



FINANCE AND ADMINISTRATION COMMITTEE

**Tuesday, September 30, 2014
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



**Public Agenda
Finance and Administration Committee
Tuesday, September 30, 2014**

Approval of Public Agenda

Minutes of the meeting held on September 2, 2014,

Administration Reports

FA14-24 Tax Enforcement - Application for Title - 2014 Liens

Recommendation

1. That the Manager of Property Taxation be authorized to proceed with tax enforcement proceedings and serve six month notices on all parcels of land included in the list of lands marked as Appendix A.
2. That this report be forwarded to the October 14, 2014 meeting of City Council for approval.

Communications

FA14-25 Wascana Centre Authority Financial Statements

Recommendation

That this communication be received and filed.

Adjournment

AT REGINA, SASKATCHEWAN, TUESDAY, SEPTEMBER 2, 2014

AT A MEETING OF THE FINANCE AND ADMINISTRATION
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 Wade Murray, in the Chair
Councillor, Bryon Burnett
Councillor, Shawn Fraser
Councillor, Bob Hawkins

Regrets: Councillor Terry Hincks

Also in Attendance: Committee Assistant, Ashley Thompson
Solicitor, Mark Yemen
Chief Financial Officer, Ed Archer
Director, Fleet Services, Kari Koivisto
Director, Finance, June Schultz
Manager, Policy & Risk Management, Curtis Smith

APPROVAL OF PUBLIC AGENDA

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

ADOPTION OF MINUTES

Councillor Bryon Burnett moved, AND IT WAS RESOLVED, that the minutes for the meeting held on August 5, 2014 be adopted, as circulated.

ADMINISTRATION REPORTS

FA14-22 Capital Budget Advance Approval - 2015 Purchase of Six Conventional 40-Foot Low-Floor Buses

Recommendation

1. That in consideration of manufacturing lead times and 2015 service requirements, the purchase of six new replacement conventional low floor transit buses be approved in advance of the approval of the 2015 General Capital budget with funding provided by the Transit Fleet Replacement Reserve.
2. That this report be forwarded to the September 22, 2014 City Council meeting for approval.

Mr. John Klein addressed and answered questions of the Committee.

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

FA14-23 Reserve Balances in Comparison to Minimum and Maximum Target Balances

Recommendation

1. That a transfer be made from the Community Investment Reserve (CIR) to the General Fund Reserve in the amount of \$203,000, comprising \$93,000 and \$110,000 respectively from the Executive Committee and Finance & Administration Committee portions of the CIR.

2. That this report be forwarded to the September 22, 2014 meeting of City Council for approval.

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

ADJOURNMENT

Councillor Bryon Burnett moved, AND IT WAS RESOLVED, that the meeting adjourn.

The meeting adjourned at 4:30 p.m.

Chairperson

Secretary

September 30, 2014

To: Members,
Finance and Administration Committee

Re: Tax Enforcement - Application for Title - 2014 Liens

RECOMMENDATION

1. That the Manager of Property Taxation be authorized to proceed with tax enforcement proceedings and serve six month notices on all parcels of land included in the list of lands marked as Appendix A.
2. That this report be forwarded to the October 14, 2014 meeting of City Council for approval.

CONCLUSION

The properties listed in Appendix A to this report have, based on a 2014 tax lien, an interest registered by the City of Regina at the Land Registry and have outstanding tax arrears. Upon City Council approval, the Administration will proceed with the tax enforcement proceedings and serve six-month notices after October 24, 2014 on the properties where the arrears of taxes have not been paid and the interest based on the tax lien has not been discharged.

BACKGROUND

The purpose of this report is to obtain approval to serve six-month notice after October 24, 2014 on properties where the City of Regina placed an interest in 2014 through registration of a tax lien for tax arrears, where the arrears of taxes have not been paid and the interest based on the tax lien has not been discharged.

DISCUSSION

City Council approval to proceed under Section 22, Subsection 1 of *The Tax Enforcement Act* is requested to serve six-month notice on the 338 properties listed in Appendix A to this report. Section 22, Subsection 1 reads in part as follows:

“At any time after the expiration of six months from the date on which the municipality’s interest based on a tax lien was registered in the Land Titles Registry, the municipality may, by resolution, authorize proceedings to request title to any parcel included in the list with respect to which the arrears of taxes have not been paid and the interest based on the tax lien has not been discharged...”

The steps taken prior to proceedings for title for the typical property listed on the attachment are as follows:

1. Taxes on the property were due and payable on June 30, 2013.
2. Taxes were in arrears as of January 1, 2014.
3. The properties were advertised in the Leader Post on February 8, 2014.
4. Interests, based on a tax lien, were registered on the various title(s) to the properties at the Land Registry beginning April 16, 2014.

In all cases, the market value of these properties exceeds the value of tax arrears, thus prompting the owner or a financial institution with an interest in the property to pay the tax arrears prior to the City actually taking title. At this time the total arrears on these accounts is approximately \$720,000.

The next steps in the process are:

1. First application for title (which is pursuant to this resolution).
2. After a required six month waiting period, Provincial Mediation Board consent would be required prior to final application for title.
3. When Consent is issued by the Provincial Mediation Board, the Consent would be registered on title and a final 30 day notice would be served.
4. Transfer of title to the City of Regina

The City of Regina will not necessarily take title to the property after the six-month period. The City has the right to pursue any and all other means to collect the outstanding arrears as allowed by *The Cities Act*, including but not limited to, civil suit, seizure of rents and/or seizure of goods and chattels.

RECOMMENDATION IMPLICATIONS

Financial Implications

Allowances are established at the end of each year for outstanding taxes, with the allowance reflected in year-end results.

Environmental Implications

There are no environmental implications directly related to this report. In most instances, the taxes are paid for properties where application for title is made. In those instances where the City has to proceed to possibly taking title, the City would undertake a review of the environmental implications and make a decision on a case by case basis as to whether to proceed to take title or not. Every effort is made to minimize the cost to the City.

Policy and/or Strategic Implications

The authorization to serve six month notices to the properties listed in Appendix A allows for timely and efficient tax enforcement.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

The City has an active process of communicating with property owners with respect to outstanding taxes. Property owners are notified throughout the tax enforcement process and will continue to be notified as required by the legislation.

DELEGATED AUTHORITY

This report must be forwarded to City Council.

Respectfully submitted,



Deborah Bryden, Manager Property Taxation
and Administration
Assessment, Tax and Real Estate

Respectfully submitted,



Jason Carlston, Executive Director
City Planning and Development

Report prepared by:
Deborah Bryden, Manager property Taxation and Administration

APPENDIX A
6 Month Tax Enforcement Properties - 2014 Liens
by Civic Address

925 1ST AVENUE	1929 ATHOL STREET	40 COOKSLEY BAY
2220 1ST AVENUE N	2219 ATHOL STREET	102 COOPER CRESCENT
5532 2ND AVENUE N	939 ATKINSON STREET	180 COOPER CRESCENT
4315 3RD AVENUE N	965 ATKINSON STREET	246 CORNWALL STREET
4333 3RD AVENUE N	1045 ATKINSON STREET	4538 CUDMORE CRESCENT
5109 3RD AVENUE N	1327 ATKINSON STREET	100 DAFFODIL CRESCENT
3315 4TH AVENUE N	1837 ATKINSON STREET	6222 DALGLIESH DRIVE
4124 4TH AVENUE	2171 ATKINSON STREET	6722 DALGLIESH DRIVE
1526 6TH AVENUE N	2222 ATKINSON STREET	63 DENNY CRESCENT
7323 6TH AVENUE	2519 ATKINSON STREET	1111 E DEWDNEY AVENUE
1943 E 7TH AVENUE	746 N BARD CRESCENT	3614 DEWDNEY AVENUE
2990 7TH AVENUE	7219 BEAMISH DRIVE	710-3806 E DEWDNEY AVENUE
4301 7TH AVENUE	19 BENTLEY DRIVE	212-3818 E DEWDNEY AVENUE
4533 7TH AVENUE	3411 E BISHOP CRESCENT	37 DONAHUE AVENUE
1501 8TH AVENUE N	39 BLACKMAN PLACE	1369 DONALD STREET
1675 8TH AVENUE	43 BLACKMAN PLACE	611 DOROTHY STREET
1934 8TH AVENUE N	1221 BOND STREET	1047 DOROTHY STREET
5029 8TH AVENUE	209 BROAD STREET	108 EDEN AVENUE
7304 8TH AVENUE	341 BROAD STREET	1231 EDGAR STREET
1202 14TH AVENUE	4-230 E BROADWAY AVENUE	1920 EDGAR STREET
404 19TH AVENUE	1159 BRODER STREET	2030 EDGAR STREET
3225 29TH AVENUE	1254 BRODER STREET	2169 EDGAR STREET
3525 29TH AVENUE	2022 BRODER STREET	2508 EDGAR STREET
113 ACADEMY PARK ROAD	2151 BRODER STREET	1455 EDWARD STREET
682 ADAMS STREET	1126 N BUTTERFIELD CRESCENT	1459 EDWARD STREET
2326 ALBERT STREET	866 N CALLANDER CRESCENT	4608 ELGIN ROAD
347-3605 ALBERT STREET	305 CAMERON STREET	1109 ELLIOTT STREET
1844 ALEXANDRA STREET	317 CAMERON STREET	2 ELLISON CRESCENT
2614 ALFRED CRESCENT	715 CAMERON STREET	321 ELPHINSTONE STREET
163 ALPORT CRESCENT	726 CAMERON STREET	1268 ELPHINSTONE STREET
318 ANGUS STREET	769 CAMERON STREET	1425 ELPHINSTONE STREET
942 ANGUS STREET	870 CAMERON STREET	1525 ELPHINSTONE STREET
10-1651 ANSON ROAD	1437 CAMERON STREET	104 EMERALD PARK ROAD
5005 ANTHONY WAY	1527 CAMERON STREET	854 ERB BAY
415 N ARGYLE STREET	2322 CAMERON STREET	87 FAIRVIEW ROAD
975 ARGYLE STREET	82 CANNON STREET	1118 N FLEXMAN CRESCENT
1017 ARGYLE STREET	23-35 CENTENNIAL STREET	848 FORGET STREET
3630 ARGYLE ROAD	111-4601 CHILD AVENUE	2205 FRANCIS STREET
34 ARMSTRONG BAY	155-4801 CHILD AVENUE	2355 FRANCIS STREET
924 ARTHUR STREET	138 CHURCH DRIVE	99 FULTON DRIVE
1765 ARTHUR STREET	235 CHURCH DRIVE	626 GARNET STREET
229-960 E ASSINIBOINE AVENUE	123 CLERMONT CRESCENT	1245 GARNET STREET
1011 ATHOL STREET	2610 E COCHRANE BAY	1366 GARNET STREET
1024 ATHOL STREET	708 COLLEGE AVENUE	1548 GARNET STREET
1223 ATHOL STREET	1116 COLLEGE AVENUE	3033 GARNET STREET
1919 ATHOL STREET	1702 CONNAUGHT STREET	810 N GIBSON STREET
1920 ATHOL STREET	1729 CONNAUGHT STREET	4715 GLASS STREET
1142 GRAHAM ROAD	3825 MCCALLUM AVENUE	30 PETERSMEYER STREET
2528 GRANT ROAD	14 MCCORMICK CRESCENT	150 PETERSMEYER STREET
3622 GREEN CREEK ROAD	34 MCCORMICK CRESCENT	3466 E PHANEUF CRESCENT
1429 GREY STREET	441 MCDONALD STREET	46 POWERS BAY
1429 GROSVENOR STREET	1455 MCDONALD STREET	4429 PRESTON CRESCENT

203-1002 GRYPHONS WALK
 204 HABKIRK DRIVE
 428 HABKIRK DRIVE
 412 HALIFAX STREET
 4634 HAMES CRESCENT
 29 HANLEY CRESCENT
 2815 E HARTMANN CRESCENT
 34 HAYNEE STREET
 839 N HAYWORTH CRESCENT
 238 N HECTOR CRESCENT
 2842 HELMSING STREET
 2742 HIGHGROVE COURT
 3110 HILL AVENUE
 3585 HILLSDALE STREET
 303 HOLLAND AVENUE
 18 HOOPER BAY
 6 HUNT CRESCENT
 6 INGERSOLL CRESCENT
 38 JOYCE CRESCENT
 3482 KEOHAN CRESCENT
 638 KING STREET
 662 KING STREET
 730 KING STREET
 761 KING STREET
 1247 KING STREET
 1368 KING STREET
 1424 KING STREET
 1539 LACON STREET
 18 LAIRD CRESCENT
 7014 LANIGAN DRIVE
 7207 LANIGAN DRIVE
 66 LEVENE CRESCENT
 905 LINDSAY STREET
 1221 LINDSAY STREET
 2022 LINDSAY STREET
 2041 LINDSAY STREET
 159 N LORNE STREET
 469 LORNE STREET
 2150 MACKAY STREET
 2545 MACKAY STREET
 115 MAGEE CRESCENT
 79 MASSEY ROAD
 2204 MCARA STREET
 2233 MCARA STREET
 2459 MCARA STREET
 2507 MCARA STREET
 3631 MCCALLUM AVENUE
 1615 ST JOHN STREET
 1872 ST JOHN STREET
 2336 ST JOHN STREET
 68 STAPLEFORD CRESCENT
 5907 STEELE CRESCENT
 312E-1300 N STOCKTON STREET
 611 SWEENEY STREET
 2810 THORNTON AVENUE
 234 TORONTO STREET
 1825 MCDONALD STREET
 1833 MCDONALD STREET
 2055 MCDONALD STREET
 336 MCINTOSH STREET
 1107 MCINTOSH STREET
 5846 MCKINLEY AVENUE
 5906 MCKINLEY AVENUE
 5972 MCKINLEY AVENUE
 1001 MCTAVISH STREET
 1332 MCTAVISH STREET
 1355 MCTAVISH STREET
 2071 MCTAVISH STREET
 9 MERRITT CRESCENT
 10 MILFORD CRESCENT
 62 MILFORD CRESCENT
 1112 MINTO STREET
 619 MONTAGUE STREET
 691 MONTAGUE STREET
 770 MONTAGUE STREET
 901 MONTAGUE STREET
 1161 MONTAGUE STREET
 1655 MONTAGUE STREET
 1663 MONTAGUE STREET
 2424 MONTAGUE STREET
 2432 MONTAGUE STREET
 2950 MONTAGUE STREET
 425 MONTREAL STREET
 1600 MONTREAL STREET
 1645 MONTREAL STREET
 1949 MONTREAL STREET
 2252 MONTREAL STREET
 875 N MORRIS CRESCENT
 121 MUNROE PLACE
 600 E MURRAY AVENUE
 4-4 NEILL PLACE
 109-1510 NEVILLE DRIVE
 1705 NEVILLE DRIVE
 10 NORWOOD CRESCENT
 110 OAKVIEW DRIVE
 3475 OLIVE GROVE
 104 OSLER STREET
 434 OSLER STREET
 2077 OSLER STREET
 2055 OTTAWA STREET
 101-3420 PARK STREET
 3440 E PARKLAND DRIVE
 3427 PATRICIA AVENUE
 274 TRIFUNOV CRESCENT
 59 TRUELLE CRESCENT
 70 TRUELLE CRESCENT
 123 UNIVERSITY PARK DRIVE
 9 USHER STREET
 212 E VICTORIA AVENUE
 428 VICTORIA AVENUE
 1535 VICTORIA AVENUE
 1011 VICTORY CRESCENT
 709 PRINCESS STREET
 717 PRINCESS STREET
 826 PRINCESS STREET
 960 PRINCESS STREET
 1260 PRINCESS STREET
 1354 PRINCESS STREET
 4180 PRINCESS STREET
 10 PROSPECT PLACE
 2311 QUEBEC STREET
 695 QUEEN STREET
 699 QUEEN STREET
 1014 QUEEN STREET
 1069 QUEEN STREET
 1346 QUEEN STREET
 2919 QUINN DRIVE
 2939 QUINN DRIVE
 915 RAE STREET
 1354 RAE STREET
 2911 RAE STREET
 24-4341 RAE STREET
 75 RAWLINSON CRESCENT
 12 READ AVENUE
 1582 REGENT STREET
 112 RETALLACK STREET
 809 RETALLACK STREET
 2522 RETALLACK STREET
 2363 RIVERBEND CRESCENT
 400 ROBINSON STREET
 752 ROBINSON STREET
 1236 ROBINSON STREET
 1965 ROBINSON STREET
 4331 ROBINSON STREET
 77 ROOTMAN AVENUE
 1418 RUPERT STREET
 523 SANGSTER BOULEVARD
 143 SCARTH STREET
 282 N SCARTH STREET
 99 SCHNEIDER CRESCENT
 86 SCRIVENER CRESCENT
 42 SELBY CRESCENT
 87 SELBY CRESCENT
 6203 SHERWOOD DRIVE
 2704 E SHOOTER DRIVE
 43 SIBBALD CRESCENT
 2716 SINTON AVENUE
 227 SMITH STREET
 157 N ST JOHN STREET
 2264 WASCANA STREET
 5006 WASCANA VISTA COURT
 5321 WATSON WAY
 4843 WEBSTER CRESCENT
 99 WEEKES CRESCENT
 110 WELLS STREET
 6 WILLISTON DRIVE
 135 WINDFIELD ROAD
 14-2801 WINDSOR PARK ROAD

2034 TORONTO STREET
2167 TORONTO STREET
2181 TORONTO STREET
2261 TORONTO STREET
11 TRIFUNOV CRESCENT

1060 WALLACE STREET
1065 WALLACE STREET
1249 WALLACE STREET
1009 WASCANA STREET
2119 WASCANA STREET

901 WINNIPEG STREET
2312 WINNIPEG STREET
2579 WINNIPEG STREET
1817 YORK STREET

**WASCANA CENTRE AUTHORITY
REGINA, SASKATCHEWAN
FINANCIAL STATEMENTS
March 31, 2014**

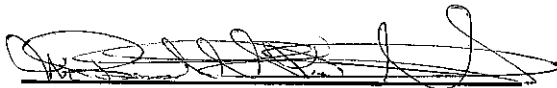
**MANAGEMENT'S RESPONSIBILITY FOR
FINANCIAL STATEMENTS**

The accompanying financial statements of Wascana Centre Authority have been prepared by the Organization's management in accordance with Canadian generally accepted accounting principles and necessarily include some amounts based on informed judgment and management estimates.

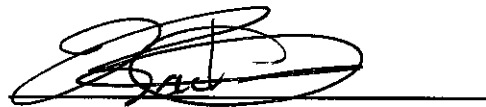
To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The board of directors has reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, Virtus Group LLP, and their report is presented separately.



Bernadette McIntyre
Chief Executive Officer



Rachel Ratch, CMA
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

**To the Members,
Wascana Centre Authority**

We have audited the accompanying financial statements of **Wascana Centre Authority** which comprise the statement of financial position as at **March 31, 2014**, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of reporting disclosed in the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Authority as at **March 31, 2014**, and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting as disclosed in note 2 to the financial statements.

June 26, 2014
Regina, Saskatchewan


Chartered Accountants

Wascana Centre Authority

Statement of Financial Position

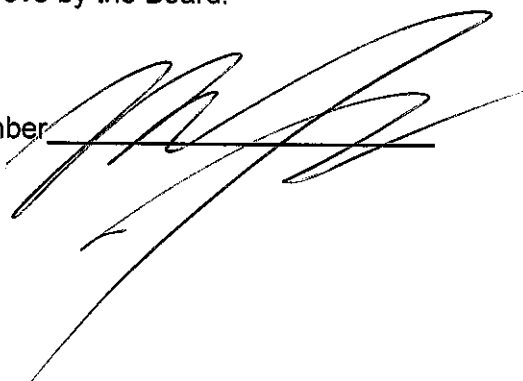
As at March 31, 2014 with comparative figures for 2013

	2014	2013
Assets		
Current assets:		
Cash and short term investments	\$ 2,899,042	\$ 1,702,709
Accounts receivable	127,170	336,001
Prepaid expenses	7,540	5,063
	<u>3,033,752</u>	<u>2,043,773</u>
Capital assets (note 3)	<u>3,985,574</u>	<u>3,991,810</u>
	<u>\$ 7,019,326</u>	<u>\$ 6,035,583</u>
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 695,584	\$ 601,853
Deferred contributions (note 4)	1,829,118	1,175,331
	<u>2,524,702</u>	<u>1,777,184</u>
Deferred capital contributions (note 4)	999,900	874,941
Net assets:		
Invested in capital assets	2,985,674	3,116,869
Restricted (note 6)	121,400	112,000
Unrestricted	387,650	154,589
	<u>3,494,724</u>	<u>3,383,458</u>
	<u>\$ 7,019,326</u>	<u>\$ 6,035,583</u>

See accompanying notes to the financial statements.

Approve by the Board:

Member



Member



Wascana Centre Authority

Statement of Changes in Net Assets

For the year ended March 31, 2014 with comparative figures for 2013

	Invested in capital assets	Restricted – special projects reserve	Unrestricted	2014	2013
Balance, beginning of year	\$ 3,116,869	\$ 112,000	\$ 154,589	\$3,383,458	\$3,520,608
Excess (deficiency) of revenues over expenses	---	---	111,266	111,266	(137,150)
Amortization	(358,303)	---	358,303	---	---
Capital asset additions, net	227,108	---	(227,108)	---	---
Inter-fund Transfers	---	9,400	(9,400)	---	---
Balance, end of year	\$ 2,985,674	\$ 121,400	\$ 387,650	\$3,494,724	\$3,383,458

Wascana Centre Authority

Statement of Operations

For the year ended March 31, 2014 with comparative figures for 2013

	<u>2014</u>	<u>2013</u>
Revenue:		
Grants		
Government of Saskatchewan	\$ 3,265,981	\$ 3,005,125
City of Regina	2,021,778	1,749,159
University of Regina	762,177	691,181
Other	463,389	2,070,793
Service revenue	1,028,758	904,435
Rental revenue	204,567	178,053
General donations	41,176	29,133
Interest	20,680	22,933
Gain on asset disposal	25,232	47,480
Miscellaneous	28,384	17,827
	<u>7,862,122</u>	<u>8,716,119</u>
Expense:		
Salaries and benefits (note 7)	4,646,305	4,601,488
Contractual services and materials (note 7)	2,362,968	3,556,115
Amortization	358,303	326,532
Utilities	269,540	263,614
Insurance	113,740	105,520
	<u>7,750,856</u>	<u>8,853,269</u>
Excess (deficiency) of revenue for the year	<u>\$ 111,266</u>	<u>\$ (137,150)</u>

See accompanying notes to the financial statements.

Wascana Centre Authority

Statement of Cash Flows

Year ended March 31, 2014 with comparative figures for 2013

	<u>2014</u>	<u>2013</u>
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue for the year	\$ 111,266	\$ (137,150)
Amortization	358,303	326,532
Deferred capital contributions recognized	(75,856)	(68,139)
Loss (gain) on sale of assets	(25,232)	(47,480)
(Increase) decrease in accounts receivable	239,480	69,337
(Increase) decrease in prepaid expense	(2,478)	30,943
(Decrease) increase in accounts payable	63,082	(525,835)
(Decrease) increase in deferred contributions	653,787	258,869
	<u>1,322,352</u>	<u>(92,923)</u>
Investing activities:		
Capital asset additions	(412,434)	(1,114,105)
Capital asset sale proceeds	85,600	118,317
Deferred capital contributions received	200,815	501,122
	<u>(126,019)</u>	<u>(494,666)</u>
Increase (decrease) in cash and short term investments	1,196,333	(587,589)
Cash and short term investments, beginning of year	<u>1,702,709</u>	<u>2,290,298</u>
Cash and short term investments, end of year	<u>\$2,899,042</u>	<u>\$ 1,702,709</u>

See accompanying notes to the financial statements.

Wascana Centre Authority

Notes to the Financial Statements

Year ended March 31, 2014 with comparative figures for 2013

Note 1. Description of operations

On April 1, 1962 *The Wascana Centre Act* (the Act) established the Wascana Centre Authority (the Authority) as an incorporated government partnership for the operation of Wascana Centre (the Centre). The partners are the Government of Saskatchewan, the City of Regina, and the University of Regina. The partners appoint members to the Board of Directors of the Authority.

Under the Act, the Authority established a master plan for the Centre and ensures all developments are consistent with the plan; approves all exterior improvements, including buildings, facilities and landscape; establishes bylaws; provides special services; and undertakes construction and maintenance within the boundaries of the Centre.

The Authority is a registered charity within the meaning of the *Income Tax Act (Canada)* and is therefore exempt from income taxes. The Authority is also exempted from the Goods and Services Tax.

The Authority is economically dependent on the Government of Saskatchewan, the City of Regina, and the University of Regina.

The Act specifies annual minimum funding of \$781,550 from the Government of Saskatchewan; \$426,300 from the City of Regina; and \$213,150 from the University of Regina. The partners may provide additional grant funding or purchase contractual services and goods from the Authority.

The Act also specifies that from the annual minimum grant funding of the partners, a minimum of \$375,000 annual be directed towards landscape construction or restoration; construction or restoration of facilities on Authority land; or construction or restoration of facilities on partner land.

Developments within the Centre such as buildings, roadways, and landscaped areas are owned and are the responsibility of the titled landowner.

Wascana Centre Authority

Notes to the Financial Statements

Year ended March 31, 2014 with comparative figures for 2013

Note 2. Significant accounting policies

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations with the exception of the policy of the Authority to expense designated expenditures that would otherwise be capitalized.

Revenue recognition

The Authority follows the deferral method of accounting for contributions which include government grants and restricted donations. Where a portion of a grant or donation is restricted to fund certain expenditures, it is deferred and recognized in the period the related expenditure occurs.

Revenue from rents, the sale of goods and services, and general (unrestricted) donations and grants are recognized in the period earned or received.

Capital assets

Purchased or constructed assets are recorded at cost. Assets originally contributed by the partners at incorporation have been recorded at a nominal value of \$1. Specifically designated expenditures that are incurred for landscape construction on public land and construction of service facilities on Authority land or on land of the partners are expensed. For buildings and land improvements, the Authority only capitalizes assets for which it is the titled landowner.

Amortization is provided on the straight-line basis over the following periods:

Buildings and land improvements	10 to 20 years
Equipment	5 to 7 years
Vehicles	5 to 7 years
Office equipment	5 years

Works of art are not amortized, but capitalized and included with buildings and land improvements.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from the estimates.

Wascana Centre Authority

Notes to the Financial Statements

Year ended March 31, 2014 with comparative figures for 2013

Note 2. Significant accounting policies - continued

Financial instruments – Recognition and measurement

All financial instruments are designated and classified as one of the following: held to maturity, loans and receivables, held for trading, or available for sale and other liabilities. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in excess of revenues over expenses. Financial assets held-to maturity, loans and receivables and financial liabilities other than those held-for-trading are measured at amortized cost. Available for sale financial assets are measured at fair value with unrealized gains and losses recognized as separate component of net assets. Upon initial recognition any financial instrument may be designated as held-for-trading.

Note 3. Capital assets

	Cost	Accumulated Amortization	2014 Net Book Value	2013 Net Book Value
Assets from partners	\$ 1	\$ -	\$ 1	\$ 1
Land	1,669,894	-	1,669,894	1,669,894
Buildings and land improvements	5,356,667	4,174,296	1,182,371	1,173,740
Equipment	2,712,163	1,979,019	733,144	717,289
Vehicles	1,104,740	709,363	395,377	424,322
Office equipment	41,992	37,205	4,787	6,564
	<u>\$10,885,457</u>	<u>\$6,899,883</u>	<u>\$ 3,985,574</u>	<u>\$ 3,991,810</u>

Note 4. Deferred contributions

Deferred contributions represent restricted contributions, including those for landscape maintenance, landscape construction, specific projects, or designated donations carried forward from year to year. These amounts are externally restricted as a result of conditions associated with their receipt.

Major sources of restricted contributions are from the funding partners for landscape maintenance and statutory minimum landscape construction, as defined in the Wascana Centre Authority Act. These amounts were \$3,478,000 (2013 - \$3,298,000) from the Province of Saskatchewan, \$1,940,000 (2013 - \$1,908,900) from the City of Regina, and \$820,000 (2013 - \$771,055) from the University of Regina. The Authority also received other restricted grants totaling \$1,609,875 (2013 - \$650,516) during the year.

Wascana Centre Authority

Notes to the Financial Statements

Year ended March 31, 2014 with comparative figures for 2013

Note 4. Deferred contributions - continued

	Operating		Capital	
	2014	2013	2014	2013
Balance, beginning of year	\$ 1,175,331	\$ 916,462	\$ 874,941	\$ 441,958
Amounts received during the year	7,847,875	6,627,471	---	---
Transfers	(200,815)	(501,122)	200,815	501,122
Amounts recognized as revenue	(6,993,273)	(5,867,480)	(75,856)	(68,139)
Balance, end of year	<u>\$1,829,118</u>	<u>\$1,175,331</u>	<u>\$ 999,900</u>	<u>\$ 874,941</u>

The deferred contributions for Operating consist of \$526,748 (2013 - \$448,701) for eligible landscape construction expenses, \$42,920 (2013 - nil) for the Comprehensive Review, \$75,000 (2013 - \$50,000) for the Pine Island facility, and \$7,000 (2013 - nil) for Artist Grants. Within landscape construction the Board has restricted \$59,448 (2013 - \$59,448) for Fine Arts and \$159,957 (2013 - \$139,957) for the Master Plan.

Deferred contributions for Operating includes \$1,177,450 (2013 - \$477,225) for a 2014-15 grant advance.

Deferred contributions for Capital are recognized as revenue on the same basis as amortization for the related assets.

Note 5. Credit facilities

The Authority has credit agreements with its bank for the following:

- a) \$450,000 of overdraft protection, with a current balance of nil (2013 - nil).
- b) \$40,000 limit in credit card purchases.

Note 6. Restricted net assets

The Board has designated \$121,400 (2013 - \$112,000) as a Special Projects Reserve. The Reserve may be used for any purpose approved by the Board.

Wascana Centre Authority

Notes to the Financial Statements

Year ended March 31, 2014 with comparative figures for 2013

Note 7. Expense allocations

	Salaries and benefits		Contractual services & materials	
	2014	2013	2014	2013
Maintenance	\$ 1,846,853	\$ 1,863,498	\$ 657,816	\$ 598,705
Horticulture & Forestry	834,254	854,447	121,636	151,567
Infrastructure	490,377	422,590	102,758	84,701
Community Relations	373,166	361,972	106,163	83,948
Administration	810,690	738,146	231,217	239,765
Landscape Construction & Services	290,965	360,835	1,143,378	2,397,429
	<u>\$ 4,646,305</u>	<u>\$ 4,601,488</u>	<u>\$ 2,362,968</u>	<u>\$ 3,556,115</u>

Insurance recoveries of \$5,345 (2013 – \$63,008) are netted against the related incurred expenditures.

Note 8. Commitments

At March 31, 2014, the contractual commitments for consulting and construction services, to be received by the Authority, were \$727,304 (2013 – \$162,990).

Note 9. Related party transactions

Included in these financial statements are revenues and expenditures resulting from routine operating transactions with various agencies and departments of the partners.

These transactions are in the normal course of operations and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Related parties that have significant influence over the Authority are the partners (Government of Saskatchewan, City of Regina, and the University of Regina) and their controlled entities. The Authority had the following transactions with related parties:

	2014	2013
Revenues	\$6,710,708	\$8,145,372
Expenses	\$1,169,807	\$ 442,708

At the end of the year, the related party amounts included in the balance sheet are as follows:

Receivables	\$ 122,177	\$ 254,320
Prepays	\$ 0	\$ 1,464
Payables	\$ 40,360	\$ 420,700
Deferred revenues	\$1,541,350	\$1,125,331

Wascana Centre Authority

Notes to the Financial Statements

Year ended March 31, 2014 with comparative figures for 2013

Note 10. Financial risk management policy

WCA is exposed to various risks through financial instruments. WCA's financial instruments and the nature of the risk which they may subject to are as per the following descriptions.

Credit risk

The Authority determines amounts receivable based on collectability. Credit risk on receivables from funding partners and other public sector entities is considered low and no allowances have been made. Other revenue receivable of \$14,603 (2013 - \$51,032) has an allowance of nil (2013 - nil).

Liquidity risk

WCA manages its liquidity risk by monitoring projected and actual cash flows, accounts receivable management, and use of a short term bank overdrafts which are settled upon receipt of grants or service revenues.

Interest Rate Risk

The Authority is exposed to interest rate risk on the fixed and floating rates on existing credit facilities. As the Authority has sufficient cash on hand to meet all obligations, the risk is minimal.

Note 11. Pension plan

The Authority makes contributions to a defined contribution plan and a defined benefit plan. The defined benefit plan is administered by the Province of Saskatchewan who also guarantees all future benefit payments. Enrolments in the defined benefit plan ceased in 1977, and all subsequent enrolments were in the defined contribution plan. Payments to the defined benefit plan were \$1,132 (2013 - \$1,201) and payments to the defined contribution plan were \$555,102 (2013 - \$555,378) and are included in the expenses in the Statement of Operations.

Note 12. Capital disclosures

The Authority's capital consists of its net assets. In order to preserve its capital WCA takes measures such as preparation and monitoring of annual budgets. This objective remained unchanged from the prior period. WCA is economically dependent on the funding partners.

Wascana Centre Authority

Notes to the Financial Statements

Year ended March 31, 2014 with comparative figures for 2013

Note 13. Guarantees

In the normal course of business, the Authority enters into agreements that meet the definition of a guarantee.

Indemnity has been provided to all directors and officers of the Authority and has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. Further, in the normal course of business the Authority has entered into agreements that include indemnities in favour of third parties such as confidentiality agreements, engagement letters with consultants, and other various service and purchase agreements. Historically, the Authority has not incurred any costs as a result of any such suits, actions, or agreements. The maximum amounts of potential future payment, if any, cannot be reasonably estimated and no amounts have been recorded in the financial statements.