

November 24, 2014

Re: Regina Civic Employees' Superannuation & Benefit Plan

Good evening Your Worship, members of Regina City Council. My name is John Hopkins and I am the Chief Executive Officer of the Regina & District Chamber of Commerce. I am here today to respectfully request that members of Regina City Council support the recommendations contained in the *Regina Civic Employees Superannuation & Benefit Plan*.

I would like to begin my comments by commending both sides for getting us here today. Over the past number of years we have been very concerned about this issue and its impact not only to tax payers through a number of taxing authorities but also to pensioners under the plan, as well as the multitude of staff involved in the plan.

Your Worship, our support is based on a number of factors not least of which is the resolution of the governance issue. While the report addresses a number of poignant points we would argue that resolution of the governance structure is paramount to the overall success of the plan over the long term. In addition we are pleased to see a resolution related to the pre-implementation deficit split, as well as strategies on how to deal with surpluses and deficits. Moreover we are happy to see that the expected average combined contribution rate is 20.7% as compared to 35.2% identified in the report which clearly was not affordable, nor sustainable.

Your Worship I believe it is important for everyone to clearly understand what would happen if this historical agreement is not reached.

1. Taxpayers, both provincially and locally, would need to almost immediately fund well over \$100 million dollars
2. Deferral of much needed infrastructure

3. The plan's pensioners would be hit hard
4. The City of Regina's credit rating would most likely be further impacted, and last but not least
5. The entire issue would be in the hands of the courts for years to say nothing of the chaos and instability it would create for everyone involved.

The proposed agreement if approved provides a resolution that will mitigate the challenges I just spoke of in part by utilizing a 20 year amortization period to deal with the pre-implementation deficit, by setting out what appears to be a clear mechanism to deal with future deficits and surpluses, and to come back to it again, a governance structure that will end deadlocks.

Your Worship, this agreement was long and protracted. It appeared too many of us on the outside as though it would never be resolved however at the end of the day an agreement has been reached.

Once again I would like to commend the parties who worked at resolving this very important issue. I would also like to respectfully request that not only Regina City Council support this agreement but also the Superintendent of Pensions.

Thank you for the opportunity to be here today. I will do my best to answer any questions you may have.

John Hopkins

Chief Executive Officer
Regina & District Chamber of Commerce