

April 17, 2019

To: Members
Executive Committee

Re: Economic Development Regina Inc. (EDR) - Annual Submittals 2019

RECOMMENDATION

1. That the Executive Director, Financial Strategy & Sustainability, as the City's proxy, be authorized to exercise the City of Regina's voting rights at the upcoming Economic Development Regina Inc. (EDR) annual general meeting as follows:
 - a) Approve the audited financial statements for the 2018 operating year;
 - b) Approve the 2018 Annual Report;
 - c) Approve the 2019 Business Plan;
 - d) Approve the 2019 Operating Budget; and
 - e) Appoint MNP LLP as the auditor of EDR for the 2019 financial statement year, pursuant to section 149 of The Non-profit Corporations Act, 1995 (Saskatchewan).
2. This report be forwarded to the April 29, 2019 meeting of City Council for approval.

CONCLUSION

As the sole voting membership holder of EDR, the City must (i) appoint or waive the requirement of an auditor; (ii) approve the audited financial statements of EDR; (iii) approve the annual report; (iv) approve the budget for the following fiscal year; and (v) consider any other resolutions that may be brought forward. There are no additional resolutions to be considered.

Administration requires delegated authority from City Council in order to exercise the City's voting rights at EDR's annual general meeting in accordance with the direction provided by City Council.

BACKGROUND

Effective January 1, 2016, Economic Development Regina Inc. (EDR) was continued under *The Non-profit Corporations Act, 1995 (Saskatchewan)*, with the City becoming its sole voting member. This change in structure made EDR a "municipal corporation" of the City. As the sole voting membership holder of EDR, the City must exercise its voting rights at the EDR annual general meeting.

DISCUSSION

Audited Financial Statements

Pursuant to the Unanimous Membership Agreement, EDR is required to provide the City with its annual report and audited financial statements, with the audited financial statements to be received by Council. Administration has reviewed the audited financial statements and will be consolidating the information into the City's December 31, 2018 financial statements (as is required by accounting standards). Administration found no irregularities or items of concern within the financial statements.

Highlights of the audited financial statements for the year ended December 31, 2018 include:

- A \$60,201 surplus on revenues of \$3,269,065
- An accumulated surplus of \$471,480 up from \$411,279 as of December 31, 2017
- The December 31, 2018 accumulated surplus of \$471,480 is broken down as follows:
 - \$327,387 - restricted for special projects and capital improvements
 - \$73,324 - invested in property and equipment
 - \$70,769 - unrestricted

Appointment of Auditor

As the sole voting member, the City must appoint or waive the requirements for an auditor for EDR pursuant to The Non-profit Corporations Act, 1995 (Saskatchewan). City administration has requested that EDR use the same auditor as the City. Subsequently, EDR has engaged MNP LLP as its auditor.

RECOMMENDATION IMPLICATIONS

Financial Implications

As EDR is a municipal corporation of the City of Regina, the audited financial statements of EDR will be consolidated into the City's 2018 Annual Report and Consolidated Financial Statements.

EDR is building a more diverse financial structure to support their ability to deliver a sustainable service for Regina as evidenced by exceeding their 2018 target of \$1.3 million in partner funding by attaining \$1.45 million in partner funding. EDR is also supporting entrepreneurs in building businesses which will benefit the Regina economy by providing complimentary programs to over 1,000 entrepreneurs, 91% of which were new clients.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

None with respect to this report

DELEGATED AUTHORITY

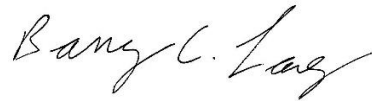
The recommendations contained in this report require City Council approval.

Respectfully submitted,



June Schultz, Director
Financial Services

Respectfully submitted,



Barry Lacey, Executive Director
Financial Strategy & Sustainability

Report prepared by:

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