Councillor Michael Fougere moved, AND IT WAS RESOLVED, that this report be forwarded to City Council for information.

FA12-29 The Regina Civic Employees' Long Term disability Plan 2011 Annual
Report

Recommendation

That this communication be forwarded to City Council for information.

Councillor Michael Fougere moved, AND IT WAS RESOLVED, that this report be forwarded to City Council for information.

Adjournment

Councillor Sharron Bryce moved, AND IT WAS RESOLVED, that this meeting adjourn.

The meeting adjourned at 4:18 P.M.

Chairperson

Secretary

August 7, 2012

To: Members,
Finance and Administration Committee

Re: Exemption Request for Leased Locations of Regina Public Library

RECOMMENDATION

1. That a property tax exemption for 2012 be provided to the Regina Public Library for the portion of the property at 331 Albert Street that they occupy and use as a library branch location;
2. That the City Solicitor be instructed to amend Bylaw No. 2012-27 being *The Properties Exempt From Taxation Bylaw, 2012* to add the property at 331 Albert Street to the list of 2012 annual tax exemptions;
3. That the portions of property that are leased and occupied by the Regina Public Library be placed on the Annual Exemption Bylaw in 2013 and subsequent years; and
4. That this report be forwarded for consideration at the August 20, 2012 meeting of City Council.

CONCLUSION

The Regina Public Library has requested that the two leased locations be exempt for property taxes for the portion of the property that they occupy and use as a library branch. While the intention of *The Cities Act* appears to be that library property is exempt, it is not clearly defined in legislation. City Council has authority to provide property tax exemptions. It is recommended that the portion of 331 Albert Street that is used as a library branch be exempt from property tax for 2012. It is also recommended that in 2013 the leased locations occupied and used by the library be added to the Annual Property Tax Exemption Bylaw.

BACKGROUND

A letter was received from Regina Public Library (RPL) dated June 19, 2012, attached as Appendix "A", requesting an exemption of property taxes for the portion of the property at two locations leased and used as a library branch.

The RPL relocated a branch to 331 Albert Street which is a multi tenant property. In reviewing how the exemption provisions in legislation should be applied to a leased library location, the question of how the existing leased location at 2715 Gordon Road should be exempted was also reviewed.

The wording in *The Cities Act* in Section 263 (1) (j) is unclear in regards to exemptions for library locations that are leased. In Section 263 the legislation also provides that City Council may exempt any property from taxation in whole or in part with respect to a financial year.

DISCUSSION

The Regina Public Library Board was established pursuant to *The Libraries Board 1996 Act*. While *The Cities Act* discusses exemptions for libraries it is not clear on how to treat leased locations. Council has the authority to provide property tax exemptions. It is recommended that the property at 331 Albert St. be added to Bylaw No. 2012-27 being *The Properties Exempt From Taxation Bylaw, 2012* so an exemption is in place for the 2012 year and in 2013 and subsequent years the libraries leased locations be added to the Annual Property Tax Exemption Bylaw.

The RPL leases 11,625 square feet out of the total area of 42,632 (27.27%). The 2012 assessment and estimated property taxes for the portion of 331 Albert Street used for the library location are shown in the following table.

331 Albert St	
* For the Portion used by the RPL Library Branch	2012
Assessment (27.27% share)	1,183,154
Property Taxes:	
Municipal	21,977
School	17,114
Library	2,335
Total Taxes	41,426

RECOMMENDATION IMPLICATIONS

Financial Implications

If the recommendation in this report is approved there would be a 2012 property tax exemption provided for 331 Albert Street of \$41,426 with the municipal share being \$21,977. For 2013 the RPL's leased locations would be added to the Annual Property Tax Exemption Bylaw and the report on the bylaw will include the 2013 financial implications.

Environmental Implications

None with regards to this report.

Strategic Implications

The RPL is funded through Property Taxes. If the recommendation in this report is approved an exemption will be provided that is aligned with the intention of legislation that Library Branches be exempt from property taxes.

Other Implications

None with regards to this report.

Accessibility Implications

None with regards to this report.

COMMUNICATIONS

A copy of this report will be provided to the Library and School Boards.

DELEGATED AUTHORITY

This report must be considered by City Council.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Don Barr", with a large, looping initial "D".

Don Barr, Director / City Assessor
Assessment, Tax and Real Estate

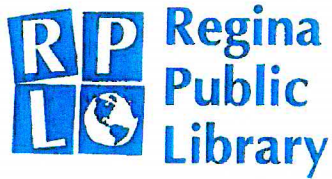
Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Jason Carlston", with a large, looping initial "J".

for

Jason Carlston, Deputy City Manager
Community Planning and Development

DCB/mtl



Library Director's Office
P.O. Box 2311, 2311 – 12th Avenue
REGINA, Saskatchewan
Canada S4P 3Z5
(306) 777-6000
www.reginalibrary.ca

June 19, 2012

Mr. Gerry Krismer
Assistant City Assessor
Assessment and Property Taxation
City of Regina
P.O. Box 1790
2476 Victoria Avenue
REGINA, SK S4P 3C8

Dear Mr. Krismer:

On behalf of the Regina Public Library, I would like to request that two of our library branches be given tax exempt status. The two branches we are requesting tax exempt status for are George Bothwell located in the Southland Mall and Regent Place located in the Market Mall at 331 Albert Street. *The Municipalities Act, 292(1)(k)*, exempts public library property but does not specifically exempt public library occupied space. Historically, public library occupied space has been exempted from property tax, whether or not the library owns the land and/or building. I understand that this request would apply to the 2013 year and beyond.

Secondly, I ask your consideration to have tax exempt status given to the Regent Place branch for the 2012 year. I understand that property taxes have already been levied for the 2012 year and that the property owner of the space occupied by Regent Place (in its temporary location at 309 Albert Street, and as of August this year, in its permanent location at 331 Albert Street) will have already been billed for the portion of the building occupied by the library. However, the Library would appreciate consideration of providing tax exempt status in retrospect to these properties.

Thank you for considering our requests. If you need further information or require clarification about any of the above, please feel free to contact me at 777-6070 or jbarber@reginalibrary.ca.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jeff Barber'.

Jeff Barber
Library Director & CEO

c: Joni Swidnicki, City Clerk

August 7, 2012

To: Members,
Finance and Administration Committee

Re: Municipal Incentive Policy for the Preservation of Heritage Properties -
Application for Property Tax Exemption at 2310 McIntyre Street

RECOMMENDATION

1. That a tax exemption for the property located at 2310 McIntyre Street be approved in an amount equal to the lesser of:
 - (a) Fifty percent of eligible costs as described in Appendix C;
 - (b) \$150,000; or
 - (c) An amount equivalent to the total property taxes payable for the years 2013 to 2017 inclusive.
2. That the provision of the property tax exemption be subject to the following conditions:
 - (a) Eligibility for the property tax exemption includes the requirement that the property possesses and retains its formal designation as Municipal Heritage Property in accordance with *The Heritage Property Act*.
 - (b) The property owner shall submit detailed written documentation of payments made for actual costs incurred (i.e. itemized invoices and receipts) in the completion of identified conservation work, as described in Appendix C. In the event that actual costs exceed the corresponding estimates by more than 10 percent, the property owner shall provide full particulars as to the reason(s) for such cost overruns. It is understood that the City may decline to approve any cost overrun, or portion thereof, if considered not to be reasonably or necessarily incurred for eligible work.
 - (c) Any property tax exemption shall be applied in the year following the completion of the eligible work items or any portion thereof, or in the current year for any work items completed and confirmed by the City prior to December 31, and shall be limited to 50 percent of actual costs.
3. That the City Solicitor be instructed to prepare the necessary agreement and authorizing bylaw for the property tax exemption as detailed in this report.

CONCLUSION

This report seeks the Committee's recommendation to approve an application for property tax exemption submitted by the owner of the municipal heritage property at 2310 McIntyre Street. The owner has requested the property tax exemption to assist in covering the costs associated with conserving the roof, windows, porticos and balconies, and staircases. The Administration has determined that the work is eligible for assistance under the *Municipal Incentive Policy for the Preservation of Heritage Properties*. The work will ensure the building continues to contribute to the architectural character of Regina's Centre Square neighbourhood. If the Committee concurs in the recommendation, a property tax exemption agreement will be prepared to secure the City's interests in ensuring the building is promptly conserved and maintained.

BACKGROUND

On December 19, 2011 City Council approved Bylaw No. 2011-66 designating the property at 2310 McIntyre Street as municipal heritage property.

Existing Council Policy Direction

The *Municipal Incentive Policy for the Preservation of Heritage Properties* was established by City Council to provide property tax exemption as an incentive for the conservation of heritage properties. The policy was originally adopted by City Council on July 29, 1991 and amended on October 22, 2001. The policy has been effective to date with 35 buildings approved under the policy. Financial assistance in the form of a property tax exemption may be granted to the owner of taxable property over a term of up to eight years (ten years for properties in the downtown). The amount of assistance available is a maximum value equivalent to the lesser of:

- (a) Fifty percent of eligible work costs, that is, expenses incurred to restore or preserve architecturally significant elements of a building or structure, to extend its effective life, and/or to ensure its structural integrity;
- (b) \$150,000 (\$250,000 in the downtown); or
- (c) The total property taxes that would otherwise be payable in the five years (eight years for downtown properties) immediately following the year in which the exemption is approved by City Council;

The type of work that may be eligible for assistance are listed below.

- 1. Professional architectural or engineering services.
- 2. Façade (exterior) improvements, including:
 - a. Preservation/restoration of original building elements, including significant architectural detail;
 - b. Cleaning of surfaces, removal of unsympathetic materials and painting required under (a).
- 3. Structural stabilization.
- 4. Improvements required to meet the *National Building Code* (NBC) or City of Regina Bylaw requirements, including the repair or upgrading of mechanical and electrical systems.
- 5. Improvements to energy efficiency (e.g. insulation, windows, furnace). Such work will be evaluated on the basis of its importance to the rehabilitation or restoration of architecturally important or historically significant elements of the building.
- 6. Restoration of architecturally or historically significant interiors or interior elements.

Cosmetic interior work, regular maintenance and new additions are not eligible for assistance.

In general, property tax exemptions are initiated in the fiscal year following City Council's approval of assistance and completion of any or all approved work items, in accordance with any performance guidelines and/or time schedules that may be negotiated between the City and the property owner. It is noted that no abatement of outstanding or current taxes will be negotiated with the property owner.

According to the application procedure, certain information must be provided to the City, including detailed specifications that clearly indicate the type of work and/or degree of finish proposed, two detailed estimates, and a schedule for the work to be undertaken.

DISCUSSION

Heritage Value: The Turgeon International Hostel, built c.1907, is of heritage value for its architectural design and historical association with both the Honourable W.F.A. Turgeon and William Logan. William Logan, a successful businessman, was the first manager of the Northern Bank. The house was constructed for Logan who lived in the house until 1910. The Honourable W.F.A. Turgeon is a figure of local, provincial and national historic significance. He was a politician, lawyer, judge and diplomat and was invested as an Officer of the Order of Canada in 1967 for over a half century of service to his country. He lived in the house from 1910 to 1920.

The building is also of value for its association with the dedicated efforts of Heritage Regina and Hostelling International in the Saskatchewan Region. In 1981, both groups were instrumental in saving the building from demolition which included moving it from its original location at 2320 Angus Street.

Conservation work: A request has been submitted by the owner for approval to undertake certain exterior alterations to the property located at 2310 McIntyre Street, as described in Appendix C. City Council has delegated to the Director of Planning, or his/her delegate, the power to approve alteration of this designated property. The house is symmetrically massed, lacking applied surface ornamentation while retaining traditional Classical features such as the balustraded balcony above the entryway, large wood columns, low-pitched roof, and front gable on the entry portico designed to resemble a Classical pediment. The owner proposes to undertake alterations which will contribute to the conservation of the character-defining roof, windows, portico, porch, balconies and staircases. For more information about the character-defining elements of the building, please refer to Appendix D. The proposed work will be consistent with the direction provided in the *City of Regina's Municipal Architectural Heritage Design Guidelines* as set forth in Schedule A to City of Regina Bylaw No. 2007-78 and national best practices provided in the *Standards and Guidelines for the Conservation of Historic Places in Canada*.

Based on the collective contribution to the improved energy efficiency, prolonged economic life of the subject property, and protection of the building's character-defining elements, the Administration supports the proposed work to conserve the roof, windows, staircases, porticos and balconies as the next step in the current owner's endeavour.

Eligible Costs: The cost to undertake the work described in Appendix C is estimated to be \$86,000. The owner submitted two cost estimates for the work which were reviewed by the Administration. The owner has requested five years of exemption from property taxes (i.e. approximately \$32,000) to assist in covering the costs associated with the work. The Administration has determined that the work is eligible for financial assistance under the policy.

RECOMMENDATION IMPLICATIONS

Financial Implications

The 2012 property assessment based taxes not including the laneway portion are \$5,956.98.

Municipal portion:	\$3,297.66
Education portion:	\$2,305.22
Library portion:	\$354.10

It should be noted that laneway charges will not be exempted as they are a special levy and not a property tax. The maximum value of assistance available to the applicant would be five years of estimated property taxes (i.e. approximately \$32,000 based on a 2.5% annual increase in taxes, which was the increase in taxes between 2011 and 2012). The policy maximum of \$150,000 and 50% of eligible costs (approximately \$43,000) are more than five years of estimated property taxes. If the property tax exemption is granted, the City's share would be approximately \$3,500 on average per year.

Based on acceptance of receipts by the City of Regina for eligible conservation work completed by December 31, 2012, the owner of 2310 McIntyre Street will start to receive the applicable tax exemption beginning in 2013. The owner will have until December 31, 2020 to claim the maximum value of assistance at which time the agreement with the City will conclude. The maximum value of assistance available to the applicant would be five years of estimated property taxes, although the assistance could be spread over an 8 year period.

Section 28 of *The Heritage Property Act* enables municipalities to provide grants, loans, tax relief or other forms of assistance with regard to heritage properties. The *Cities Act* allows municipalities to exempt properties from property taxation for not more than 5 years, but *The Heritage Property Act* includes a “notwithstanding” clause (Part III, Section 28, a.) that allows municipalities to exceed the 5 year limit in providing tax relief for heritage properties.

Environmental Implications

The proposed work forms part of an endeavour to conserve the property at 2310 McIntyre Street, which will ensure its continued contribution to the architectural character of Regina's Centre Square neighbourhood. Conservation of the roof will protect the character-defining elements and contribute to the improved energy efficiency and prolonged economic life of the subject property. Further, the work will contribute to the City's objective of promoting environmentally sustainable development.

Strategic Implications

The proposed work supports the continuing residential use of the property at 2310 McIntyre Street, which responds to the City's vision and strategic priority of managing growth and community development by enhancing the financial and cultural vibrancy of Regina's core.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

Public communications are not required for this application. All heritage properties are listed on the City of Regina website. The Municipal Heritage Advisory Committee, the Regina Public School Board, the Regina Catholic School Division, and the Regina Public Library Board will be provided with a copy of this report.

DELEGATED AUTHORITY

Applications for assistance under the *Municipal Incentive Policy for the Preservation of Heritage Properties* must be approved by City Council.

Respectfully submitted,



Diana Hawryluk
Director, Planning

Respectfully submitted,



for

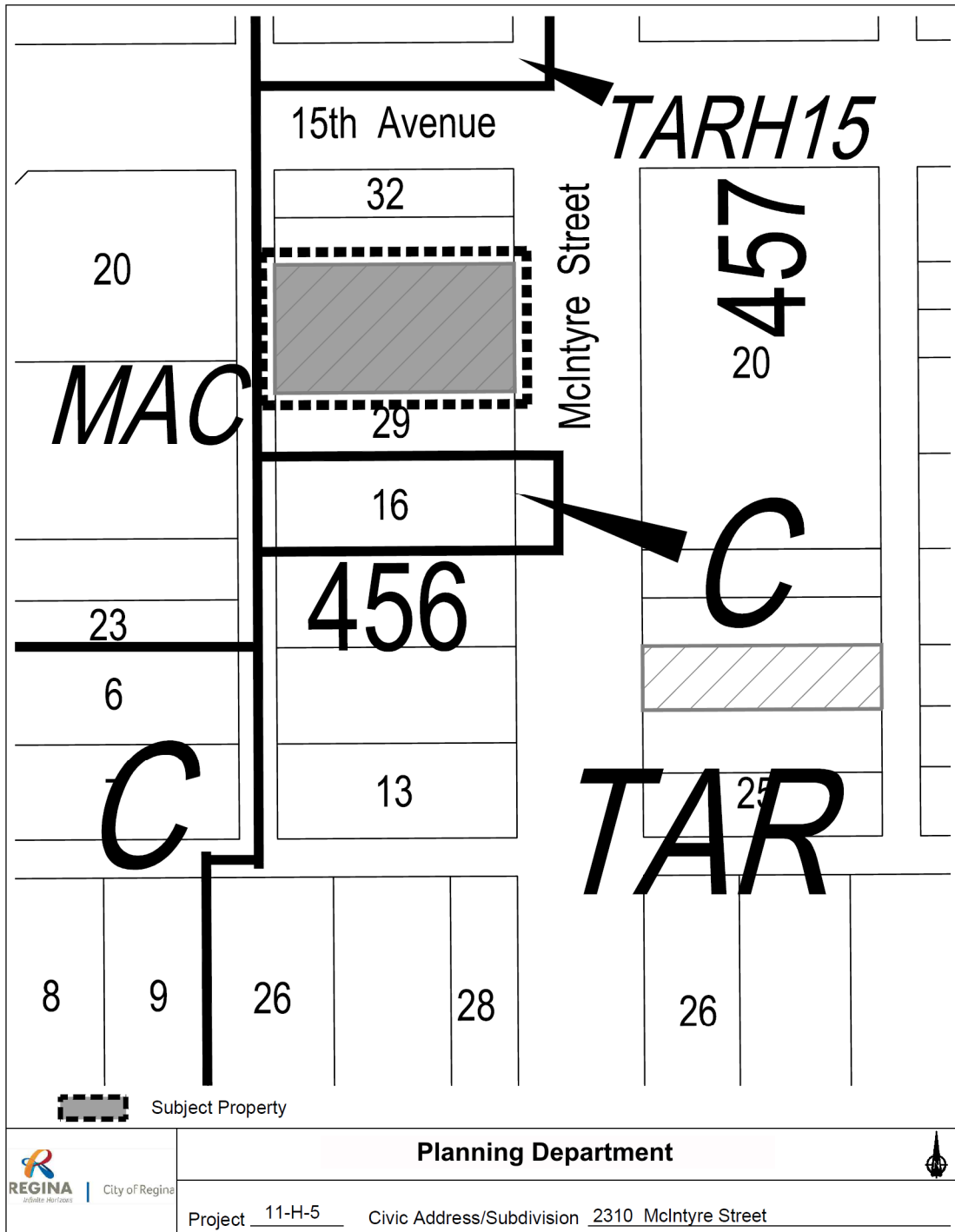
Jason Carlston, Deputy City Manager
Community Planning and Development

LB/fv/ljs

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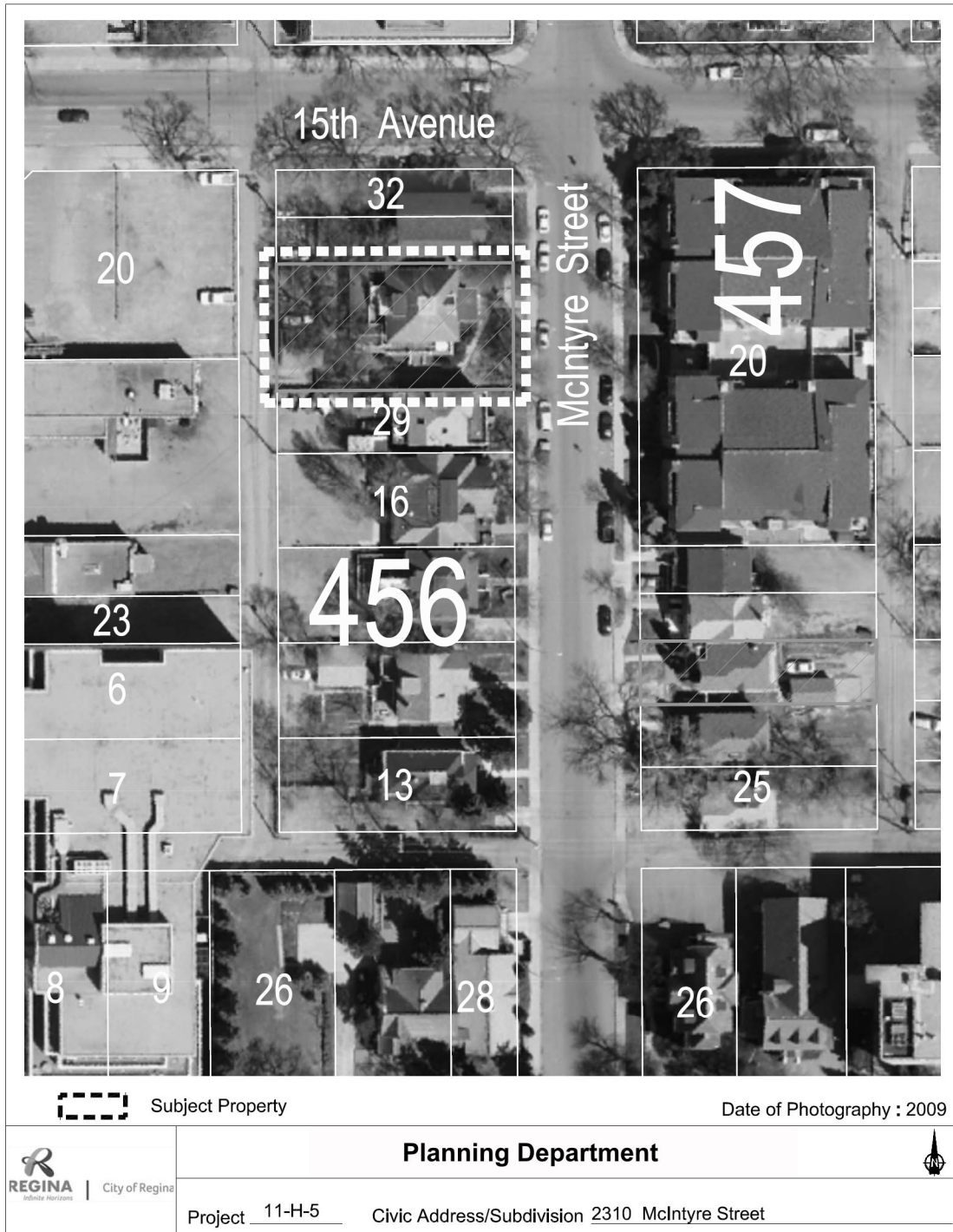
APPENDIX A

Context Map



APPENDIX B

Aerial



APPENDIX C

Conservation Work and Eligible Costs

The project is expected to take eight years to complete, depending on available funds. The total project cost is estimated to be approximately \$80,000 plus other work not described below.

1. Windows

Current condition: Three wood windows are in poor condition. All windows do not date to the original construction of the house but were probably installed when the house was moved to its current location in 1982. Two outward opening awning style windows on the south elevation have deteriorated significantly and need to be replaced. The window on the north elevation is currently fitted with an air conditioner and appears to be of similar age. Most windows are designed as fixed awning style wood windows, which are generally compatible with the style of double-hung sash windows originally used on the house.

Proposed approach: The two windows on the south elevation will be replaced in kind with similar wood, double-glazed awning windows. The window on the north elevation will be replaced with a wood, double-glazed fixed awning window to match the other fixed awning windows used on the south and east facades. As the window on the north elevation is not on a character-defining elevation, the fixed awning style of the window is supportable.

2. Roof

Current condition: The roof assembly as a whole must perform a variety of functions. Generally, the materials and components in the assembly are selected based on the properties that make them suitable for various tasks. The original roof assembly could not be documented as there is insufficient remaining physical and archival evidence. However, site visit observations confirm that the current cedar shingles are in poor condition. There is evidence of water access on the northwest side of the house. The wood shingle roof has deteriorated particularly where the trees were in contact with roofing. Several branches have now been removed to prevent further deterioration. It is unknown if the flashing has been poorly executed, however the flashing will be replaced. Continued deferred maintenance of the roof will lead to further deterioration of the building. In order to protect and maintain the building, the deteriorated or missing parts of the roof assembly will need to be replaced as described below. Roof sheathing should also be checked for proper venting to prevent moisture condensation and water penetration, and to ensure materials are free from insect infestation.

Proposed approach: Replace in-kind with cedar shingles of similar profile. Strip the roof and install cedar shingles. The shingles are #1 grade with an 18 inch length and a 40 year warranty. Install ice and water shield (first 3 feet of eaves and valleys, and low slope area), 26 gauge valley metal (open valleys), 30 lb. felt paper, attic vents, plumbing flashing, and drip edge. The replacement, in kind, of the roofing assembly will not be based on the remaining physical evidence as this is unavailable. Nevertheless, the choice of cedar shingles is based on the type of shingle currently used on the building.

3. Second Floor Balcony (west elevation)

Current condition: The second floor balcony on the west elevation provides access to the fire escape from the third floor. The second floor balcony currently does not have a proper drainage system and there is evidence of water damage in the building. Therefore, the decking of the second floor balcony is in poor condition. There is also evidence that 36" high railings of the stairs leading from the second floor balcony to the third floor balcony are in poor condition.

Proposed approach: Railings leading to the third floor will be replaced with wood to match the existing railings. The wood decking will be selectively replaced in kind. Until the decking is removed, it is unknown if there is further deterioration affecting the roof underneath. If discovered, deteriorated components of the roof will be addressed.

4. Entry Portico (east elevation)

Current condition: The front stairs including the 36" high handrails and newel posts of the first floor entry portico staircase are in poor condition.

Proposed approach: The front stairs and handrails will be replaced to match existing. Deteriorated wood in the two newel posts at the foot of the staircase will be repaired or replaced in kind. The concrete foundation underneath the staircase will be replaced with piles underneath the first step.

5. Porch staircase (south elevation)

Current condition: The porch stairs including the 36" handrails and newel posts of the porch staircase are in poor condition.

Proposed approach: The front stairs and handrails will be replaced to match existing. Deteriorated wood in the two newel posts at the foot of the staircase will be repaired or replaced in kind. The concrete foundation underneath the staircase will be replaced with piles underneath the first step.

Eligible Costs (Estimated)

(a) Structural Repairs, façade restoration	\$86,000
(b) Mechanical/electrical/sewer system upgrades	\$0
(c) Fire and Safety Code enhancements	\$0
(d) Professional fees	\$0

Total Eligible Costs:	\$86,000
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Notes:

- It is recommended that the owner consider including a gentler method of removing existing paint. Rather than pressure-wash the siding, a gentler method should be incorporated into the painter's proposed scope of work.
- Additional vigilance will be required to maintain clear gutters and downspouts given the proximity of the trees to the roof area.

APPENDIX D

Statement of Significance 2310 McIntyre Street – Turgeon International Hostel



Description

The Turgeon International Hostel is a two-and-one-half storey wood frame house located at 2310 McIntyre Street in Regina's Centre Square neighbourhood.

Heritage Value

The Turgeon International Hostel, built in c. 1907, is valued for its architectural design and historical association with both the Honourable W.F.A. Turgeon and William Logan. The historic place has value for its architectural design influenced by the revival of classical architecture in the early twentieth century.

William Logan, a successful businessman, was the first manager of the Northern Bank. The Northern Bank was important in the early development of Western Canada and Regina. The house was constructed for Logan who lived in the house until 1910.

The Honourable W.F.A. Turgeon is a figure of local, provincial and national historic significance. He was a politician, lawyer, judge and diplomat and was invested as an Officer of the Order of Canada in 1967 for over a half century of service to his country. He lived in the house from 1910 to 1920. W.F.A. Turgeon was instrumental in the transition of the area from the North West Territories to the Province of Saskatchewan, both in his capacity as jurist and as the second Saskatchewan Attorney General. He filled the post of Saskatchewan Attorney General between 1907 and 1921. In 1921 he was named to the Provincial Court of Appeal of which he became Chief Justice in 1938. He received the degree of Doctor of Laws from the University of Saskatchewan in 1940, and was appointed to the Privy Council in 1941. Between 1941 and 1956 he held seven ambassadorial posts representing the Government of Canada. He was known as a spokesman for the Francophone community in the province. He is also credited with the development of the provincial telephone system, the University of Saskatchewan, and co-operative elevator system.

The building is also of value for its association with the dedicated and committed efforts of Heritage Regina and Hostelling International in the Saskatchewan Region. In 1981, both groups were instrumental in saving the building from demolition.

Heritage Regina purchased the building and turned it over to Hostelling International (HI). HI moved the house to its current location in 1982 and proceeded to designate the building as municipal heritage property. The building was successfully rehabilitated and opened as the Turgeon International Hostel in 1983.

Character-Defining Elements

Key elements that define the character of the building's classical style include:

- two-and-a-half storey wood frame construction;
- symmetrical façade with central entry portico defined by full height paneled columns, and a frieze and pediment at the first floor;
- entry portico incorporating a second storey balcony with turned columns and balustrades on each level;
- wood sash windows often arranged in pairs;
- steeply pitched hipped roof with wood shingle roofing material;
- walls faced with wood shiplap siding.

August 7, 2012

To: Members,
Finance and Administration Committee

Re: First Nations and Métis Recruitment Strategy - Final Report

RECOMMENDATION

1. That items MN11-4 and FA12-6 be removed from the list of outstanding items for the Finance and Administration Committee.

CONCLUSION

The Administration has developed recommendations and actions that support a First Nations and Métis recruitment strategy within the Regina Fire & Protective Services (RFPS) department. These items are described in detail within the Recommended Next Steps subsection of this report. The Administration anticipates that implementing these recommendations will result in the increased placement of First Nations and Métis people within the RFPS and can be achieved within existing resources. Moreover, the research conducted for this report supports an overall Corporate Diversity Strategy whose long term goal will be to ensure the City of Regina's workforce is representative of the community it serves.

BACKGROUND

On April 26, 2011, City Council requested that the Administration prepare a report on First Nations and Métis recruitment in the RFPS department, returnable to the Finance and Administration Committee within six months (MN11-4). The report was to:

1. Detail the current approach and past successes;
2. Consider emerging best-practices and opportunities;
3. Incorporate any relevant legal considerations;
4. Incorporate stakeholder input; and
5. Provide options and recommendations for a First Nations and Métis recruitment strategy for RFPS along with the associated budgetary implications and required timelines.

The Administration completed a report and presented its findings to the Finance and Administration Committee on March 6, 2012. The committee, through item FA12-6, directed that the report be referred back to the Administration to develop a strategy on First Nations and Métis recruitment and provide a progress report to the Finance and Administration Committee on May 1, 2012, with the final report presented to the Committee on August 7, 2012. The May 1, 2012 report outlined the current progress of research into best-practices, recruitment initiatives and stakeholder consultation.

This report is being provided in response to the March 6, 2012 resolution.

DISCUSSION

The Administration recognizes that more can be done to improve workforce diversity, and in particular, the participation of the First Nations and Métis peoples. The RFPS functions as a department within the City Administration's organizational structure. It is important, therefore, to be mindful that actions taken by the RFPS department need to be consistent with the policies and direction of the Corporation and the Human Resources department.

In response to Council's motion MN11-4 and item FA12-6, the following information is presented for the committee's consideration:

Current Approach and Past Successes

As of December 2011, 7.8 per cent of RFPS employees have self-identified as being of First Nations or Métis ancestry. This is consistent with the overall corporate percentage. In the five RFPS recruitments conducted between 2006 and 2011, 15.4 per cent of the personnel hired were of self-declared First Nations or Métis ancestry. It is important to note that this hiring rate average of 15.4 per cent is in line with the Saskatchewan Human Rights Commission's hiring rate recommendation of 15.3 per cent.

Before someone can apply to join the RFPS department, they need to be trained and certified as a fire fighter and primary care paramedic. The RFPS does not operate a fire fighter training and certification program, instead training and certification is provided through third party accredited institutions. The cost to receive the training runs between \$10,000 and \$30,000. The RFPS has taken steps to promote diversity. The current Regina Professional Fire Fighters' Association, Local 181, International Association of Fire Fighters Collective Bargaining Agreement with the City of Regina includes a Letter of Understanding respecting employment equity (see Appendix A).

In the past, the RFPS did operate a training and certification program that provided greater opportunity to successfully recruit and train First Nations and Métis fire fighters. The operation of a fire fighter training and certification program allowed the RFPS the flexibility to select candidates with no prior fire fighter qualifications, and to train and certify them internally. In 1998, the RFPS ceased operating its own training and certification program and began requiring applicants to come with minimum pre-employment fire fighter qualifications acquired from an accredited training institution. This change was implemented in order to reduce the overall costs associated with recruitment by bringing already fully qualified applicants to the department's interview process. The market was able to stand this change and has resulted in the continued provision of more than enough qualified applicants to meet recruitment needs.

Emerging Best-Practices and Opportunities

Police Service Best-Practices

During discussions of items MN11-4 and FA12-6, the Finance and Administration Committee made reference to the Police Service as an example of best practice. The RFPS made contact with the Police Service to determine the recruitment practices they use and understand the successes they have had with recruiting First Nations and Métis police officers.

The vast majority of police organizations engage in Selection Point and Pre-Hire programs. The Regina Police Service (RPS) hires and provides the new employees with the appropriate training

at RPS's expense. This process allows them to broaden their target recruitment and advertising strategies, and in so doing expands the diversity opportunities within their overall recruitment pools.

In Saskatchewan, police recruit training is facilitated either through the "Depot" Division for the Royal Canadian Mounted Police (RCMP) or the Saskatchewan Police Commission for other city police services such as Regina, Saskatoon, Prince Albert and Moose Jaw. The Provincial Police Commission provides centralized recruit training for municipal police forces through the Saskatchewan Police College at the University of Regina. Once hired and sworn in by a Saskatchewan municipal Police Service, the candidates attend the Saskatchewan Police College for an 18-week recruit training program.

The majority of costs associated with recruit training at the Saskatchewan Police College are incurred by the Province. However, RPS partners with the Province on this initiative by providing subject matter experts to deliver instruction at the College. While attending recruit training, RPS pays the annual salary of the incumbent, which is approximately \$47,000.

The Police Service, in general, has also been successful in the development of outreach programs focused on diversity. Many departments will advertise to specific target groups (e.g., youth, women, Aboriginal) and create specific programs tailored to these groups, such as the cadet programs. Some of the programs examined were targeted at mentoring and coaching Aboriginal young adults, ages 18 to 30, who have demonstrated a desire to become police officers. Typically, the program is conducted within a three month period throughout the summer, during which candidates are paid upwards of \$22 per hour. Other police organizations offer a cadet program focused on youth that are 15 to 20 years of age. Although RPS does not have the same level of visibility around Aboriginal recruitment as some police organizations, it does have an association with the Saskatchewan Institute of Applied Science and Technology, which offers an Aboriginal Police Preparation Program (APPP). This program helps candidates prepare for the recruitment process.

Fire Service Best-Practices

Similar to the RFPS, the majority of career fire departments require minimum fire fighter pre-employment qualifications obtained through an accredited training institution. In October 2011, the RFPS conducted a diversity recruitment survey of fire departments across Canada.

Of those departments that responded, the approach was varied. A small number had a diversity recruitment strategy; one department had an informal program; two were Equal Opportunity employers; two stated they had formal programs; three identified that they had partnerships with stakeholders such as community groups, colleges, schools, federations, or associations; and four identified that their diversity strategy was part of an overall corporate initiative.

The RFPS also conducted a detailed examination of the recruitment processes of the major cities within Saskatchewan, Manitoba and Alberta. In Saskatchewan, the four largest cities of Saskatoon, Regina, Prince Albert and Moose Jaw require very similar minimum fire fighter pre-employment qualifications. Looking at cities in Manitoba and Alberta reveals similarities to the RFPS. Departments in Winnipeg, Brandon, Medicine Hat and Grande Prairie require minimum fire fighter pre-employment qualifications from an accredited training institution. Conversely, the cities of Calgary, Edmonton and Lethbridge currently operate their own recruit training and certification program.

Regarding a diversity recruitment strategy, it was identified that the operation of a department recruit training and certification program might assist in Selection Point and Pre-Hire programs, similar to those of the Police Service. Focused interviews were conducted by the RFPS with Calgary and Edmonton Fire departments in order to determine the costs and benefits of operating a recruit training and certification program in relation to recruitment diversity. It was interesting to note that Calgary does not have issues attracting a diverse workforce while Edmonton has initiated a proactive recruitment process to attract diverse candidates.

Relevant Legal Considerations

The Office of the City Solicitor has had an opportunity to review and advise with respect to this report.

Stakeholder Input

The RFPS has consulted with accredited fire and emergency response training academies, namely Parkland College (Yorkton, SK), Manitoba Emergency Services College (Brandon, MB) and Lakeland College (Vermillion, AB). Discussions focused on topics such as partnerships, pre-hire support, practicum and improved First Nations and Métis enrolment initiatives. Each of these colleges has expressed interest in developing a formal partnership with the City of Regina in regards to a First Nations and Métis recruitment strategy for the RFPS.

Several follow-up meetings were conducted between the RFPS and Parkland College. The College has worked with Saskatchewan First Nations Reserves and Tribal Councils for over 30 years. They have a proven track record of engaging First Nations and Métis people within their educational programs, including the Fire Training program. Senior staff members at the College have indicated they would be interested in developing a Memorandum of Understanding (MOU) with the RFPS regarding a First Nations and Métis fire fighter recruitment strategy.

The RFPS has consulted with several leaders within the First Nations community. Meetings were conducted with the Chief and a Band Councillor from Carry the Kettle First Nations and Mr. Elmer Eashappie, an advisor to the City during the Treaty 4 flag raising ceremony. During these discussions, RFPS representatives were able to gain valuable cultural insight and were provided with subsequent contacts to assist with further information gathering and relationship building.

A representative from the City of Regina Human Resources department met with representatives of the First Nations Employment Centre (FNEC) to discuss a possible partnership and funding opportunities for First Nations youth interested in attending Fire College and applying to the RFPS. FNEC showed interest in this opportunity; however, more discussions will need to take place and the earliest implementation for this potential initiative would be September 2013.

The financial assistance offered to Saskatchewan's First Nations and Métis students for post secondary education differs. First Nations students receive financial assistance, for the most part, through their individual bands. Human Resources contacted the Cote First Nation for information on how post-secondary funding works within their Band and, more specifically, how this could increase the number of First Nations people registering in fire colleges. Both First Nations and Métis students may receive financial assistance by application to the Government of Saskatchewan's Ministry of Advanced Education, Employment and Immigration. All applications to the Ministry are processed in the order in which they are received.

A meeting was conducted with representatives from the Emergency Management and Fire Safety Branch within the Ministry of Corrections, Public Safety and Policing. Currently, the Ministry has no present or planned initiatives to increase qualified First Nations or Métis fire fighters within the Province. At this time, the Branch works with the Saskatchewan Volunteer Fire Fighters Association, which includes a First Nations division. The Emergency Management and Fire Safety Branch is interested in pursuing further discussions regarding improved fire fighter qualifications and employment within First Nations and Métis communities.

Letters of support have been and will continue to be provided by the Human Resources department in collaboration with the RFPS in order for Aboriginal individuals to access funding and provide them with valuable information regarding fire fighter requirements. In addition, recently hired Aboriginal employees within the Human Resources department will be a valuable resource in working towards the goal of increasing the number of Aboriginal employees in the RFPS as well as within the Corporation. They will act as liaisons, utilizing their personal and cultural knowledge and contacts.

Recommended Next Steps

1. Review of the Current Fire Fighter Recruitment Process

It is recommended that the RFPS, in conjunction with the Human Resources department, conduct a comprehensive review of its fire fighter recruitment process. As stated earlier in this report, the current percentage of RFPS employees that self-identified as being of First Nations or Métis ancestry is 7.8 per cent. As well, recruitments conducted between 2006 and 2011 have resulted in 15.4 per cent of the personnel hired during that time to be of self-declared First Nations or Métis ancestry.

It is anticipated that the RFPS could increase the number of Aboriginal persons hired by reviewing and enhancing its existing recruitment process. The Administration will undertake a comprehensive review of the RFPS recruitment activities that includes:

- a. Reviewing staff advertisements and locations where opportunities are posted;
- b. Analyzing the interview questions, candidate assessment factors and weighting while maintaining current standards;
- c. Identifying factors that may have resulted in Aboriginal candidates being screened out;
- d. Determining relevant demographical and cultural information;
- e. Identifying barriers for First Nations and Métis candidates; and
- f. Developing a plan to address identified issues and barriers.

2. Develop a Formal Partnership with Parkland College

It is recommended that the RFPS establish a formal partnership with Parkland College, which is accredited to deliver a pre-employment fire fighter training program, with a focus on improving the intake of Aboriginal students and subsequently increasing the opportunity for successful recruitment of First Nations and Métis students. In collaboration with RFPS staff, senior staff at Parkland College are developing a MOU between the RFPS and Parkland College. The MOU would detail the roles of each agency and outline strategies to responsibly increase the numbers of First Nations and Métis people within the Parkland College Fire Training program. This would create the opportunity for more First Nations and Métis graduates to join the RFPS workforce.

In anticipation of moving towards a formal partnership with the RFPS, Parkland College has conducted several meetings with key First Nations representatives from the File Hills Qu'Appelle Tribal Council, Yorkton Tribal Council and Saskatchewan Indian Gaming Authority.

The MOU between the RFPS and Parkland College has many benefits to offer such as:

- Offering a Workplace Essential Skills program to assist First Nations or Métis people who are interested in a fire fighting career but may require some prior academic tutorials to prepare;
- Ensuring a steady source of qualified candidates possessing internationally recognized fire fighter certifications;
- Sharing an existing strong relationship with local First Nations Reserves and Tribal Councils;
- Increasing opportunities for First Nations and Métis graduates from their programs to apply for vacancies at RFPS;
- Allowing the flexibility to customize training programs to meet City of Regina Corporate and RFPS workforce needs;
- Providing access to First Nations Recruitment Funding programs, where students can develop a career path to receive on-going funding; and
- Sharing advertising options and resources with access to Tribal Councils, Aboriginal newspapers and urban First Nations and Métis people.

3. Corporate Diversity Strategy

It is recommended that an overall corporate diversity strategy be developed over the next two years and include persons from all diversity groups. Aboriginal recruitment and retention will be a component of the corporate strategy. The Human Resources department will develop an overall Corporate Diversity Strategy and other activities which will support increasing employment opportunities for Aboriginal people and other diversity groups.

There are genuine business advantages derived from hiring and retaining people from a diverse set of social and cultural backgrounds including the opportunity to access a wider range of skills, knowledge, experience and perspectives which leads to increased organizational capacity, employee engagement and overall customer satisfaction. A corporate diversity strategy promotes a welcoming environment that demonstrates to the public and prospective residents of Regina that the City welcomes and embraces equity, diversity and inclusivity.

Given Saskatchewan's economic strength, there is an increase in the competition for workers and as such, leading employers are developing and implementing strategies to improve their recruitment and retention of all workers; including specific strategies to recruit and retain First Nations and Métis employees. A Corporate Diversity Strategy at the City of Regina will focus on the attraction and the retention of employees in targeted groups. Increasing focus on building a diverse workforce and attracting First Nations and Métis people and immigrant workers will offer the City a strong solution towards meeting the growing demand for talent.

In the interim, Human Resources and RFPS will advance the following outreach, marketing and internal support initiatives by:

- Targeting appropriate educational institutions for outreach activities;
- Participating in local career fairs held by organizations such as the Saskatchewan Indian Institute of Technologies, First Nations University of Canada and the Gabriel Dumont Institute;
- Working with AboriginalLink, a premier and direct communications service to the Canadian Aboriginal market, in order to promote the City of Regina as an employer of choice for Aboriginal people;
- Establishing long-term relationships and partnerships with schools, agencies, organizations and Aboriginal groups; and
- Delivering workshops such as Engaging and Consulting with Aboriginal People and Aboriginal Myths and Misconceptions sessions at the City to better understand Aboriginal culture.

As well, Human Resources, in collaboration with RFPS, will explore the merits of more focused programs and activities such as:

- Promoting fire fighting opportunities through the development and distribution of a recruitment brochure targeted towards Aboriginal people and the community as a whole;
- Targeting public information displays at unique and select locations;
- Ensuring that the community in general, and specifically the Aboriginal community, is made aware that the City of Regina is looking to increase its workforce diversity;
- Participating in the annual Treaty 4 Gathering, which is hosted by the File Hills Qu'Appelle Tribal Council, held at Fort Qu'Appelle, Saskatchewan;
- Attending the annual National Treaty Gathering and the Education Conference (career fair);
- Co-ordinating presentations at post-secondary institutions and high schools to market fire fighter employment opportunities;
- Developing a fire fighter mentorship program for young urban Aboriginal children – similar to a “big brother” program; and
- Researching the development of an internal Aboriginal network that would bring together Aboriginal people employed by the City and could involve an annual one-day conference for people from this group to network and identify challenges and opportunities as employees of the City of Regina. This could then be further developed to provide this same opportunity for other identified groups.

RECOMMENDATION IMPLICATIONS

Financial Implications

The actions outlined in this report will be delivered through existing resources. Funding for additional or accelerated initiatives will be identified through the normal budget development process.

Environmental Implications

None with respect to this report.

Strategic Implications

The recommendations outlined in this report support the City's vision.

Other Implications

The approach outlined in this report provides the City with a greater ability to draw potential employees from a large and diverse pool of candidates, ensuring the City of Regina's workforce is representative of its community.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

None specifically with respect to this report at this time. The Administration has consulted internally and with a wide group of stakeholders. Communication plans will be developed specific to some of the initiatives outlined in the report when appropriate.

DELEGATED AUTHORITY

The Recommended Next Steps are within the delegated authority of the City Manager, pursuant to Bylaw 2003-70. Removing items from the outstanding items list requires approval of the Finance and Administration Committee.

Respectfully submitted,



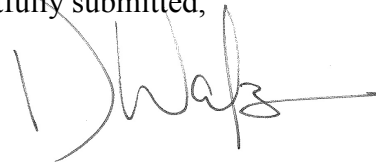
Pat Gartner, Director
Human Resources

Respectfully submitted,



Rick McCullough, Director
Regina Fire & Protective
Services

Respectfully submitted,



W. Dorian Wandzura, Deputy City Manager
& COO
City Operations

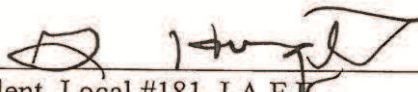
APPENDIX A
LETTER OF UNDERSTANDING
BETWEEN
THE CITY OF REGINA
AND

THE REGINA PROFESSIONAL FIREFIGHTERS ASSOCIATION, LOCAL #181

Re: Employment Equity

The Parties are committed to Employment Equity and the joint development, implementation, monitoring, evaluation and updating of the Employment Equity Plan as approved by the Saskatchewan Human Rights Commission.

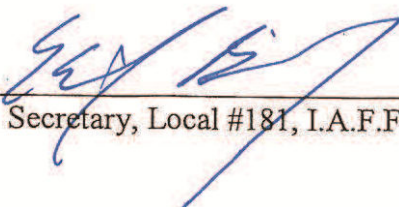
The Parties agree to promote employment equity opportunities and equitable treatment for persons of Aboriginal ancestry, persons with disabilities, visible minority persons, women and such other groups as may be identified and/or agreed to by the Parties.



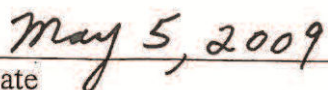
President, Local #181, I.A.F.F.



Director of Human Resources



Secretary, Local #181, I.A.F.F.



Date

September 4, 2012

To: Members,
Finance and Administration Committee

Re: Reserve Balances in Comparison to Minimum and Maximum Target Balances

RECOMMENDATION

1. That \$233,000 be transferred from the Small Tools Fleet Replacement Reserve to the General Civic Fleet Replacement Reserve.
2. That this report be forwarded to the September 17, 2012 meeting of City Council for approval.

CONCLUSION

Section 8.1 in Schedule A of *The Regina Administration Bylaw* requires the Deputy City Manager & CFO to submit a report to City Council by September 30th of each year that ensures reserves have an appropriate balance.

A review has been conducted on the City reserves minimum and maximum target balances. Reserve balances that fall outside their minimum and maximum balances are presented in the report and either have a transfer requested or an explanation for their shortfall or overage.

BACKGROUND

In 2011, minimum and maximum target balances were established for some reserves in order to help ensure an appropriate balance remains in these reserves that is neither too high nor too low. The target balances were inserted into Schedule A of *The Regina Administration Bylaw*.

Section 8.1 in Schedule A of *The Regina Administration Bylaw* requires the Deputy City Manager & CFO to submit a report to City Council by September 30th of each year that includes the following:

- (a) a list of every reserve in Schedule A that as of the previous December 31st had a balance that is greater than its maximum target balance or less than its minimum target balance;
- (b) a list of recommended transfers to and from the reserves set out in clause (a) that will bring these reserves within the target minimum and maximum ranges;
- (c) where there are reserves that are to remain outside the range, a three year plan that sets out how these reserves will be replenished or reduced to the target minimum and maximum ranges; and
- (d) where the conditions in clauses (b) and (c) cannot be met, the report shall advise of the rationale for not replenishing or reducing the reserve balance.

Therefore this report addresses this section of *The Regina Administration Bylaw*.

DISCUSSION

As of December 31, 2011 the following reserves are outside of their target minimum and maximum range:

	\$ (000's)		
	December 31, 2011		
	Balance	Target Minimum	Target Maximum
General Fund Reserve	35,946	15,525	31,051
Facilities Reserve	-	100	750
Fleet Replacement Reserve			
General Civic Fleet	855	2,500	5,500
Fire Fleet	-	450	900
Transit Fleet	201	1,800	3,600
Small Tools Fleet	317	42	84

In accordance with Section 8.1 in Schedule A of *The Regina Administration Bylaw* we recommend the following:

General Fund Reserve and Facilities Reserve – based on planned 2012 reserve transfers it is expected that these reserves will be within their target ranges by December 31, 2012. Therefore, no additional transfers are recommended at this time.

Fleet Replacement Reserves – due to a portion of the mill rate now being dedicated as an inflow to this reserve it is expected that this reserve will increase in the next few years. Based on projections Fire and Transit are expected to increase and be within their target ranges by 2012 and 2013, respectively. General Civic is not expected to be within its target range until the end of 2016. We recommend a transfer from Small Tools to Civic for \$233,000 which will result in Small Tools being approximately at its maximum targeted balance.

For information purposes the following reserves are within their target minimum and maximum range:

	\$ (000's)		
	December 31, 2011		
	Balance	Target Minimum	Target Maximum
General Utility Reserve	49,292	33,000	80,000
Solid Waste Reserve	10,752	300	13,000
Land Development Reserve	8,364	2,000	12,000
Asset Revitalization Reserve	4,794	-	10,000
Winter Road Maintenance Reserve	3,523	3,523	3,923
Golf Course Reserve	850	500	2,000
Planning and Sustainability Reserve	781	500	7,000
Cemetery Reserve	479	-	625
Pest Management Reserve	137	-	700

RECOMMENDATION IMPLICATIONS

Financial Implications

The financial implications are to ensure that all reserves maintain their year-end balances between the approved minimum and maximum target balance for each reserve, as identified in the Reserve Policy.

The \$233,000 transfer from the Small Tools Fleet Replacement Reserve to the General Civic Fleet Replacement Reserve will result in the Small Tools Fleet Replacement Reserve being within the targeted range of \$42,000 to \$84,000.

Environmental Implications

None related to this report.

Strategic Implications

Reserves with appropriate balances assist the City in having funds to meet its goals and priorities.

Other Implications

None related to this report.

Accessibility Implications

None related to this report.

COMMUNICATIONS

None related to this report.

DELEGATED AUTHORITY

The disposition of this report requires Council approval.

Respectfully submitted,



Chuck McDonald, Director
Finance

Respectfully submitted,



Brent Sjoberg
Deputy City Manager and CFO

September 4, 2012

To: Members,
Finance and Administration Committee

Re: Annual Status Report on City Debt

RECOMMENDATION

That this report be forwarded to City Council for information.

CONCLUSION

The City's Debt Management Policy requires the Director of Finance to annually report to Council the status of City debt in the context of its debt limit and debt ratios to help determine the affordability of its debt.

This report shows that the City's consolidated debt appears to be reasonable within the affordability measures as of December 31, 2011. Debt will be monitored to ensure this continues to be the case considering the forecast debt borrowings in the future.

BACKGROUND

In 2011 the Administration created a Debt Management Policy and presented it to Executive Committee. The policy establishes a set of parameters by which public debt obligations will be undertaken by the City of Regina. This policy reinforces the commitments by the City to manage the financial affairs that will minimize risk and ensure transparency while still meeting the capital needs of the City. A clearly laid out Debt Management Policy signals to the public, as well as credit agencies, that the City takes debt management seriously and is using a policy approach to finance capital needs.

The City's Debt Management Policy requires the Director of Finance to annually report to Council the status of City debt. Therefore this report discusses the City's debt in the context of its debt limit and debt ratios to help determine the affordability of its debt.

DISCUSSION

The affordability of debt will be examined as of December 31, 2011 using the debt limit and three measures in the Debt Management Policy which are: Debt burden percentage, Debt Capitalization Ratio, and Debt Service Ratio. Debt, revenues and expenses are consolidated and include: City of Regina, Regina Downtown Business Improvement District, Regina Public Library, Regina Regional Opportunities Commission, Regina's Warehouse Business Improvement District and Buffalo Pound Water Administration Board.

Debt Limit

The City's debt limit is \$200 million with approximately \$92 million outstanding as of December 31, 2011. The City applied to the Saskatchewan Municipal Board in May 2012 to have its debt limit increased to \$350 million in order make room for future debt borrowings. The debt limit increase is intended for projects such as the Mosaic Stadium replacement and the waste water treatment plant. Future debt will only be issued as required, and with City Council's approval.

Debt Burden Percentage

Calculation: Consolidated Debt Interest and Principal Payments/Total Consolidated City Expenditures

This ratio measures the City's debt service burden as a percentage of total City expenditures. The target for this ratio is intended to maintain the City's long-term operating flexibility to finance existing capital requirements and new capital projects. A high ratio suggests that a municipality has relatively little budget flexibility (in that it has taken on too much debt). It could also mean that the municipality has taken an aggressive approach to debt repayment and is paying down the debt quicker to avoid interest costs.

A low debt service ratio could imply that a municipality is strong financially and is able to finance most capital projects through the operating budget. It may also mean that a municipality is financially weaker and has deferred capital projects and allowed important infrastructure to deteriorate. Credit rating agencies normally recommend that this ratio not exceed 5%.

The City of Regina's debt burden percentage was 3.2% at December 31, 2011 and has ranged from 2.1% to 3.8% in the past five years. This ratio will be monitored as the City's plans to borrow significant debt in the future.

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Burden Ratio	3.8%	2.5%	2.1%	3.4%	3.2%

Debt Capitalization Ratio

Calculation: Total Consolidated Debt/(Accumulated Surplus and Consolidated Debt)

This ratio measures what percentage of City capital comes from debt. A City that relies too much on debt capital could be in a position of being over-leveraged and thus limit their access to capital markets. Conversely, a City that fails to strategically access debt as a means of capital may fail to optimize its funding mix which may lead to not accessing low-cost funding to invest in capital infrastructure. Typically this ratio should be less than or equal to 5%. Although there is no specific targeted ratio per say, it is suggested that this ratio be no higher than the debt service ratio being proposed (i.e. 5%). Credit rating agencies become concerned when this ratio exceeds 10%, as it signals that a local government's proportion of capital as debt may be too high.

The City of Regina's debt capitalization ratio was 7% at December 31, 2011 and has ranged from 2.9% to 9.7% in the past four years. Although 7% is higher than the suggested 5% target, it is low relative to Saskatoon, Winnipeg, Calgary and Edmonton (which averaged 12.8% using 2010 figures) and is not significantly higher than the target. Again this ratio will be monitored as the City's plans to borrow significant debt in the future.

Debt Service Ratio

Calculation: Consolidated Debt Interest and Principal Payments/Consolidated Revenues

This ratio takes the percentage of annual interest and principal payments on debt to total City revenues. This ratio indicates the amount of own-source revenue that is being used to service the municipality's debt. A high debt servicing ratio implies that there is less revenue available for providing services. It is recommended that a service of the debt burden of the City should not exceed 5% of its annual total revenue. For general purpose governments, rating agents tend to consider ratios in excess of 10% to be the threshold at which debt service begins to 'crowd' other operating priorities out of the budget.

Market factors affecting debt servicing costs include interest rates and inflation. Interest costs are affected by the interest rates and length of borrowing. Interest rates can significantly affect the interest costs. The longer the time for financing also results in a higher interest cost (which occurs as investors demand a premium for investing their money for an extended period of time).

Inflation impacts interest costs. When inflation increases, interest costs are also higher because future dollars will be worth less than current dollars. Investors will want to offset their lower purchasing power by knowing they will get a higher return (interest) on their investment. When determining the cost of borrowing, projections are made on both the anticipated interest rates and inflation rates.

The City of Regina's debt service ratio was 2.5% at December 31, 2011 and ranged from 1.8% to 3.2% in the past five years. Currently this ratio is below the benchmark of 5%. This ratio will also be monitored as the City's plans to borrow significant debt in the future.

Overall this report shows that the City's debt is within the affordability measure as of December 31, 2011. However, the debt should be monitored to ensure this continues to be the case, considering the significant debt borrowings in the future.

RECOMMENDATION IMPLICATIONS

Financial Implications

This analysis is intended to ensure that all debt issuances and obligations are affordable and assessed using the debt affordability ratios, as per the criteria identified in the Debt Management Policy. It is important to consider all three ratios and their historical trends, as opposed to isolating specific measures or points in time from a decision-making perspective.

Environmental Implications

None related to this report.

Strategic Implications

Reviewing the status of debt with regards to affordability measures helps ensure the City's debt is effectively managed. The financial implications are to ensure that all debt issuances and obligations are affordable and assessed using the debt affordability ratios, as per the criteria identified in the Debt Management Policy. Financial implications include annual debt servicing costs.

Other Implications

None related to this report.

Accessibility Implications

None related to this report.

COMMUNICATIONS

This report will be posted on Regina.ca>Open Government>Open Info, and provided to the public upon request.

DELEGATED AUTHORITY

As per the Debt Management Policy we recommend this report be forwarded to Council as an information item.

Respectfully submitted,



Chuck McDonald, Director
Finance

Respectfully submitted,



Brent Sjoberg
Deputy City Manager and CFO

TF/CS/BDS:a

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September 4, 2012

To: Members,
Finance and Administration Committee

Re: Portions of NW & NE 1/4 Section 8, Township 18, Range 19, W2M
& Portions of NW & NE 1/4 Section 9, Township 18, Range 19, W2M
Roadway Dedication of Land to Her Majesty the Queen in Right of Saskatchewan

RECOMMENDATION

1. That the dedication of land to Her Majesty the Queen in right of Saskatchewan be approved under the terms and conditions shown in the body of this report;
2. That the City Manager be authorized to finalize the terms and conditions of the road right-of-way dedication documents;
3. That the City Clerk be authorized to execute the legal Plan of Survey and any other legal land transfer documents as provided by the City Solicitor; and
4. That this report be forwarded to City Council September 17, 2012 for consideration in order for public notice to be given.

CONCLUSION

When considering the sale of any City-owned land, the Administration normally ensures that the land is made publicly available. In this case, the subject land is proposed for road right-of-way dedication without any public process and at less than market value. The R.M. of Sherwood approached the City and stated that this land is necessary for the proposed widening of Inland Drive and Fleet Street (see attached Appendix A).

BACKGROUND

The subject property is part of the R.M. of Sherwood's road construction project to widen Inland Drive and Fleet Street along the west portion from Inland Drive to the CNR rail crossing.

The subject property has never been made publicly available for sale. Subsection 101 (1) of *The Cities Act* stipulates that "No council shall delegate: (k) ...the sale or lease of land for less than fair market value and without a public offering". Accordingly, City Council's approval of this land dedication is required and is the subject of this report.

DISCUSSION

The R.M. of Sherwood is requesting the City to dedicate that portion of the subject property into road allowance as referenced on the attached Appendix A. Fleet Street from Highway 46 to Inland Drive, and Inland Drive from Fleet Street to Highway 6 make up the northeast section of the over-dimensional route around the City of Regina. Whenever an over-dimensional load is bypassing the City from the east to the north or the north to the east, this over-dimensional route is used. Having over-dimensional vehicles use this route benefits the City by not exposing its

bridges and overhead structures to the risk of being struck. In addition, over-dimensional vehicles tend to be heavy and slow-moving; by not entering the City, they do not impact roads or city traffic. Currently, there are times of the year when the over-dimensional route is unavailable due to weather conditions. By widening and improving the condition of the road this will allow the City to route over-dimensional loads year-round.

The proposed land dedication will include the following terms and conditions:

Purchaser:	Her Majesty the Queen in right of Saskatchewan
Purchase Price:	\$1.00 + GST
Additional Costs:	The R.M. of Sherwood shall be responsible for all costs associated with the preparation of the required Plan of Survey, and land registration fees
Property Description:	<p>The most Northerly 15.0 metres in perpendicular width throughout of the NW ¼ of Section 8, Township 18, Range 19, West of the Second Meridian</p> <p>The most Northerly 15.0 metres in perpendicular width throughout of the NE ¼ of Section 8, Township 18, Range 19, West of the Second Meridian</p> <p>The most Northerly 15.0 metres in perpendicular width throughout of the NW ¼ of Section 9, Township 18, Range 19, West of the Second Meridian</p> <p>The most Northerly 15.0 metres in perpendicular width throughout of the NE ¼ of Section 9, Township 18, Range 19, West of the Second Meridian</p> <p><u>Excepting thereout:</u> all that portion shown as Parcel A, Plan 101080853</p> <p>The most Easterly 43.528 metres in perpendicular width throughout of the NE ¼ of Section 9, Township 18, Range 19, West of the Second Meridian</p> <p><u>Excepting thereout:</u> all that portion taken for Roadway on Reg'd Plan No. 67R30923</p> <p>The most Easterly 43.528 metres in perpendicular width throughout of the SE ¼ of Section 9, Township 18, Range 19, West of the Second Meridian lying North of Plan 101123345</p> <p><u>Excepting thereout:</u> all that portion taken for Roadway on Reg'd Plan No. 67R30923</p>

Possession Date:

Closing Date

Closing Date:

Within 30 days upon receipt of a Transform Approval Certificate and Plan of Survey

Other Terms:

Conditional upon the approval of City Council

RECOMMENDATION IMPLICATIONS

Financial Implications

The sale of this property is at a nominal value of \$1.00 + GST.

Environmental Implications

None associated with this report.

Strategic Implications

The dedication of the roadway allowance will benefit transportation by maintaining and upgrading an over-dimensional vehicle route.

Other Implications

None associated with this report.

Accessibility Implications

None associated with this report.

COMMUNICATIONS

The R.M. of Sherwood shall be kept informed on the progress of this land dedication.

DELEGATED AUTHORITY

As provided in clause 101 (1) (k) of *The Cities Act*, the sale of City-owned property without a public offering and at less than market value cannot be delegated to the Administration; therefore, it requires the approval of City Council.

Respectfully submitted,



Don Barr, Director / City Assessor
Taxation/Assessment/Real Estate

Respectfully submitted,



for

Jason Carlston, Deputy City Manager
Community Planning and Development

Appendix A

