

2021 Annual Report Highlights

Responsive Recovery & Investment

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

Responsible, Inclusive Governance



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

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

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



Advancing Economic Development



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

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

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



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

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

Strengthening Partnerships



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



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



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



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

Financial Position

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

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

Financial Assets:

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

Financial Liabilities:

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

Non-financial Assets:

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

Reserves:

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

Consolidated Financials

Consolidated Statement of Operations and Accumulated Surplus Revenue

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

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

Revenues:

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

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

Expenses:

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

Annual Surplus:

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

Accumulated Surplus:

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

Environmental Sustainability



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

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

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

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

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

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



Investing in Infrastructure



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

Other 2021 investments:

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