



# **CITY COUNCIL**

**Tuesday, February 19, 2013  
5:30 PM**

**Henry Baker Hall, Main Floor, City Hall**



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Office of the City Clerk

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**Agenda  
City Council  
Tuesday, February 19, 2013**

Open With Prayer

**Confirmation of Agenda**

That the agenda be approved including the adjustments from the City Clerk as follows:

**ADD** The following item be added immediately after CP13-2:

CP13-5: Jeremy Black – Connaught School: Outdoor Pool and Tennis Court Planning Updates

CP13-6: Thomson School: Outdoor Pool and Tennis Court Planning Updates

CP13-7: Gladys MacDonald School: Outdoor Pool and Tennis Court Planning Updates

CP13-8: Letters from Residents: Outdoor Pool and Tennis Court Planning Updates

CP13-9: Christine Bristol: Outdoor Pool and Tennis Court Planning Updates

**ADD** The following item be added immediately after DE13-30:

DE13-31: Colin Stewart: 2013 General Operating Budget

**CHANGE** The following item be changed to DE13-32 immediately after DE13- 31:

CP13-3: John Klein for Cate Hydeman: 2013 General Operating Budget



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## Office of the City Clerk

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### **Delegations, Communications, Tabled and Related Reports**

CR13-13 CR13-13 Amendment: Regina Police Service 2013 Operating and Capital Budget

CR13-7 CR13-7 Regina Police Service 2013 Operating and Capital Budget

#### **Recommendation**

1. That the 2013 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$69,205,500 and revenues of \$7,811,900, resulting in a Net Operating Budget of \$61,393,600 be approved.
2. That the 2013 Capital Budget of \$4,605,400, with capital funding to be determined by Regina City Council, be approved.

DE13-21 DE13-21 Joanne Havelock - Friends of the Library: Regina Public Library - 2013 Regina Public Library Mill Rate

CR13-14 CR13-14 Regina Public Library Board: 2013 Budget

#### **Recommendation**

That the recommendation of the Regina Public Library contained in the communication be concurred in.

DE13-22 DE13-22 Jean Clive - Outdoor Pool and Outdoor Tennis Court Planning Updates

DE13-23 DE13-23 Shana Wandler and Garret McMillan: Outdoor Pools and Tennis Court Planning Update

DE13-24 DE13-24 Marie Karner: 2013-2017 General Capital Budget Outdoor Pools and Tennis Courts

CP13-2 CP13-2 Maureen Heath: Outdoor Pool and Outdoor Tennis Court Planning Updates

#### **Recommendation**

That this communication be received and filed.

CP13-5 CP13-5 Jeremy Black - Connaught School: Outdoor Pool and Tennis Court Planning Updates

CP13-6 CP13-6 Thomson School: Outdoor Pool and Tennis Court Planning Updates

CP13-7 CP13-7 Gladys MacDonald School: Outdoor Pool and Tennis Court Planning Updates

CP13-8 CP13-8 Resident Letters: Outdoor Pool and Tennis Court Planning Updates



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## Office of the City Clerk

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CP13-9 CP13-9 Christine Bristol: Outdoor Pool and Tennis Court Planning Updates

CR13-15 CR13-15 Outdoor Pool and Outdoor Tennis Court Planning Updates

**Recommendation**

That this report be received and filed.

DE13-25 DE13-25 Colin Stewart : 2013 Reassessment Tax Policy

CR13-16 CR13-16 2013 Reassessment Tax Policy

**Recommendation**

1. That the following principles be adopted in establishing mill rate factors for 2013:
  - a. That the relative share of property taxes between classes does not change due to reassessment; and
  - b. That long-term stability be considered in establishing tax policies for mill rate factors.
2. That based on these principles, the following mill rate factors be set for the group of residential classes of properties and the group of non-residential properties:

|                          |         |
|--------------------------|---------|
| a. Residential Group     | 0.87880 |
| b. Non Residential Group | 1.32901 |
3. That the subclass for Golf Courses be continued and the mill rate factor set at 0.86359 so that the effective tax rate is equal to 65% of the effective commercial tax rate;
4. That a phase-in of property tax changes be implemented for the Commercial and Industrial class of properties for changes in property taxes as a result of the 2013 reassessment, whereby the phase-in shall be revenue-neutral by phasing in decreases and increases, with decreases and increases applied as follows:

2013 increases and decreases limited to 1/3 of the property tax change.

2014 increases and decreases limited to 2/3 of the property tax change.

2015 the full increase or decrease would be applied; and





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## Office of the City Clerk

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5. That the City Solicitor be instructed to prepare the necessary bylaws to implement the changes set out in these recommendations.

|         |  |
|---------|--|
| 2013-15 | 2013-15: Commercial and Industrial Phase In Bylaw  |
| DE13-26 | DE13-26 John Klein: 2013 General Operating Budget  |
| DE13-27 | DE13-27 John Bishop: 2013 General Operating Budget                                       |
| DE13-28 | DE13-28 CUPE Local 21: 2013 General Operating Budget                                     |
| DE13-29 | DE13-29 Jim Elliott: 2013 General Operating Budget                                       |
| DE13-30 | DE13-30 John Hopkins: 2013 General Operating Budget                                      |
| DE13-31 | DE13-31 Colin Stewart: 2013 General Operating Budget                                     |
| DE13-32 | DE13-32 John Klein, Cate Hydeman and Sara Maria Daubisse: 2013 General Operating Budget  |
| CP13-4  | CP13-4 Canadian Federation of Independent Business (CFIB): 2013 General Operating Budget |
| CR13-17 | CR13-17 2013 General Operating Budget  |

### **Recommendation**

1. That the 2013 General Operating Budget detailed in the attached 2013 General Operating Budget document be approved;
2. That the 2013 Costing Fund Budget as detailed in the attached 2013 General Operating Budget document be approved; and
3. That a municipal mill rate of 8.4404 for 2013, representing a 4.45% increase from 2012 be approved.

|         |  |
|---------|--|
| CR13-18 | CR13-18 2013-2017 General Capital Budget |
|---------|--|

### **Recommendation**

That the 2013 Capital Expenditures as outlined in the attached 2013 – 2017 General Capital Budget document be approved.



## Office of the City Clerk

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CR13-19

CR13-19 2013 Water and Sewer Utility Budgets

**Recommendation**

1. That City Council approve the 2013 Water and Sewer Utility Operating Budget, as outlined in the attached 2013 Water and Sewer Utility Budget document.
2. That City Council approve the 2013 Water and Sewer Utility Capital Budget, as outlined in the attached 2013 Water and Sewer Utility Budget document.

**Adjournment**

## Memo

February 19, 2013

To: His Worship the Mayor and  
Members of City Council

Re: Adjustments to City Council Agenda – February 19, 2013

When approving the agenda for this evening's meeting, I would recommend the following adjustments:

**ADD** The following item be added immediately after CP13-2:

CP13-5: Jeremy Black – Connaught School: Outdoor Pool and Tennis Court Planning Updates

CP13-6: Thomson School: Outdoor Pool and Tennis Court Planning Updates

CP13-7: Gladys MacDonald School: Outdoor Pool and Tennis Court Planning Updates

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DE13-31: Colin Stewart: 2013 General Operating Budget

**CHANGE** The following item be changed to DE13-32 immediately after DE13-31:

CP13-3: John Klein for Cate Hydeman: 2013 General Operating Budget



Joni Swidnicki  
City Clerk

cc: City Manager  
Executive Director, Legal  
Executive Director, Governance and Strategy  
Administrative Assistant to the City Manager

February 19, 2013

To: His Worship the Mayor  
and Members of City Council

Re: Regina Police Service 2013 Operating and Capital Budget - Amendment

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**RECOMMENDATION OF THE BOARD OF POLICE COMMISSIONERS  
- FEBRUARY 12, 2013**

That an amendment to the 2013 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$69,205,500 and revenues of \$7,811,900 resulting in a Net Operating Budget of \$61,393,600; and a 2013 Capital Budget of \$2,605,000 with \$1,439,800 of this funded from the Regina Police Service General Reserve, as set out in Appendix B, be approved.

*BOARD OF POLICE COMMISSIONERS – FEBRUARY 12, 2013*

The Board adopted the following resolution:

1. That the Board of Police Commissioners approve an amendment to the 2013 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$69,205,500 and revenues of \$7,811,900 resulting in a Net Operating Budget of \$61,393,600; and a 2013 Capital Budget of \$2,605,000 with \$1,439,800 of this funded from the Regina Police Service General Reserve, as set out in Appendix B; and
2. That this report, as it may be amended, be forwarded to Regina City Council for final approval of the 2013 police budget.

Mayor Michael Fougere, Councillors: Terry Hincks and Wade Murray, and Commissioners: Ron Rasmussen and Gord Selinger were present during consideration of this report by the Board of Police Commissioners.

The Board of Police Commissioners, at the **PRIVATE** session of its special meeting held on February 12, 2013, considered the following report from the Chief of Police:

RECOMMENDATION

The Board of Police Commissioners provide a revised five-year Capital Budget to Regina City Council's February 19, 2013, meeting, including a funding plan.

CONCLUSION

The Regina Police Service has realigned its Capital Budget program in consideration of the funding available including the City's 2013 Capital Budget assumption and the balance of the Police General Reserve.

## BACKGROUND

The Board of Police Commissioners at its October 17, 2012, meeting, approved the Regina Police Service's five-year Capital program including \$4,605,400 for the year 2013. The recommendation provided for Regina City Council to determine the funding plan.

## DISCUSSION

The Board of Police Commissioners at its October 17, 2012, meeting, approved the Regina Police Service's five-year Capital program including \$4,605,400 for the year 2013. The recommendation provided for Regina City Council to determine the funding plan. The City Administration has since identified that their Capital assumption for the Service is \$1,165,200, a 4% increase over the 2012 Capital allotment.

At the June 27, 2012, Board meeting a discussion paper was provided that describes the Service's Capital programming situation. This report is attached as Appendix A.

The Service will provide detailed hand-outs for the Board's consideration.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

None with respect to this report.

### Environmental Implications

None with respect to this report.

### Strategic Implications

None with respect to this report.

### Other Implications

None with respect to this report.

## COMMUNICATIONS

None with respect to this report.

Respectfully submitted,

BOARD OF POLICE COMMISSIONERS

*Elaine Gohlke*

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Elaine Gohlke, Secretary

CONFIDENTIAL: This report is deemed confidential for security reasons

June 27, 2012

To: Members,  
Board of Police Commissioners

Re: Regina Police Service Capital Budget Discussion Paper

## RECOMMENDATION

Receive and File.

## CONCLUSION

The Regina Police Service has developed this discussion paper to provide the Board with capital budget information as a follow-up to questions that have been raised during annual budget discussions. This report provides information on the following:

1. Historical operating and capital budget information for the Regina Police Service and City of Regina.
2. The City of Regina's funding strategy for the police capital budget.
3. Upcoming significant capital funding requirements identified for the Regina Police Service.

## BACKGROUND

The Regina Police Service develops an annual operating budget and a five-year capital budget for approval by the Board of Police each year. The Board forwards its estimates to City Council for their approval. During Executive Committee of Council information sessions, some questions have been raised about the Regina Police Service's capital budget.

## DISCUSSION

The following table illustrates six years of operating budget data. The percentage of Police net budget to the City of Regina's net budget has fluctuated from a high of 20.8% in 2008 to the current low of 19.3% in 2012.

| Operating Budget History |               |                    |                      |
|--------------------------|---------------|--------------------|----------------------|
| Year                     | Police Net    | City Regina Budget | % RPS net / City net |
| 2007                     | \$ 44,810,100 | \$ 220,864,300     | 20.7%                |
| 2008                     | \$ 48,047,100 | \$ 235,667,800     | 20.8%                |
| 2009                     | \$ 50,022,500 | \$ 256,044,100     | 20.0%                |
| 2010                     | \$ 52,736,600 | \$ 268,941,900     | 20.1%                |
| 2011                     | \$ 56,213,100 | \$ 287,024,400     | 20.0%                |
| 2012                     | \$ 58,377,200 | \$ 310,506,800     | 19.3%                |

The following table shows six years of capital budget data. The Police percentage of the City of Regina's capital budget is significantly lower at 1.7% in 2012. The Regina Police Service's

capital budget request has ranged from a low of \$845,000 in 2008 to a high of \$2,674,200 in 2011. Major fluctuations in capital budgets are typical because they fund one-time capital investments.

| <b>Capital Budget History (000's)</b> |                       |                                       |                               |                               |                                       |
|---------------------------------------|-----------------------|---------------------------------------|-------------------------------|-------------------------------|---------------------------------------|
| <b>Year</b>                           | <b>Police Capital</b> | <b>City's Contribution to Capital</b> | <b>Police General Reserve</b> | <b>City of Regina Capital</b> | <b>% Police funded by City / City</b> |
| <b>2007</b>                           | \$ 951.0              | \$ 951.0                              | \$ -                          | \$ 48,960.0                   | 1.9%                                  |
| <b>2008</b>                           | \$ 845.0              | \$ 845.0                              | \$ -                          | \$ 74,445.0                   | 1.1%                                  |
| <b>2009</b>                           | \$ 1,352.0            | \$ 1,052.0                            | \$ 300.0                      | \$ 68,020.0                   | 1.5%                                  |
| <b>2010</b>                           | \$ 1,614.0            | \$ 1,314.0                            | \$ 300.0                      | \$ 70,531.0                   | 1.9%                                  |
| <b>2011</b>                           | \$ 2,674.2            | \$ 1,083.6                            | \$ 1,590.6                    | \$ 86,325.0                   | 1.3%                                  |
| <b>2012</b>                           | \$ 1,544.5            | \$ 1,120.4                            | \$ 424.1                      | \$ 65,155.5                   | 1.7%                                  |

During previous Executive Committee of Council information sessions the question was raised as to the total Police operating and capital budget request as a percentage of the City of Regina's total operating and capital budget. In 2012, the Regina Police Service's total net operating and net capital budget request was \$59,497,600, which is 15.8% of the City of Regina's total operating and capital budgets.

Starting in 2009, the City of Regina Administration has advocated that Police capital funding only be allowed an inflationary factor and any remaining capital shortfall be funded from the Police General Reserve. The previous three increases to the City's contribution to the Regina Police Service capital budget were 3.0% in 2011, 3.4% in 2012 and anticipated to be 4.0% for 2013. The current balance of the Police General Reserve is \$2,142,916, which represents 3.3% of the Service's gross operating budget. This amount is considered adequate to sustain operations through most financial circumstances and challenges that may arise and should not be considered a sustainable source to fund capital shortfalls. Since 2009, the Police General Reserve has contributed \$2,614,700 to fund its capital budget requests. The funding gap will continue to widen if the City of Regina maintains its capital budget funding strategy with the Regina Police Service.

The Regina Police Service's five year capital program approved by the Board of Police in 2012 is as follows:

| <b>2012 - 2016 Capital Budget – Police (000's)</b> |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|
|  | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> |
| <b>Facilities Development</b>                      | \$ 174.6    | \$ 508.2    | \$ 465.6    | \$ 269.7    | \$ 126.5    |
| <b>Communications</b>                              | \$ 70.0     | \$ 2,000.0  | \$ -        | \$ -        | \$ -        |
| <b>Info Technology Infrastructure</b>              | \$ 612.6    | \$ 548.7    | \$ 682.0    | \$ 986.9    | \$ 865.0    |
| <b>Info Management / Projects</b>                  | \$ 184.3    | \$ 260.0    | \$ 316.5    | \$ 455.0    | \$ 135.0    |
| <b>Emergency Services Equip</b>                    | \$ 53.0     | \$ 65.7     | \$ 120.7    | \$ 55.7     | \$ 120.0    |
| <b>Facilities Renewal Project</b>                  | \$ -        | \$ 12,750.0 | \$ -        | \$ -        | \$ -        |
| <b>Fleet</b>                                       | \$ 450.0    | \$ 500.0    | \$ 500.0    | \$ 500.0    | \$ 500.0    |
| <b>Capital Total</b>                               | \$1,544.5   | \$16,632.6  | \$2,084.8   | \$2,267.3   | \$1,746.5   |

The Regina Police Service has identified several major capital projects in 2013 that require significantly more funding than usual including \$2,000,000 to upgrade radio communications



and \$12,750,000 to fund the Facilities Renewal Project. The Service has started work on the Facilities Renewal Project which will likely result in both a larger funding requirement and a delay from the 2013 timeframe for construction to begin. In addition, the Board was made aware at their March 28, 2012, meeting of a \$7,842,000 deficiency for the Police Headquarters Building as identified by the City of Regina Facilities Management Services Department.

Consistent with the City of Regina's current funding strategy, the City has indicated that the 2013 capital funding available to the Regina Police Service will be \$1,165,200 which represents a 4.0% increase. This amount is not going to provide sufficient funding for the capital budget the Service will bring forward in the 2013 budget submission to the Board.

The Board will be aware of the question raised by the City of Regina Administration regarding the funding of the Facility Renewal Project forming part of the Service's operating budget rather than through the City of Regina's capital contribution. The Service and City of Regina Administration are continuing to discuss how best to fund Police facility capital costs. A meeting with City Administration is scheduled for June 26, 2012. The Service will keep the Board updated as discussions take place.

#### RECOMMENDATION IMPLICATIONS

##### Financial Implications

None with respect to this report.

##### Environmental Implications

None with respect to this report.

##### Strategic Implications

None with respect to this report.

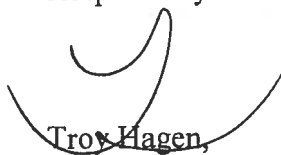
##### Other Implications

None with respect to this report.

#### COMMUNICATIONS

None with respect to this report.

Respectfully submitted,



Troy Hagen,  
Chief of Police

# 2013 - 2017 CAPITAL BUDGET - revised

## APPENDIX B

### Capital Program Expenditure Summary (000's)

| Capital Program  | 2012              | 2013              | 2014               | 2015              | 2016              |
|--|-------------------|-------------------|--------------------|-------------------|-------------------|
| <b>Facilities Development</b><br>210-9110-P491-64302-C0505           | 174.6             | <b>125.0</b>      | 952.0              | 1778.3            | 1563.0            |
| <b>Communications</b><br>210-9110-P491-65230-C0506                   | 70.0              | -                 | 2,263              | -                 | -                 |
| <b>Info Technology Infrastructure</b><br>210-9110-P491-65254-C0507   | 612.6             | <b>597.0</b>      | 702.0              | 940.5             | 877.0             |
| <b>Info Management / Projects</b><br>210-9110-P491-65222-C0519       | 184.3             | <b>235.0</b>      | 397.5              | 425.0             | 215.0             |
| <b>Emergency Services Equipment</b><br>210-9110-P491-65222-C0514     | 53.0              | <b>87.0</b>       | 197.0              | 74.5              | 122.5             |
| <b>Facilities Renewal Project (FRP)</b><br>210-9110-P491-65240-C0518 | -                 | <b>900.0</b>      | 14,860.0           | 695.0             | 0.0               |
| <b>Fleet</b><br>210-9110-P491-65258-C0517                            | 450.0             | <b>661.0</b>      | 616.0              | 616.0             | 666.0             |
| <b>Capital Total</b>   | <b>\$ 1,544.5</b> | <b>\$ 2,605.0</b> | <b>\$ 19,987.5</b> | <b>\$ 4,529.3</b> | <b>\$ 3,443.5</b> |

| Capital Financing                       | 2012              | 2013              | 2014               | 2015              | 2016              |
|---|-------------------|-------------------|--------------------|-------------------|-------------------|
| <b>Current Contributions to Capital</b> | 1120.4            | <b>1,165.2</b>    | 19,987.5           | 4,529.3           | 3,443.5           |
| <b>Police General Reserve</b>           | 424.1             | <b>1,439.8</b>    | -                  | -                 | -                 |
| <b>Capital Total</b>                    | <b>\$ 1,544.5</b> | <b>\$ 2,605.0</b> | <b>\$ 19,987.5</b> | <b>\$ 4,529.3</b> | <b>\$ 3,443.5</b> |

### NOTES:

1. \$1,000,000 was transferred from Facilities Renewal Project to City of Regina following 2012 budget approval.
2. The current balance of the Police General Reserve is \$2,142,916.

## 2013 - 2017 CAPITAL BUDGET - revised

| 2017              | Total              | %             |
|-------------------|--------------------|---------------|
| 1474.9            | 5,893.2            | 17.7%         |
| -                 | 2,263.0            | 6.8%          |
| 402.0             | 3,518.5            | 10.5%         |
| 240.0             | 1,512.5            | 4.5%          |
| 21.0              | 502.0              | 1.5%          |
| 0.0               | 16,455.0           | 49.3%         |
| 666.0             | 3,225.0            | 9.7%          |
| <b>\$ 2,803.9</b> | <b>\$ 33,369.2</b> | <b>100.0%</b> |

| 2017              | Total              |
|-------------------|--------------------|
| 2,803.9           | 31,929.4           |
| -                 | 1,439.8            |
| <b>\$ 2,803.9</b> | <b>\$ 33,369.2</b> |

January 28, 2013

To: His Worship the Mayor  
and Members of City Council

Re: Regina Police Service 2013 Operating and Capital Budget

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**RECOMMENDATION OF THE BOARD OF POLICE COMMISSIONERS  
- OCTOBER 17, 2012**

1. That the 2013 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$69,205,500 and revenues of \$7,811,900, resulting in a Net Operating Budget of \$61,393,600 be approved.
2. That the 2013 Capital Budget of \$4,605,400, with capital funding to be determined by Regina City Council, be approved.

*BOARD OF POLICE COMMISSIONERS – OCTOBER 17, 2012*

The Board adopted a resolution to concur in the recommendation contained in the report. Recommendation #3 does not require City Council approval.

Mayor Pat Fiacco, Councillor Sharron Bryce, and Commissioners: Shelley Lavallee and Ron Rasmussen were present during consideration of this report by the Board of Police Commissioners.

The Board of Police Commissioners, at the **PRIVATE** session of its meeting held on October 17, 2012, considered the following report from the Chief of Police:

RECOMMENDATION

It is recommended that the Board of Police Commissioners:

1. Approve the 2013 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$69,205,500 and revenues of \$7,811,900, resulting in a Net Operating Budget of \$61,393,600.
2. Approve the 2013 Capital Budget of \$4,605,400, with capital funding to be determined by Regina City Council.
3. Forward this report, as it may be amended, to Regina City Council.

CONCLUSION

The Regina Police Service proposed 2013 Operating and Capital Budget has been prepared based on a thorough review of conditions, challenges and opportunities facing the Regina Police Service. Efforts have been made to reduce spending where possible and to contain increases to

the amount absolutely needed. The Regina Police Service 2013 Operating and Capital Budget is aimed at ensuring Regina Police Service performance, effectiveness and value to the community.

## BACKGROUND

The Regina Police Service is presenting its proposed 2013 Operating and Capital Budget to the Board of Police Commissioners. The Board is required to make its budget available to Regina City Council by December 31, 2012.

## DISCUSSION

The Regina Police Service works every day to provide good value to Regina citizens. The Service strives to continually improve itself within a strong framework of integrity and with a foundation of values that guide our plans, our work and our relationships. The Regina Police Service takes a lead role in providing public safety in the City of Regina. Recognition of this role is embodied in the Service's mission statement, and is the central principle underlying all our activities:

*The Regina Police Service, through the actions of our dedicated and valued employees, strives to be held in the highest regard by the citizens of Regina, our partners, and peers in policing for ensuring a safe, inclusive and harmonious community.*

The Regina Police Service 2011-2014 Strategic Plan is based on four integrated areas of focus: service delivery; partnerships and community engagement; recruitment and employee development; and business processes and infrastructure. A summary of the Strategic Plan is provided in Appendix A.

The Regina Police Service financial plans provide the framework for the ongoing and sustained delivery of core policing work and support the strategic initiatives defined in the Regina Police Service 2011 – 2014 Strategic Plan. The 2013 Operating Budget contains the funding needed to deliver policing services for the upcoming year and the five-year Capital Budget provides the long-term financial plan to prepare the Service for the future. Highlights of accomplishments resulting from the 2012 Operating and Capital Budget are contained in Appendix B.

The Regina Police Service continuously looks to improve its service delivery and measures its performance through established performance indicators. These performance indicators provide internal accountability to the Board of Police Commissioners and external accountability to the citizens of Regina and are contained in Appendix C.

The annual budget process involves an environmental scan of internal and external conditions impacting the Service. Regina is in a period of unprecedented economic growth and prosperity and as such is experiencing population growth, enlargement of its physical footprint, changing demographics due to significant increase in newcomers and changing industry such as the development of the Global Transportation Hub. In addition, the work of policing has changed. For example, technological advances and new investigative tools require training, equipment and human resource specialization; new laws increase enforcement requirements; court rulings have impacted the time required to support prosecutions; provincial and federal government legislative and policy changes has impacted the type of calls for service (mental health and addictions); and policing boundaries have opened up (joint forces operations). Each of these factors presents opportunities and challenges for the Service. The Regina Police Service continually seeks operational efficiencies and community partnerships to provide optimal value and service to the citizens of Regina.

The guiding principles used in preparing the 2013 budget include:

- Alignment of the financial plan with the strategic plan.
- Continue to commit to the delivery of quality service for Regina citizens while looking for ways to become more efficient and to streamline and simplify our work.
- Identify opportunities to improve our performance and to create value.
- Understand and build interrelationships which helps to become more cost effective and to deliver superior service.
- Sustainability of infrastructure through long-term planning while using a balanced and measured approach to safeguard our assets.
- Anticipate and plan for the long-term to align the work of the Service with the growth and changes in the City.
- Incorporate fiscal responsibility into every expenditure decision made by the Regina Police Service as a means of providing stability to the organization, stretching the value of resource usage and being accountable to citizens who want the tax dollars they provide to be prudently allocated.

### **Operating Budget**

The 2013 Operating Budget supports cost adjustments to reflect changing internal and external conditions and Strategic Plan initiatives. For 2013, the Regina Police Service proposes a Net Operating Budget of \$61,393,600. This includes \$69,205,500 in gross operating expenditures and \$7,811,900 in anticipated revenues. The resulting Net Operating Budget is a \$3,016,400 or 5.2% increase over the 2012 budget. This is arrived at through an expenditure increase of \$3,471,900 and a revenue increase of \$455,500. Staffing expenditures support 542 permanent and 22.6 casual FTE's and comprise 91% of the Gross Operating Budget.

#### **Police 2013 Operating Budget**

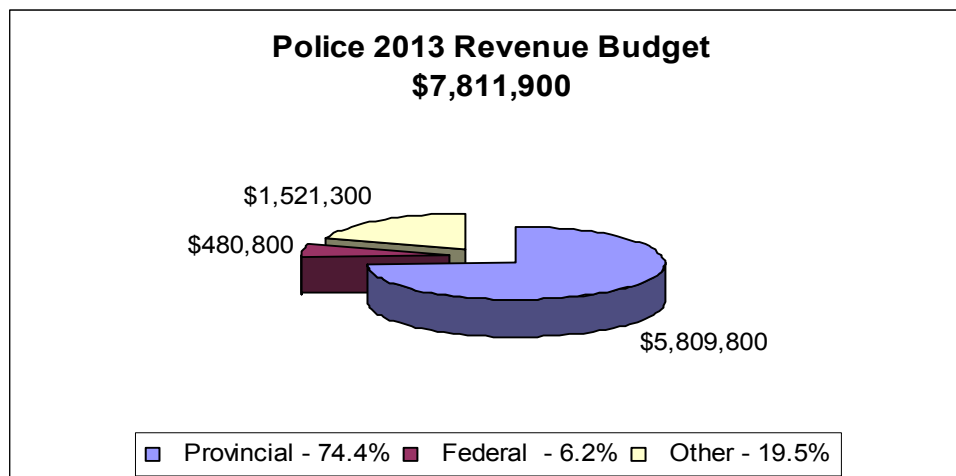
|                               | <b>2012<br/>Budget</b> | <b>2013<br/>Budget</b> | <b>Dollar<br/>Change</b> | <b>Percent<br/>Change</b> |
|-------------------------------|------------------------|------------------------|--------------------------|---------------------------|
| <b>Revenue Budget</b>         |                        |                        |                          |                           |
| Provincial Programs           | 5,684,400              | 5,809,800              | 125,400                  |                           |
| Federal Programs              | 478,800                | 480,800                | 2,000                    |                           |
| Other Revenues                | 1,193,200              | 1,521,300              | 328,100                  |                           |
|                               | <b>\$7,356,400</b>     | <b>\$7,811,900</b>     | <b>\$455,500</b>         | <b>6.2%</b>               |
| <b>Gross Operating Budget</b> |                        |                        |                          |                           |
| Salary/Benefit Costs          | 59,696,900             | 62,716,200             | 3,019,300                | 5.1%                      |
| Corps of Commissionaires      | 380,000                | 389,500                | 9,500                    | 2.5%                      |
| Operational Expenses          | 5,656,700              | 6,099,800              | 443,100                  | 7.8%                      |
|                               | <b>\$ 65,733,600</b>   | <b>\$ 69,205,500</b>   | <b>\$ 3,471,900</b>      | <b>5.3%</b>               |
| <b>Net Operating Budget</b>   | <b>\$58,377,200</b>    | <b>\$61,393,600</b>    | <b>\$ 3,016,400</b>      | <b>5.2%</b>               |

In developing the budget, \$108,500 in internal savings were identified (see Budget Highlights page) and redirected to reduce the proposed budget increase. Operational expenses reflect an increase of \$443,100 or 7.8% from the 2012 level. The Regina Police Service 2012 Net Operating Budget consumed 19.1% of the City of Regina's 2012 Operating Budget, a decrease from 20.0% over 2011.

Highlights of the 2013 Operating Budget *changes* include:

- Permanent staffing adjustments include one Security Analyst (Information Technology Services), one Supervisor, Release of Information (Police Information and Evidence Management), one Civilian Tactical Crime Analyst (Community Services Division), and one funded Training Officer, Saskatchewan Police College. Casual staffing adjustments include one provincially funded Victim Services Missing Person Liaison and 0.1 increase for the Administrative Assistant, Gang Unit.
- Salary and benefit changes include the full year cost of the 2013 approved positions; step increases for junior employees; salary contingency for unsettled collective agreements and related benefits on these salary changes; and a benefit rate increase to support anticipated changes to the Regina Police Pension Plan.
- \$186,300 to deliver policing during the week long Grey Cup 2013 event. \$46,700 of this expense is cost-recovered by the Saskatchewan Roughriders for in-stadium game-day overtime.
- \$79,000 for ongoing hardware and software maintenance contracts for core information technology systems.
- \$57,000 to provide off-site leasing expense for staging out occupants of the Municipal Justice Building in anticipation of the Facilities Renewal Project.
- \$29,400 for increased costs for facility expenses to maintain the Headquarters, Municipal Justice and Emergency Services Buildings.
- \$45,100 for increased costs for maintaining the Service's fleet operation including fuel, license plates, and vehicle parts.
- \$25,000 to conduct a Community Survey.
- \$12,000 for increased costs associated to legal services by outside counsel.
- (\$58,300) savings to remove the Pre-Court Review Prosecutor initiative. The funding for this program ended in May, 2012.
- (\$30,000) moved to Fleet Capital Budget for special equipment to commission new Fleet vehicles.
- (\$23,500) savings from improved efficiencies for telephone and cellular contracts.
- (\$20,000) savings to remove a one-time item for re-branding the Coat of Arms.

The 2013 Revenue Budget is \$7,811,900, an increase of 6.2% over 2012. The Revenue Budget supports 11.3% of the Regina Police Service Gross Operating Budget and funds 12.4% or 67.5 permanent and casual FTE's. Revenue sources include funding from the provincial government (74%), federal government (6%) and other revenues (20%).



Highlights of the 2013 Revenue Budget *changes* include:

- Revenue additions from the provincial government under established partnerships include: Internet Child Exploitation (ICE) \$30,200; Victim Services/Aboriginal Resource \$4,500; and Sask911 PSAP \$48,700. Revenue decreases include the provincial government Internet Child Exploitation (ICE) operating expenses (\$38,100); and SGI programming (\$5,500).
- Revenue additions from the provincial government for new funding include: Victim Services Missing Persons Liaison \$61,900.
- Revenue additions from the federal government under established partnerships include: Corrections Liaison Officer \$1,100; and Victim Services Responder (RCJC) \$900.
- Other revenue increases include: Legal Counsel cost-recovery \$3,100; School Resource Officer Program cost-recovery \$8,900; special duty increase \$35,000; and Communications Technology Unit cost-recovery \$22,100. Revenue decreases include miscellaneous revenue for the JAIN contract (\$17,700).
- Revenue increase from the Saskatchewan Police College, Training Officer \$100,000.
- Revenue increase of \$46,700 cost-recovered by the Saskatchewan Roughriders for in-stadium game-day overtime.
- Revenue increase of \$130,000 for Criminal Record Checks due to rate increase from \$35 to \$45 per check, along with an increased volume of checks being conducted. Volunteers will continue to receive criminal record checks at no charge.

### **Capital Budget**

The value of the proposed five-year Capital Budget is \$33.4 million including \$4,605,400 in 2013. It is proposed that no funding for the 2013 program will be provided through the Police General Reserve. The current balance of the Police General Reserve is \$2,142,916 which is 3.1% of the proposed 2013 Gross Operating Budget. This amount is considered adequate to sustain operations through most financial circumstances and challenges that may arise.

The Capital Budget includes seven program areas: Facilities Development, Communications, Information Technology Infrastructure, Information Management/Projects, Emergency Services Equipment, Facilities Renewal Project and Fleet. The five-year plan includes projects that will enhance Regina Police Service performance, provide the tools to get the job done and provide a healthier more environmentally friendly place to work.

**Police 2013 - 2017 Capital Budget (000's)**

| <b>Capital Program</b>                        | <b>2013</b>       | <b>2014</b>        | <b>2015</b>       | <b>2016</b>       | <b>2017</b>       | <b>Total</b>       |
|---|-------------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| Facilities Development                        | 477.4             | 629.6              | 1778.3            | 1533.0            | 1474.9            | 5,893.2            |
| Communications                                | -                 | 2,263.0            | -                 | -                 | -                 | 2,263.0            |
| Info Technology Infrastructure                | 597.0             | 702.0              | 940.5             | 877.0             | 402.0             | 3,518.5            |
| Info Management / Projects                    | 250.0             | 382.5              | 425.0             | 215.0             | 240.0             | 1,512.5            |
| Emergency Services Equipment                  | 120.0             | 164.0              | 74.5              | 122.5             | 21.0              | 502.0              |
| Facilities Renewal Project (FRP) <sup>1</sup> | 2,500.0           | 13,260.0           | 695.0             | -                 | -                 | 16,455.0           |
| Fleet   | 661.0             | 616.0              | 616.0             | 666.0             | 666.0             | 3,225.0            |
| <b>Capital Total</b>                          | <b>\$ 4,605.4</b> | <b>\$ 18,017.1</b> | <b>\$ 4,529.3</b> | <b>\$ 3,413.5</b> | <b>\$ 2,803.9</b> | <b>\$ 33,369.2</b> |

| <b>Capital Financing</b>            | <b>2012</b>       | <b>2013</b>        | <b>2014</b>       | <b>2015</b>       | <b>2016</b>       | <b>Total</b>       |
|-------------------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| Current Contributions to Capital    | 4,605.4           | 18,017.1           | 4,529.3           | 3,413.5           | 2,803.9           | 33,369.2           |
| Police General Reserve <sup>2</sup> | -                 | -                  | -                 | -                 | -                 | -                  |
| <b>Capital Total</b>                | <b>\$ 4,605.4</b> | <b>\$ 18,017.1</b> | <b>\$ 4,529.3</b> | <b>\$ 3,413.5</b> | <b>\$ 2,803.9</b> | <b>\$ 33,369.2</b> |



**Notes:**

1. \$1,000,000 from the 2012 FRP was transferred to the City of Regina following budget approval.
2. The current balance of the Police General Reserve is \$2,142,916.

Capital program highlights for 2013 include the following:

- \$477,400 in Facilities Development for interior upgrades, roof repairs on Headquarters Building, mechanical upgrades, ongoing furniture replacement and funding to conduct a Substation Feasibility Study. In 2011, the City of Regina Facility Management Services Department undertook a 'Facility Asset Revitalization and Sustainability' Study. This Study identified that the Police Headquarters Building has reached an age whereby it requires significant revitalization. Capital funding has been included as recommended by the City of Regina Facility Management Services Department.
- No capital funding is requested in Communications. The Radio System Replacement has been scheduled for 2014, in alignment with other City of Regina radio users.
- \$597,000 in Information Technology Infrastructure including the ongoing replacement of desktop/laptop equipment; ongoing expenditures for hardware infrastructure such as switches, servers, printers, scanners; required software licenses; virtualization of servers and storage; and the development of a disaster recovery/business continuity initiative.
- \$250,000 in Information Management/Projects including the expansion of video recording to marked police cars; GPS expansion to CID vehicles; implementation of Microsoft SharePoint and a Flash Drive Management System.
- \$120,000 in Emergency Services including equipment for specialty teams and ongoing replacement of issue guns.
- \$2,500,000 for the Facilities Renewal Project. A joint Steering Committee has developed a work plan including hiring consultants to conduct a space needs assessment; develop a detailed budget and design; and undertake construction which is planned to begin in 2014. The City of Regina Facilities Management Services is taking the lead role in project management for this redevelopment.
- \$661,000 in Fleet continues to provide ongoing funding for the regular replacement of marked, unmarked and specialty vehicles. In addition, funding for the commissioning of new vehicles has been included at a cost of \$66,000 of which \$30,000 was reallocated from the operating budget.

The community of Regina faces ever-changing and complex crime challenges and the Regina Police Service partners with the community which strengthens the delivery model and provides efficient and effective crime prevention tactics. Progress is being made and crime is on the decrease.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

The Regina Police Service budget will have financial implications for 2013 as outlined in this report.

### Environmental Implications

There are no direct environmental implications from this report, although the five-year capital plan contains projects that will have a positive environmental impact.

### Strategic Implications

The Regina Police Service budget is prepared in conjunction with the Regina Police Service 2011 – 2014 Strategic Plan.

Other Implications

Regina Police Service performance has an impact on the community and its citizens.

COMMUNICATIONS

The Regina Police Service 2013 budget will be submitted to Regina City Council once the budget has been reviewed and approved by the Board of Police Commissioners.

Respectfully submitted,

BOARD OF POLICE COMMISSIONERS

*Elaine Gohlke*

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Elaine Gohlke, Secretary

## **Appendix A**

### **Regina Police Service**

#### **Strategic Plan 2011 – 2014 Highlights**

The Regina Police Service supports the City of Regina's vision to 'Imagine Regina 2020...Canada's most vibrant, inclusive, attractive, sustainable community...where people live in harmony and thrive in opportunity'. The Regina Police Service takes a lead role in providing public safety in the City of Regina. Recognition of this role is embodied in the Service's mission statement, and is the central principle underlying all our activities:

#### **Mission**

The Regina Police Service, through the actions of our dedicated and valued employees, strives to be held in the highest regard by the citizens of Regina, our partners, and peers in policing for ensuring a safe, inclusive and harmonious community.

#### **Vision**

Regina is a safe, inclusive and harmonious community.

#### **Values**

Our integrity is based on firm adherence to values that guide our plans, our work and our relationships as members of the Regina Police Service. These values are applied in a way that ensure a balance between the interests of the community, the organization and employees.

- Dedication – We are dedicated to increasing public safety through community policing.
- Professionalism – We are accountable in fulfilling our duties ethically and respectfully.
- Diversity – We respect diversity, both in Regina's community and within our organization.
- Co-operation – We recognize the value of teamwork within the organization and with the community.
- Communication – We encourage effective communication that supports teamwork and positive, productive relationships.
- Progressiveness – We are adaptable in dealing with the challenges of today and tomorrow.

The Strategic Plan is based on four integrated areas of focus: service delivery; partnerships and community engagement; recruitment and employee development; and business processes and infrastructure. The following are examples of goals and initiatives contained in the 2011 - 2014 Strategic Plan.

#### **Service Delivery**

The Regina Police Service's Core Functions are emergency response, quality investigations and response to non-emergency calls, traffic safety, and crime prevention/community building. The anticipated outcomes of these efforts are crime reductions, increased public feelings of safety and security and decreased public fear of crime.

- The development and implementation of strategies to address public safety with a focus on crime reduction, illegal drugs, robbery, street gangs, graffiti, and technology related crime.
- Improving our ability to be proactive to emerging issues through effective crime trend monitoring.
- The development of plans to address issues of crime, safety, and community stability in Regina's inner city neighbourhoods.
- To be more effective in the deployment of police resources by reviewing patrol activities, increasing police presence throughout the city, ensuring appropriate levels of police coverage in all communities as Regina expands and ensuring our call response model meets public expectations of public safety.
- Enhance the safety of Regina's roadways by reviewing the red light camera program and deterring impaired driving that originates from drinking establishments.

### **Partnerships and Community Engagement**

The Regina Police Service has a crucial role in reducing crime and increasing safety in Regina, but we do not work alone in this endeavour. We require assistance from the community, including public reporting of occurrences and providing input so we can best meet the community's priorities. We also require assistance from our local, provincial, and national partners who share stake in improving community well-being.

- Continue to work with others on public safety issues including participating in Saskatchewan's Police and Partners Strategy to Build Safer Communities and Reduce Violent Crime, collaborating with the Regina Intersectoral Committee (RIC) to address early intervention on youth aged 11 and under, collaborating with various agencies to address public safety concerns in drinking establishments, improving our working relationship with the Crown Prosecutor's Office and collaborating and sharing information with other policing agencies and organizations.
- Strengthen our relationship with the community by improving communication to the public about our activities and services and attaining external feedback from the public on various aspects of the Service.

### **Recruitment and Employee Development**

A qualified, well-trained and motivated staff, properly deployed, is crucial to delivering optimal service to the people of Regina.

- Enhance recruitment of qualified personnel while striving to meet the goals set forth by the Saskatchewan Human Rights Commission by continuing to implement the Human Resource Strategic Plan, with a focus on First Nations and newcomer communities, and by utilizing social media for recruiting.
- Ensure the Human Resource Development Plan meets organizational goals while enhancing individual development by identifying ways to increase employee satisfaction with available work opportunities, ensure organizational efficiencies are maintained through appropriate length of terms and developing a standardized process that facilitates the transition for employees from one role to another within the organization.
- Utilization of human resource software to measure employee performance and monitor and detect early intervention of police officers who may need human resource support.

- Improve our human resource deployment by ensuring that human resources are appropriately distributed throughout the organization.
- Develop and train personnel in alignment with their responsibilities and the strategic direction of the organization by centralizing training in Human Resources, increasing IEIS training, providing managers with management training and delivering cultural training to all staff.

### **Business Processes & Infrastructure**

The Service is committed to evaluating and adapting its facilities, equipment, and business processes to ensure they meet service objectives and the organization's needs are consistent with sound budgeting principles and reflect forward planning.

- Continue to improve our internal processes and use of technology to be more effective by implementing web-based reporting and property registration, replacing the employee time system, enhancement of the intranet site, continued installation of digital audio-visual recording equipment, utilizing mobile devices where it enhances efficiencies, updating our automated fingerprint identification process, upgrading to a new radio system, installing automatic vehicle locator software in unmarked vehicles and acquiring business intelligence software.
- Establish quality assurance practices by continued implementation of key performance indicators, integrating risk management and an auditing process into our planning, administration, and operations.
- Safeguard existing assets and develop infrastructure in anticipation of the organization's future by implementing the space plan that includes the redevelopment of the Municipal Justice Building, ensuring the Fleet meets the demands of the organization, safeguarding our electronic information and continuously upgrading our information technology.

The Regina Police Service 2013 Financial Plan and 2011 – 2014 Strategic Plan form an integrated package based on an understanding of conditions, problems and opportunities facing the Regina Police Service. The financial plan supports the strategic direction of the Regina Police Service enabling continuous improvement, sustained performance and deliberate effectiveness delivered by dedicated and professional staff.

The complete Regina Police Service Strategic Plan 2011 - 2014 is available at:  
[www.reginapolice.ca](http://www.reginapolice.ca).

## **Appendix B**

### **Regina Police Service**

### **2012 Initiatives**

The following are highlights of 2012 accomplishments listed by strategic focus area.

#### **Service Delivery**

- Across the City, there have been reductions in most crime categories.
- The Service Centres are mandated to address issues of assault, intimidation, street robberies and gang violence in the inner city as well as prostitution.
- The Investigative Response Unit was reassigned to the Community Services Division to respond to evolving crime trends in a timely manner. Through redeployment, the unit was increased by four members and moved to a rotation that gives coverage seven days a week.
- Enhancing information and intelligence sharing through the use of ACIIS (Automated Criminal Intelligence Information), the Canadian law enforcement community's national database for criminal information and intelligence on organized and serious crime.
- Geographic ownership in each District has strengthened the Service's community policing presence. Complementing this are Community Association meetings and the provision of regular newsletters and updates. District Inspectors and Staff Sergeants meet on an ongoing basis with City Councillors to discuss concerns.
- Continued participation on the Global Transport Hub Authority (GTHA) - Safety and Security Committee and Advisory Committee.
- To September, 2012 School Resource Officers conducted 1,429 park checks and 948 checks around school grounds. During four days in the Spring, School Resource Officers made 97 traffic stops resulting in 56 traffic tickets and 2 vehicles seized. In addition they responded to 18 calls for service for complaints of noise and 4 drug-related incidents.
- The Service implemented a strategy to decrease the number of outstanding warrants. From June 2008 to June 2012, the number of outstanding warrants decreased by 67.3%, from 11,166 to 3,655.
- Continued focus to drinking establishments to enhance public safety. Work continues with the City of Regina in the area of parking and taxi access with the goal of increasing safety for the patrons.
- Continued focus on impaired drivers to enhance traffic safety. A drop in reported incidents to the RID (Report Impaired Drivers) program resulted in a number of media releases to bring attention back to this issue.
- Enhanced street robbery suppression efforts by both CID and CSD.
- The Graffiti Investigator developed a current offender database and works collaboratively with partners and the community on prevention strategies.
- Enhanced property crime strategy to provide a collaborative approach to prevention and enforcement activities.
- Continued awareness of the implications of illegal drug activity through posting information on marijuana grow operations on website.

#### **Partnerships & Community Engagement**

- The Citizens Police Academy has provided its program for over twenty years resulting in over 1700 citizens graduating. There are 96 active CPA alumni.

- Provided policing to a number of high profile community events including First Nations University PowWow, the Regina Folk Festival, Agribition, Queen City Exhibition, Canada Day, Summer Invasion and various sporting events.
- Continued with the multi-agency assessment and response team for children ages eleven and under (11UI) who are identified as at-risk for involvement in the criminal justice system. The 11UI Steering Committee hired a coordinator through funding provided by Social Services and the Public School Board. The coordinator is housed at the Regina Police Service and works closely with the 11UI Early Intervention Officer. To-date, 85 children have been referred to the program.
- In conjunction with various agencies, continuing to enhance the certification process and use of Translators.
- Hosted the 17<sup>th</sup> Annual Regina Police Service Showcase (Open House).
- Hosted the annual Regina Police Service Veteran's appreciation lunch.
- Partnered with the Federal Government and Regina Open Door Society to develop training videos on Canadian Law and the Regina Police Service to assist Newcomers in understanding our Canadian legal system. There are 6 videos and handbooks, produced in ten different languages.
- The Regina Police Service designed a parade float for the 2012 Queen City Exhibition as well as other parades in our community and surrounding area.
- Rebranded the Regina Police Service using our Coat of Arms. The re-branding initiative included shoulder flashes, hat badges, stationary, vehicles cresting and signage.
- Continued participation in a wide variety of cultural events including Treaty 4 Citizen's Police Academy, Regina Traditional Healing Gathering, Camp fYrefly for LBGTQ & A youth, Mosaic and the Regina Ukrainian Fall Festival.
- Providing liaison services for the CACP Aboriginal Youth Conference scheduled for November, 2012.
- Conducted a Media Police Academy for members of the local media.
- The Regina Police Service hosted the 2012 Canine Dog Trails, held in conjunction with the Canine Section's 40<sup>th</sup> Anniversary. Corporal Lorence and Krux placed 3<sup>rd</sup> in the 'Agility' and Constable Wyatt and Jax placed 1<sup>st</sup> in 'Building Searches'.

### **Recruitment and Employee Development**

- Continued delivery of training: police officer safety training (POST); forensic interview and interrogation training; undercover techniques training; specialty team training; diversity training; Firearm's Instructor training; and intoxilyzer training. Delivered diversity training through the Egale Canada's "Report Homophobic Violence, Period (RHVO) Program".
- Continued Diversity Mentorship Program along with participation in SPARC (Saskatchewan Police Aboriginal Recruiting Committee) and Treaty 4 Citizen's Police Academy in an effort to attract and prepare First Nations applicants.
- Maintained the chaplaincy program.
- Regina Police Service employees are actively involved in the community as volunteers and leaders.
- Named Saskatchewan's Top 20 Employers for the third year in a row.
- Executive Committee held seven 'State of the Force Information Sessions' for all employees.

- An Organizational Review has been undertaken to update all sworn job descriptions and develop a new, automated Performance Management system. A trial implementation is scheduled for February, 2013.
- Harassment training was developed and implementation has begun. Four members were identified to conduct harassment investigations and are scheduled for training in the Fall.
- Mediation training through Conflict Resolution Saskatchewan is scheduled for three members.
- A 'Block Training' model was researched and developed to provide a more stream-lined and efficient way of delivering training to sworn members. Block Training will be trialed in October, 2012.

### **Business Processes & Infrastructure**

- Completed the pilot of interview recording system to improve the quality and flexibility of the interview process. Continued work to expand the software to all interview rooms.
- Initiated the development of an automated early intervention system to identify behaviour and performance issues in members, utilizing the IEIS record management system.
- Continued to enhance the new technology for scanning, storing, transmitting and searching fingerprints.
- Expansion of in-car video capability to six traffic vehicles planned for Fall, 2011.
- Continued to utilize the unmanned aerial vehicle (Draganflyer helicopter) to enhance our ability to gather photographic evidence at crime scenes and serious motor vehicle accidents. The Draganflyer has been deployed five times since 2011.
- Continue to explore E-ticketing in partnership with SGI and Justice.
- Completed the implementation of on-line reporting software (CopLogic).
- Completed the implementation of the new Automated Fingerprint Identification System (AFIS) in partnership with Calgary and Edmonton Police Services.
- Continuation of the policy review and rewrite initiative. Approximately 50% of policies have been reviewed.
- Expanded the use of Social Media to communicate with our community. The Regina Police Service is now active on Facebook and Twitter.
- Continued discussions with the stakeholder groups about The Regina Police Pension Plan in an effort to find a solution that will provide for the ongoing sustainability of the Plan.
- Enhanced technology and training for the Digital Media Analyst to improve our investigative tools in processing internal and external media.
- Implemented digital fingerprinting technology to improve response times from CCRTIS (Canadian Criminal Real Time Identification Services).
- Began the implementation of new scheduling software with a pilot scheduled for early 2013.
- Continued participation on the City of Regina's 1700 Block Halifax Study.
- The Radio Upgrade Project Working Committee engaged a consultant in March, 2012 with a technical specification document to be completed by year-end.
- Completed the installation of in-car video to six traffic vehicles.
- Completed the development of the staff parking lot at Sask Drive and St. John Street.
- Began the testing of the new marked fleet options as the Ford Crown Victoria is no longer available. The options will be analyzed through the Fall to determine the Service's fleet strategy.



## Appendix C

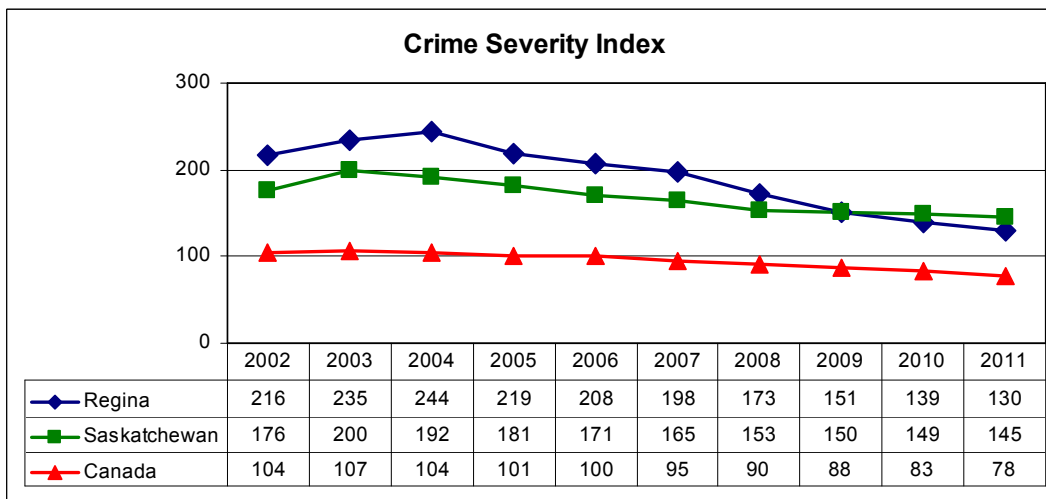
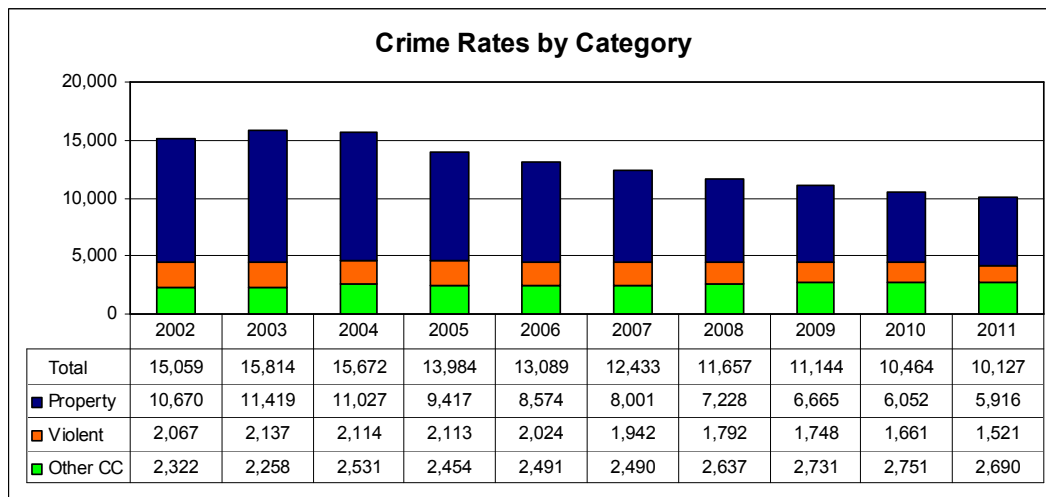
### Regina Police Service

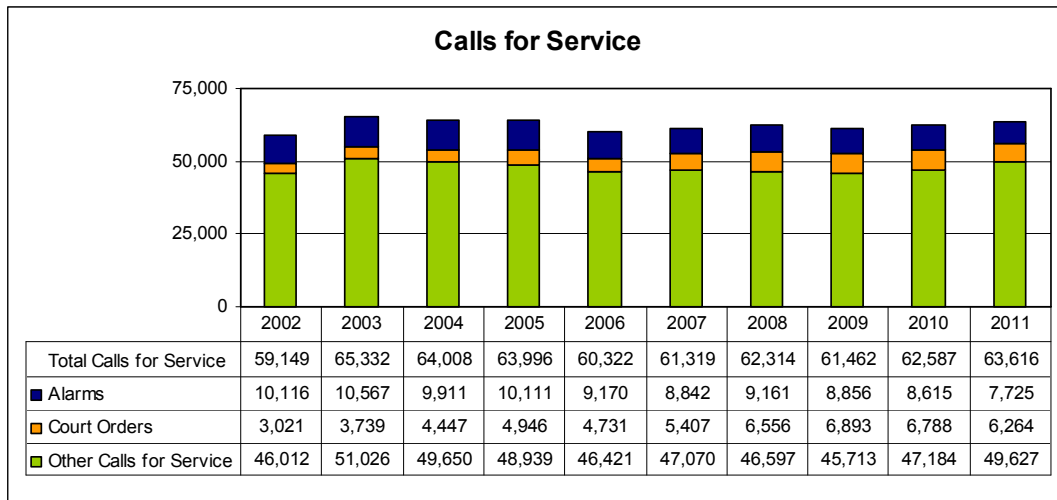
#### Providing Value to Regina Citizens

The Regina Police Service continuously looks to improve its service delivery and measures its performance through established performance indicators. These performance indicators provide internal accountability to the Board of Police Commissioners and external accountability to the citizens of Regina. In 2011, the Regina Police Service engaged the University of Regina to survey the community to replace the information that was previously provided through the City of Regina's annual omnibus survey. The performance indicators reported to the Board of Police Commissioners on a regular basis include the following:

- crime rates, crime severity index, and calls for service

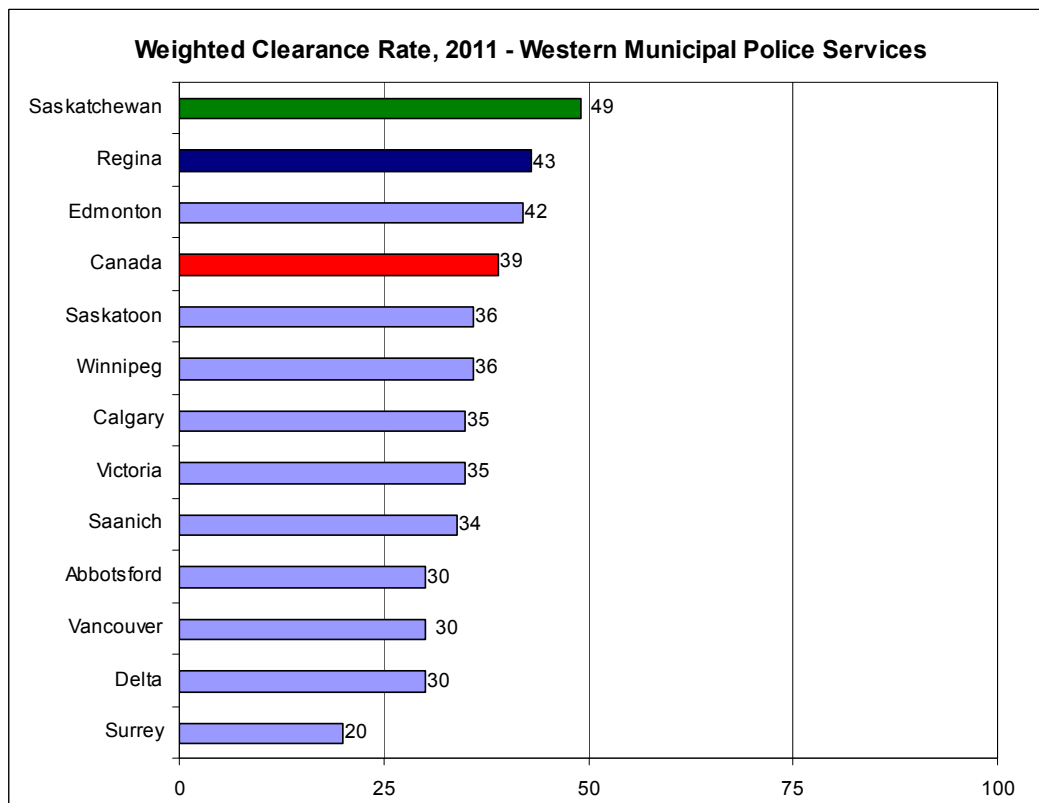
The overall level of reported crime has shown a steady decrease since 2001. The levels of Crimes Against the Person, Crimes Against Property and other Criminal Code violations are down. The Calls For Service remain steady through the ten year period.





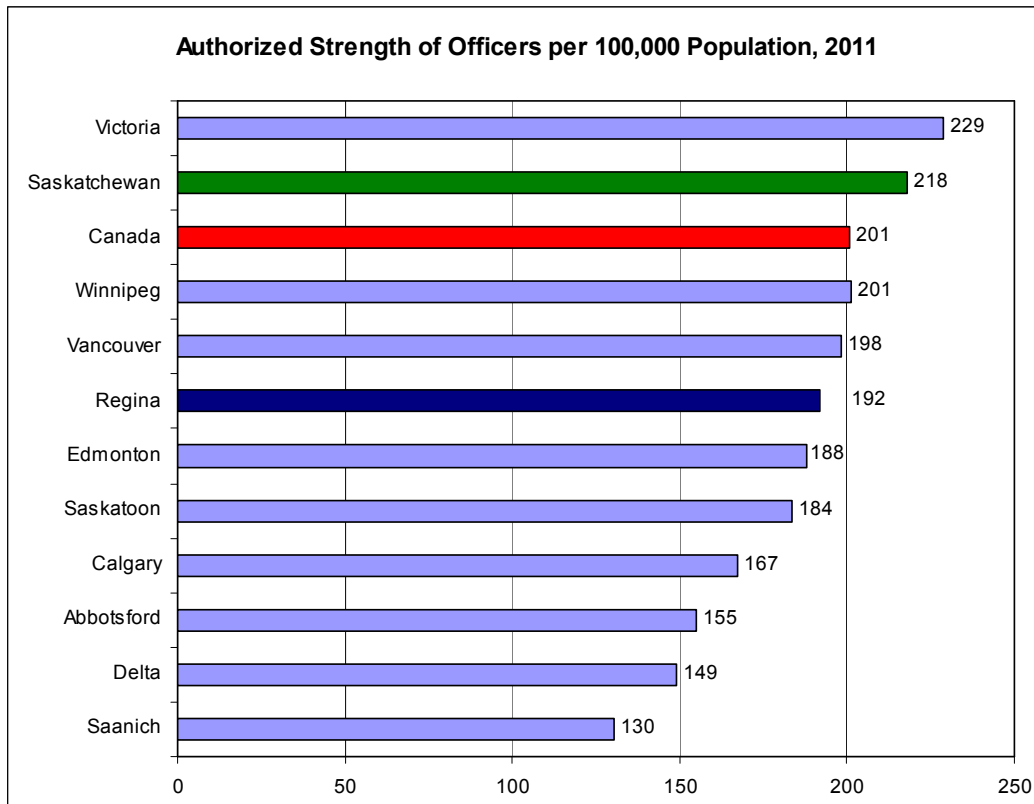
- clearance rates

Although the Regina Police Service is a busy organization with a high officer workload, the Service is effective with one of the highest clearance rates in Western Canada.



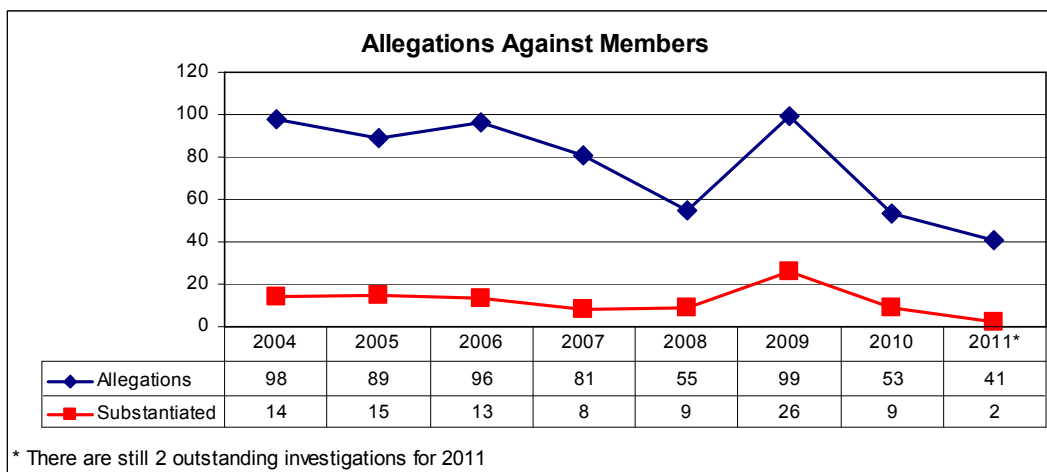
- per capita authorized strength comparisons

The Regina Police Service is average for per capita authorized strength. It is worth noting that Saskatoon Police Service Actual Strength per 100,000 Population figures increase to 199 due to their hiring practices.



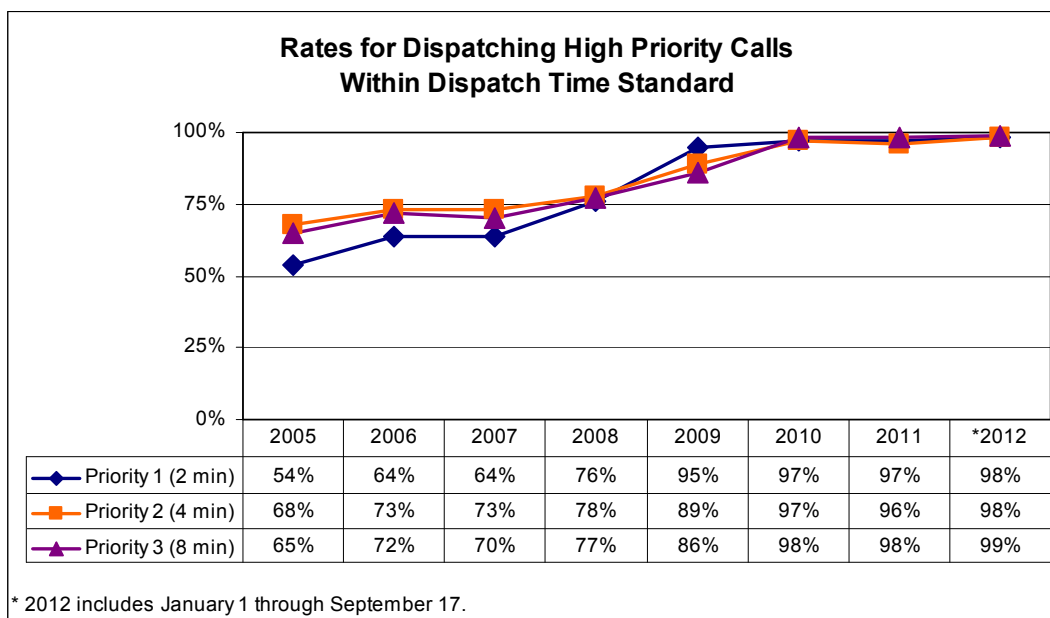
- using force and authority fairly, efficiently and effectively

The Service provides the number of complaints against members and use of force information to the Board of Police Commissioners. The number of complaints against members shows a steady decrease since 2004.



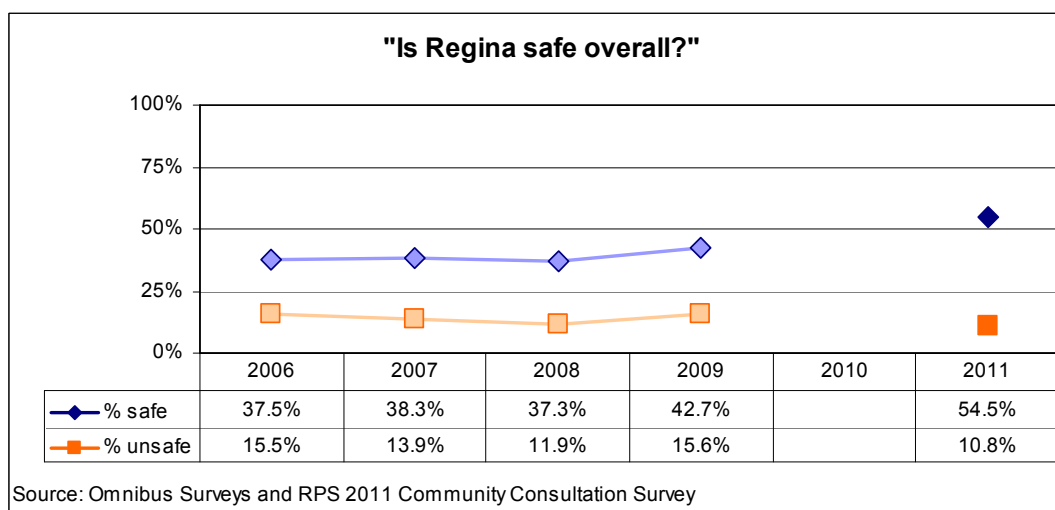
- response times

The Regina Police Service is meeting its response objectives for priority 1, 2 and 3 calls.

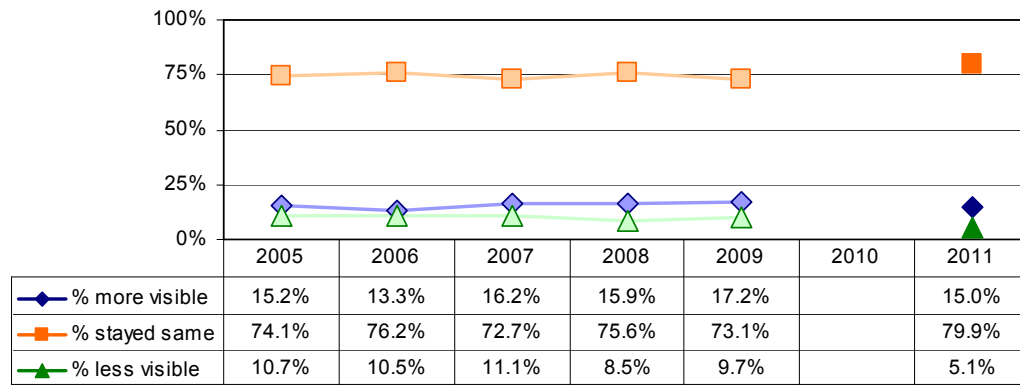


- community feedback

As a public institution, the Regina Police Service values feedback from the community on how it is doing. In 2011, the Regina Police Service undertook a community survey. Results indicate that a high number of citizens feel that Regina is a safe community and that the Regina Police Service has a visible presence.

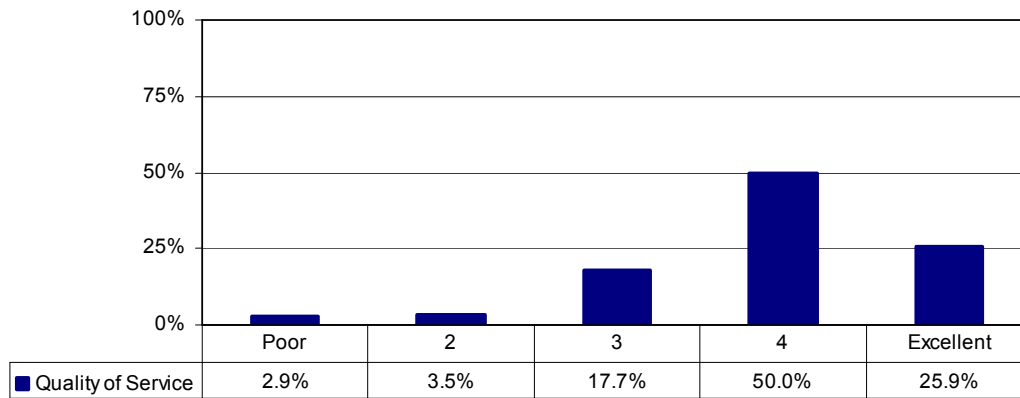


### "Are Police More or Less Visible in Your Neighbourhood?"



Source: Omnibus Surveys and RPS 2011 Community Consultation Survey

### "Overall Quality of Service?"



Source: RPS 2011 Community Consultation Survey

# 2013 POLICE OPERATING BUDGET SUMMARY

|   | 2012<br>BUDGET    | 2013<br>BUDGET    | DOLLAR<br>CHANGE | PERCENT<br>CHANGE |
|---|-------------------|-------------------|------------------|-------------------|
| <b>REVENUE</b>                              |                   |                   |                  |                   |
| <b>Provincial Programs</b>                  |                   |                   |                  |                   |
| SHOCAP                                      | 600,000           | 600,000           | -                |                   |
| CFSEU                                       | 515,000           | 515,000           | -                |                   |
| Enhanced Community Policing                 | 1,900,000         | 1,900,000         | -                |                   |
| Missing Person Task Force                   | 100,000           | 100,000           | -                |                   |
| Enhanced Investigative Policing             | 500,000           | 500,000           | -                |                   |
| Internet Child Exploitation (ICE)           |                   |                   | -                |                   |
| Provincial ICE Unit                         | 300,000           | 330,200           | 30,200           |                   |
| Provincial ICE Unit Operating Cost Recovery | 307,900           | 269,800           | (38,100)         |                   |
| CFSEU Operating Cost Recovery               | 67,900            | 67,900            | -                |                   |
| Fraud Investigator - Social Services        | 111,400           | 111,400           | -                |                   |
| Victim Services/Aboriginal Resource         | 219,800           | 224,300           | 4,500            |                   |
| Victim Services Missing Persons Liaison     | -                 | 61,900            | 61,900           |                   |
| Eleven & Under Initiative                   | -                 | 23,700            | 23,700           |                   |
| SGI Initiatives                             | 102,500           | 97,000            | (5,500)          |                   |
| Sask 9-1-1 PSAP                             | 959,900           | 1,008,600         | 48,700           |                   |
| <b>Federal Programs</b>                     |                   |                   |                  |                   |
| Integrated Proceeds of Crime                | 90,000            | 90,000            | -                |                   |
| RIIU ACIIS Data Entry Clerk                 | -                 | -                 | -                |                   |
| Corrections Liaison Officer                 | 96,300            | 97,400            | 1,100            |                   |
| NWEST - National Weapons Enforcement        | 113,500           | 113,500           | -                |                   |
| Covert Management Unit                      | 120,000           | 120,000           | -                |                   |
| Victim Services Responder - RCJC            | 59,000            | 59,900            | 900              |                   |
| <b>Other Revenues</b>                       |                   |                   |                  |                   |
| Legal Counsel                               | 95,000            | 98,100            | 3,100            |                   |
| School Resource Officer Program             | 63,300            | 72,200            | 8,900            |                   |
| University Liaison Officer                  | 30,000            | 30,000            | -                |                   |
| Police College Training Officer             | -                 | 100,000           | 100,000          |                   |
| Criminal Record Checks                      | 410,000           | 540,000           | 130,000          |                   |
| Special Duty/Public Events                  | 140,000           | 175,000           | 35,000           |                   |
| Grey Cup                                    | -                 | 46,700            | 46,700           |                   |
| Communication Technology Unit               | 398,000           | 420,100           | 22,100           |                   |
| Cost Recovery Revenues                      | 22,000            | 22,000            | -                |                   |
| Miscellaneous Revenue                       | 34,900            | 17,200            | (17,700)         |                   |
|   | <b>7,356,400</b>  | <b>7,811,900</b>  | <b>455,500</b>   | <b>6.2%</b>       |
| <b>SALARIES</b>                             |                   |                   |                  |                   |
| Permanent Salaries                          | 44,934,500        | 47,366,700        | 2,432,200        |                   |
| Casual Salaries                             | 1,071,100         | 1,029,200         | (41,900)         |                   |
| Overtime                                    | 2,429,900         | 2,429,900         | -                |                   |
| Other Earnings & Allowances                 | 926,400           | 926,400           | -                |                   |
|   | <b>49,361,900</b> | <b>51,752,200</b> | <b>2,390,300</b> | <b>4.8%</b>       |
| <b>BENEFITS</b>                             |                   |                   |                  |                   |
| Permanent Benefits - 20.6%                  | 10,239,600        | 10,870,300        | 630,700          |                   |
| Casual Benefits - 9.1%                      | 95,400            | 93,700            | (1,700)          |                   |
|   | <b>10,335,000</b> | <b>10,964,000</b> | <b>629,000</b>   | <b>6.1%</b>       |
| <b>TOTAL SALARY/BENEFIT COSTS</b>           | <b>59,696,900</b> | <b>62,716,200</b> | <b>3,019,300</b> | <b>5.1%</b>       |
| <b>CORPS OF COMMISSIONAIRES</b>             | <b>380,000</b>    | <b>389,500</b>    | <b>9,500</b>     | <b>2.5%</b>       |
| <b>OPERATIONAL EXPENSES</b>                 | <b>5,656,700</b>  | <b>6,099,800</b>  | <b>443,100</b>   | <b>7.8%</b>       |
| <b>GROSS OPERATING BUDGET</b>               | <b>65,733,600</b> | <b>69,205,500</b> | <b>3,471,900</b> | <b>5.3%</b>       |
| <b>LESS REVENUE</b>                         | <b>7,356,400</b>  | <b>7,811,900</b>  | <b>455,500</b>   | <b>6.2%</b>       |
| <b>NET OPERATING BUDGET</b>                 | <b>58,377,200</b> | <b>61,393,600</b> | <b>3,016,400</b> | <b>5.2%</b>       |

## 2013 POLICE OPERATING BUDGET SUMMARY

Note: A salary contingency for 2012 and 2013 has been included.

## POLICE OPERATIONAL TOTAL

| Division                        | 2012 Budget        | 2013 Budget        | Difference       |
|---------------------------------|--------------------|--------------------|------------------|
| 9110 Headquarters               | 529,700            | 503,200            | (26,500)         |
| 9210 Criminal Investigation     | 668,400            | 706,200            | 37,800           |
| 9310 Community Services         | 1,012,600          | 1,239,200          | 226,600          |
| Corps of Commissionaires        | 380,000            | 389,500            | 9,500            |
| 9410 Administration             | 3,446,000          | 3,651,200          | 205,200          |
| <b>Police Operational Total</b> | <b>\$6,036,700</b> | <b>\$6,489,300</b> | <b>\$452,600</b> |



# **Headquarters Division - 9110**

|   | 2012 Budget      | 2013 Budget      | Difference        |
|---|------------------|------------------|-------------------|
| P401 Headquarters Administration                | 226,800          | 181,500          | (45,300)          |
| P402 Board of Police Commissioners              | 159,000          | 171,000          | 12,000            |
| P406 Professional Standards                     | 2,500            | 2,500            | -                 |
| P460 Strategic Services                         | 70,000           | 73,000           | 3,000             |
| P464 Public Information and Strategic Comm      | 13,200           | 13,200           | -                 |
| P482 Regina Integrated Intelligence Unit (RIIU) | 58,200           | 62,000           | 3,800             |
| <b>RATIONAL TOTAL</b>                           | <b>\$529,700</b> | <b>\$503,200</b> | <b>(\$26,500)</b> |

**Criminal Investigation Division - 9210**

|                               |   | <b>2012 Budget</b> | <b>2013 Budget</b> | <b>Difference</b> |
|-------------------------------|---|--------------------|--------------------|-------------------|
| <b>P435</b>                   | <b>Forensic Identification</b>            | <b>88,000</b>      | <b>88,000</b>      | <b>-</b>          |
| <b>P480</b>                   | <b>Regina Integrated Drug Unit (RIDU)</b> | <b>41,000</b>      | <b>41,000</b>      | <b>-</b>          |
| <b>P481</b>                   | <b>CID Management</b>                     | <b>122,400</b>     | <b>122,400</b>     | <b>-</b>          |
| <b>P483</b>                   | <b>Family Services</b>                    | <b>52,200</b>      | <b>52,900</b>      | <b>700</b>        |
| <b>P484</b>                   | <b>Street Crimes</b>                      | <b>2,300</b>       | <b>2,300</b>       | <b>-</b>          |
| <b>P485</b>                   | <b>CFSEU</b>                              | <b>67,900</b>      | <b>67,900</b>      | <b>-</b>          |
| <b>P486</b>                   | <b>SHOCAP</b>                             | <b>15,000</b>      | <b>15,000</b>      | <b>-</b>          |
| <b>P487</b>                   | <b>Commercial Crime</b>                   | <b>5,100</b>       | <b>3,100</b>       | <b>(2,000)</b>    |
| <b>P488</b>                   | <b>Street Gang Unit</b>                   | <b>39,000</b>      | <b>39,000</b>      | <b>-</b>          |
| <b>P489</b>                   | <b>Investigative Response Unit (IRU)</b>  | <b>-</b>           | <b>-</b>           | <b>-</b>          |
| <b>P490</b>                   | <b>Major Crimes</b>                       | <b>4,800</b>       | <b>4,800</b>       | <b>-</b>          |
| <b>P492</b>                   | <b>Provincial ICE Unit</b>                | <b>230,700</b>     | <b>269,800</b>     | <b>39,100</b>     |
| <b>9210 OPERATIONAL TOTAL</b> |   | <b>\$668,400</b>   | <b>\$706,200</b>   | <b>\$37,800</b>   |

**Community Services Division - 9310**

|                          |  | <b>2012 Budget</b> | <b>2013 Budget</b> | <b>Difference</b> |
|--------------------------|--|--------------------|--------------------|-------------------|
| <b>P410</b>              | <b>Aboriginal Resource Program</b>       | <b>2,100</b>       | <b>2,600</b>       | <b>500</b>        |
| <b>P415</b>              | <b>Sask 9-1-1 PSAP</b>                   | <b>28,200</b>      | <b>32,400</b>      | <b>4,200</b>      |
| <b>P428</b>              | <b>Detention</b>                         | <b>30,100</b>      | <b>30,100</b>      | <b>-</b>          |
| <b>P433</b>              | <b>Communications</b>                    | <b>504,300</b>     | <b>486,700</b>     | <b>(17,600)</b>   |
| <b>P439</b>              | <b>Central District</b>                  | <b>23,100</b>      | <b>25,400</b>      | <b>2,300</b>      |
| <b>P449</b>              | <b>North District</b>                    | <b>1,400</b>       | <b>1,400</b>       | <b>-</b>          |
| <b>P455</b>              | <b>Communication Technology Unit</b>     | <b>127,000</b>     | <b>134,800</b>     | <b>7,800</b>      |
| <b>P456</b>              | <b>Central Operations</b>                | <b>384,100</b>     | <b>579,900</b>     | <b>195,800</b>    |
| <b>P459</b>              | <b>South District</b>                    | <b>1,400</b>       | <b>1,400</b>       | <b>-</b>          |
| <b>P462</b>              | <b>Canine</b>                            | <b>29,400</b>      | <b>41,600</b>      | <b>12,200</b>     |
| <b>P463</b>              | <b>Emergency Services</b>                | <b>72,400</b>      | <b>72,400</b>      | <b>-</b>          |
| <b>P476</b>              | <b>Victim Services</b>                   | <b>11,800</b>      | <b>12,500</b>      | <b>700</b>        |
| <b>P489</b>              | <b>Investigative Response Unit (IRU)</b> | <b>39,300</b>      | <b>39,300</b>      | <b>-</b>          |
| <b>P497</b>              | <b>Operations General Management</b>     | <b>138,000</b>     | <b>168,200</b>     | <b>30,200</b>     |
| <b>OPERATIONAL TOTAL</b> |  | <b>\$1,392,600</b> | <b>\$1,628,700</b> | <b>\$236,100</b>  |

**Administration Division - 9410**

|                               |   | <b>2012 Budget</b> | <b>2013 Budget</b> | <b>Difference</b> |
|-------------------------------|---|--------------------|--------------------|-------------------|
| <b>P421</b>                   | <b>Information Technology Services</b>        | <b>514,900</b>     | <b>578,300</b>     | <b>63,400</b>     |
| <b>P422</b>                   | <b>Financial Services</b>                     | <b>48,300</b>      | <b>46,300</b>      | <b>(2,000)</b>    |
| <b>P423</b>                   | <b>Facilities Services</b>                    | <b>761,400</b>     | <b>837,800</b>     | <b>76,400</b>     |
| <b>P424</b>                   | <b>Human Resources</b>                        | <b>254,500</b>     | <b>275,200</b>     | <b>20,700</b>     |
| <b>P430</b>                   | <b>Human Resources Development</b>            | <b>340,000</b>     | <b>353,600</b>     | <b>13,600</b>     |
| <b>P434</b>                   | <b>Police Information &amp; Evidence Mgmt</b> | <b>30,100</b>      | <b>38,100</b>      | <b>8,000</b>      |
| <b>P437</b>                   | <b>Evidence Management</b>                    | <b>503,600</b>     | <b>513,600</b>     | <b>10,000</b>     |
| <b>P440</b>                   | <b>Fleet Services</b>                         | <b>985,200</b>     | <b>1,000,300</b>   | <b>15,100</b>     |
| <b>P453</b>                   | <b>Administration Management</b>              | <b>8,000</b>       | <b>8,000</b>       | <b>-</b>          |
| <b>9410 OPERATIONAL TOTAL</b> |   | <b>\$3,446,000</b> | <b>\$3,651,200</b> | <b>\$205,200</b>  |

# 2013 - 2017 CAPITAL BUDGET

## Capital Program Expenditure Summary (000's)

| Capital Program                  | 2012              | 2013              | 2014               | 2015              | 2016              |
|----------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| Facilities Development           | 174.6             | 477.4             | 629.6              | 1,778.3           | 1,533.0           |
| Communications                   | 70.0              | -                 | 2,263.0            | -                 | -                 |
| Info Technology Infrastructure   | 612.6             | 597.0             | 702.0              | 940.5             | 877.0             |
| Info Management / Projects       | 184.3             | 250.0             | 382.5              | 425.0             | 215.0             |
| Emergency Services Equipment     | 53.0              | 120.0             | 164.0              | 74.5              | 122.5             |
| Facilities Renewal Project (FRP) | -                 | 2,500.0           | 13,260.0           | 695.0             | -                 |
| Fleet                            | 450.0             | 661.0             | 616.0              | 616.0             | 666.0             |
| <b>Capital Total</b>             | <b>\$ 1,544.5</b> | <b>\$ 4,605.4</b> | <b>\$ 18,017.1</b> | <b>\$ 4,529.3</b> | <b>\$ 3,413.5</b> |

| Capital Financing                | 2012              | 2013              | 2014               | 2015              | 2016              |
|----------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| Current Contributions to Capital | 1120.4            | 4,605.4           | 18,017.1           | 4,529.3           | 3,413.5           |
| Police General Reserve           | 424.1             | -                 | -                  | -                 | -                 |
| <b>Capital Total</b>             | <b>\$ 1,544.5</b> | <b>\$ 4,605.4</b> | <b>\$ 18,017.1</b> | <b>\$ 4,529.3</b> | <b>\$ 3,413.5</b> |

## NOTES:

1. \$1,000,000 was transferred from Facilities Renewal Project to City of Regina following 2012 budget approval.
2. The current balance of the Police General Reserve is \$2,142,916.

# 2013 - 2017 CAPITAL BUDGET

| 2017              | Total              | %             |
|-------------------|--------------------|---------------|
| 1,474.9           | 5,893.2            | 17.7%         |
| -                 | 2,263.0            | 6.8%          |
| 402.0             | 3,518.5            | 10.5%         |
| 240.0             | 1,512.5            | 4.5%          |
| 21.0              | 502.0              | 1.5%          |
| -                 | 16,455.0           | 49.3%         |
| 666.0             | 3,225.0            | 9.7%          |
| <b>\$ 2,803.9</b> | <b>\$ 33,369.2</b> | <b>100.0%</b> |

| 2017              | Total              |
|-------------------|--------------------|
| 2,803.9           | 33,369.2           |
| -                 | 0.0                |
| <b>\$ 2,803.9</b> | <b>\$ 33,369.2</b> |



## Friends of the Regina Public Library

2042 Garnet Street, Regina, SK. S4T 2Z6

[www.friendsofrpl.ca](http://www.friendsofrpl.ca)

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February 14, 2013

Mayor Fougere and Council  
City of Regina  
Regina, SK, S4P 3C8

Dear Mayor and Council,

Re: Regina Public Library 2013 Budget, Regina City Council, February 19, 2013

This letter expresses the response of the Friends of the Regina Public Library (FRPL) to the proposed 2013 budget for the Regina Public Library (RPL). We appreciate the opportunity to make this presentation to City Council.

The Friends of the Regina Public Library was formed in 2003 to stop proposed closures of the Prince of Wales, Connaught and Glen Elm Branches, the Prairie History Room and the Dunlop Art Gallery.

The Friends of RPL, Friends of the Dunlop Art Gallery and other community groups and individuals were successful in stopping the closures in 2004, and changes have certainly occurred in the Library Board and Management since that date. Under the new Board and management, new programs have been introduced and there has been construction of new Prince of Wales and Regent Place Branches. Still, FRPL continues to believe that it is important for there to be a public voice in the City about Libraries. A voice that is able to provide constructive suggestions where needed, and to recognize and support the Library's achievements. Further information about our vision and goals is attached to this presentation.

With regard to the RPL's proposed 2013 budget, FRPL supports the request for a 2.9% increase in the mill rate. We have some comments related to the budget and Council and provincial responsibilities related to library services funding.

As the RPL Board has outlined in its budget statement, the Library has undertaken several initiatives in service delivery this past year. This past Fall the RPL also opened a newly renovated Regent Place Branch in a new location and the staff and Board are to be congratulated on their efforts to make this an excellent library branch! (I recommend everyone to visit Regent Place and the Prince of Wales Branches to see what has been accomplished.) This past year also saw a settlement of the staff contract

– an important component of the budget and essential for providing good library services.

Programming related to early learning and to the needs of the Aboriginal community are welcomed parts of RPL's budget for 2013.

As our province expands and benefits from newcomers from around the world there is an increased demand for library resources in many languages and to some extent for programs such as literacy training. The RPL has recently prepared a pamphlet in many languages and additional programming, for which it should be commended. While the RPL is managing these items within its current budget, to support additional initiatives in this area, perhaps the provincial government could be approached for additional funding for RPL and indeed for all Saskatchewan libraries to help make this province the most welcoming place for newcomers.

The Library will be spending more next year on its Outreach Services – very important in ensuring services enable people with specific needs for reading or accessing library materials. Since the Premier has as a goal of making Saskatchewan the best place to be for people with disabilities – perhaps the province could be approached for more provincial support to all libraries for outreach programs.

It is exciting that new initiatives and interesting programs are being undertaken by RPL. At Regent Place and Prince of Wales the RPL is using a new approach to displaying books, grouping books in a way similar to that used by bookstores, rather than using the Dewey decimal system. The RPL has said it will be evaluating the success of the new approach. What processes will be used and what funds have been allocated to do this evaluation? Similar questions apply to other changes in the libraries such as a reduction in the physical collection of books and increases in DVDs and E-books.

An additional \$60,000 will be spent on Information Technology in 2103- we understand that part of this expense is for self-service checkout machines and would like to have more detail about the other aspects of increased technology expenses.

A question we have heard from the public recently that would be good to have clarified at Council- How much has been spent on architectural and consultant fees to date and what portion of the work will be applicable to future efforts to upgrade Central Branch?

As you are no doubt aware, FRPL has expressed concern about the lack of information shared about the Central Library planning process and the fact that there has been no public consultation since August of 2009. Some documents from 2011 were recently posted on the RPL website, with the RPL Board indicating that new plans would be available for public consultation hopefully in March of this year and a public survey. What resources are being allocated in the 2013 budget to support a full public consultation process about the plans to upgrade Central Library?



Fundraising is an initiative successfully undertaken by the Board to support some capital expenses, such as the new Prince of Wales and Regent Place Branches. Still, FRPL wants to continue to emphasize the importance of having a strong publicly-funded budget for maintaining the Library's buildings, high-quality services and staff.

This past year City Council increased its borrowing capacity, partly for the stadium and city infrastructure, but a portion of the debt load would potentially be for the upgrade of Central Library. Members of the public have said to us that to keep the expenses to a reasonable level not requiring involvement in public-private-partnership, the Library would be better off to build a more modest and affordable publicly-owned facility that is directly focused on library services rather than a more expensive facility with a complexity of private and public services. Full public consultation on the plans for Central Library will hopefully include a full discussion of financial issues, a matter which should be of concern to City Council.

Another issue that is not part of the RPL budget but related to financial matters is the City's recent adoption of a policy related to public-private-partnerships for City services. The RPL is not bound by this policy, but it would be good to see the RPL adopt a public policy in relation to public-private-partnerships – one that involves full public consultation.

The Design Regina discussions of recent years showed that Reginans see libraries as an important part of the City's future and an important part of complete neighbourhoods. New demands will be created for library services as Regina's population grows and neighbourhoods develop and change. The RPL Board has been developing some initiatives to address these changes. In its planning the City needs to consider the impact of new developments on demand for library services. In areas of expansion the need for extra funds to provide services in close proximity to Regina residents should be considered by Council and developers.

As in previous years we can see that the public support for Regina Public Library and all of its branches that was shown in 2003 and brought forward through the work of Friends of the Regina Public Library continues to be strong.

On behalf of Friends of the Regina Public Library, I would like to express our appreciation for the work of the Regina Public Library Board and staff in keeping the libraries as vibrant and central parts of our city.

Sincerely,

Joanne Havelock  
Chair  
Friends of the Regina Public Library

## FRIENDS OF THE REGINA PUBLIC LIBRARY-WHO WE ARE

Friends of the Regina Public Library (FRPL) formed in December 2003 in response to the threatened closure of several Regina Public Library Branches: Connaught Library, Glen Elm Library, Prince of Wales Library, the Prairie History Room located at the Central Library and the Dunlop Art Gallery with galleries located at Sherwood Library and at Central Library.

FRPL organized and worked with people from all walks of life, and from communities throughout the City to help citizens show their support for their libraries. A petition with over 26,000 signatures helped convince the Regina Public Library Board to rescind its plans for closures. It helped convince the Regina City Council that the citizens of Regina value their libraries and would support much needed, but modest, increases in the mill rate to provide the Library with additional funding.

FRPL continues to play an important role in:

- monitoring the RPL Board activities and working with the Board to reach mutual goals,
- supporting efforts by RPL and other organizations to improve libraries,
- involving the public in having their say on libraries; and
- celebrating the Libraries and our community.

Vision: A strong library system meeting community and patron's needs that is accessible to all

Mission: In an equitable and public manner, through ongoing dialogue between the public and decision-makers, support the maintenance and development of a strong set of diverse and accessible library products, services and programs that meet the needs of all Regina residents.

### Goals:

1. To promote transparent, accountable, democratic decision-making within and about the Regina Public Library.
2. To promote equitable access to library services to meet the needs of diverse communities.
3. To promote the maintenance and enhancement of RPL programs and services including those that support literacy and provide cultural opportunities for all.
4. To actively promote the value of library services throughout the community.
5. To create a vibrant FRPL organization.

### Why We Are Here

The library plays a prominent role in our communities and in our lives. Most of us have fond memories of visiting the library in our youth, either with family, friends or on our own. The library is one of the central places that children can go to learn a love of books and learning. Libraries help to build strong individuals, strong families and strong

communities. In Regina, the first thing the citizens of Regina did was to present a petition to the Regina City Council asking that a free public library be established. The bylaw was passed January 17, 1908.

Over the past hundred years the Regina Public Library has benefited from the generous support of citizens, of politicians and business people who recognize that building a strong library system was the cornerstone of a progressive community. The staff and board of the Regina Public Library built a library system that is recognized across Canada for its innovative programming.

In 1974 the Library Board approved a Policy Statement, which stated that the Library's objective was, "to provide education, information, research, aesthetic appreciation and recreation for the entire community". This attitude towards supporting learning and enrichment through many disciplines led the Library to include a film theatre, art gallery, and history room in its programming as well as extensive book, magazine and video collections. At one point the Globe Theater even found its home in the Regina Public Library!

Unfortunately the later years of the Regina Public Library saw a gradual decrease in political support for the library. The last decade was one of uncertainty as several consecutive Library Boards chose not to ask for increases in the mill rate that would have allowed the Regina Public Library to keep up with inflation and ensure adequate resources for building maintenance and repairs. This situation led to the announcement on November 26, 2003 that the Library Board would have to close the Prince of Wales Branch, Connaught Branch and Glen Elm Branch as well as the Dunlop Art Gallery and the Prairie History Room.

The community reacted immediately by forming the Friends of the Regina Public Library to oppose the closures, resulting in a petition of 26,000 signatures being presented to City Council on March 5, 2004. As a result, the closures were rescinded and the Library Board, under the direction of City Council, launched a task force to examine the options. FRPL also launched its own Task Force. The Friends of the Dunlop (FODAG) also formed and worked together with FRPL to hold events, create public dialogue, draw attention to the issues and suggest alternatives to closures. After further protests, extensive media coverage and changes to the Library Board, the decision to close the Branches, the Prairie History Room and the Dunlop Art Gallery was rescinded.

The Friends of RPL, FODAG and other community groups and individuals were successful in stopping the closures in 2004, and changes have certainly occurred in the Library Board and Management since that date. Under the new Board and management, new programs have been introduced and there has been construction of new Prince of Wales and Regent Place Branches. Still, FRPL continues to believe that it is important for there to be a public voice in the City about Libraries. A voice that is able to provide constructive suggestions where needed, and to recognize and support the Library's achievements.

February 19, 2013

To: His Worship the Mayor  
and Members of City Council

Re: Regina Public Library 2013 Budget

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**RECOMMENDATION OF THE EXECUTIVE COMMITTEE  
- FEBRUARY 13, 2013**

That the Regina Public Library 2013 Budget be approved.

*EXECUTIVE COMMITTEE – FEBRUARY 13, 2013*

The following addressed the Committee:

Joanne Haverstock, representing the Friends of the Library; and  
Darlene Hincks Joehnck and Jeff Barber, representing the Regina Public Library Board.

The Committee adopted a resolution to defer this communication to the February 19, 2013 City Council meeting for consideration.

Mayor Michael Fougere, Councillors: Sharron Bryce, Bryon Burnett, John Findura, Jerry Flegel, Shawn Fraser, Bob Hawkins, Terry Hincks, Wade Murray, Mike O'Donnell and Barbara Young were present during consideration of this report by the Executive Committee.

The Executive Committee, at its meeting held on February 13, 2013, considered the attached communication from the Regina Public Library Board.

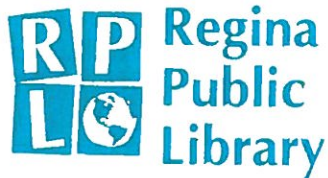
Respectfully submitted,

EXECUTIVE COMMITTEE



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Joni Swidnicki, Secretary



P.O. Box 2311, 2311 – 12<sup>th</sup> Avenue  
REGINA, Saskatchewan  
Canada S4P 3Z5  
(306) 777-6150  
[www.reginalibrary.ca](http://www.reginalibrary.ca)

January 14, 2013

His Worship Mayor Michael Fougere  
and Members of City Council  
City of Regina  
P.O. Box 1790  
REGINA SK S4P 3C8

Dear Mayor Fougere and City Councillors:

Under Section 22, (1)(a) and (b) of *The Public Libraries Act, 1996*, the Board of Regina Public Library requests that Council approve the Library mill rate levy request for 2013 of .8947 (\$15,915,500). The Library Board is requesting a mill rate increase of 2.9% for 2013 and will also include \$1,153,500 as projected revenue for grants-in-lieu and forecast supplementary taxes of \$120,000.

Revenue from tax sources can be summarized as follows:

|                                      |               |
|--------------------------------------|---------------|
| 2013 Library mill rate               | 0.8947        |
| 2013 City of Regina net levy request | \$ 15,915,500 |
| 2013 Grants-in-Lieu                  | \$ 1,153,500  |
| Mill rate increase over 2012         | 2.9%          |

The Regina Public Library Board submits these proposals as citizens entrusted to provide and steward public library services to our patrons, and with the knowledge that the budget presented is required to operate the Library system effectively and efficiently.

Sincerely,

A handwritten signature in black ink, reading 'Darlene Hincks Joehnck'.

Darlene Hincks Joehnck  
Chair, Regina Public Library Board

Enclosure



## 2013 Budget

### 2013 Library Board Levy

|                                      |              |
|--------------------------------------|--------------|
| 2013 Library Mill Rate               | .8947        |
| 2013 City of Regina Net Levy Request | \$15,915,500 |
| 2013 Grants-in-Lieu                  | \$1,153,500  |
| Mill Rate change over 2012           | 2.9%         |

### Introduction

For over 100 years, Regina Public Library (RPL) has been providing programming and services that meet the needs of Regina's ever-changing community.

As an innovative community leader, RPL strives to enhance the quality of life in Regina.

By providing a variety of collections, programming, services and facilities that promote and support cultural, economic, educational and recreational development, RPL celebrates the diversity of Regina and its citizens.

Our goal is to continue to be seen as a community leader in literacy and lifelong learning.

The support of City Council and the community assists the Library Board in providing invaluable direction and leadership to the Regina Public Library Management Team.

Our focus is to continue to be as effective and efficient as possible while making a positive difference in our community.



## 2012 – A Year In Review

Last year important initiatives grew through the dedicated efforts and cooperation of the Library Board, Management Team and staff. Using our new Strategic Plan as a guide Regina Public Library celebrated many successes in 2012.

These accomplishments continue to influence the way the Library does business and positions the organization for ongoing efficiency.

The examples provided below are some notable successes that RPL has achieved, in addition to its delivery of outstanding library service, throughout the past year.

### Regent Place Branch

- Opened the doors to the community on August 15
- "Restoring our Branches" is one of the key priorities outlined in the Library's Strategic Plan.
- New innovative features include:
  - Patron self-service machines.
  - Over 30,000 collection items, with new materials arriving regularly.
  - Expanded space for more programs and services.
  - More convenient location with better parking and access.

### Dunlop Art Gallery Celebrates 50 years

- The Dunlop Art Gallery (DAG) celebrated its 50-year anniversary with a retrospective using re-interpretations of exhibits from each decade.
- In November, to honour all Canadian soldiers, the Gallery proudly displayed its collection of military images.
- The staff at the DAG offered many artistic programs and resources for art enthusiasts of all ages.
- In recognition of the 50<sup>th</sup> anniversary, RPL published *DAG Volumes: No1* (2012) – the first annual compendium of DAG exhibits.

### **North Central Shared Facility**

- Various RPL staff members played key roles in planning the next steps for the North Central Shared Facility (NCSF), which will be the new home of our Albert Branch.
- RPL is sharing its expertise on the NCSF executive team, facility design team, as well as the integration and communications committees.

### **Central Library Development**

- The Masons decided not to sell their property adjacent to the Central Library on Lorne Street.
- RPL is reviewing various building options for the Library's current location.
- Meetings continued with potential partners and stakeholders.
- A new Central Library Development website was launched in November.

### **Central Library**

- The elevator was replaced.
- 2012 marks the completion of the Central Library building's 50 year amortization period. This means it will no longer appear as an asset in the library's financial statements.
- Maintenance upgrades were needed as the outdated building continues to show its age.

### **Literacy**

- The ESL Online Tutor Training Tool created by RPL continues to be accessed across Canada and in the USA.
- Phyllis Jones received the 2012 Saskatchewan Literacy Award of Merit for 23 years as an RPL Volunteer Tutor.
- Gordon Li, an RPL literacy learner and volunteer, was presented the 2012 Council of the Federation Literacy Award.



## **Collections**

- Introduced a new MP3 format for visually impaired patrons.
- To meet patron expectations, RPL increased the Popular Picks (new releases) collection and increased the lending period to 10 days.

## **TD Summer Reading Program**

- RPL saw an increase in participation in the 2012 TD Summer Reading Program.
- The number of children who registered for the program jumped to 4,340 in 2012 and the number of hours of reading improved to 44,504.
- This year, youth and adult entries increased to over 5,000 participants, which is 15% higher than 2011.

## **Writer-in-Residence**

- Edward Willett finished his term as the RPL's Writer-in-Residence.
- The Writer-in-Residence visited schools and consulted with groups and individuals who wanted advice on their personal writing projects.

## **Mainly Mother Goose**

- Mainly Mother Goose (MMG) program is an interactive early literacy development program for children under two and their parents/caregivers.
- The MMG program has a positive impact on the engagement of parents/caregivers in the development of early literacy skills in their children.
- The MMG program is a well-accessed and highly valued program that fills an important niche in offering free, enjoyable early literacy programming for parents/caregivers and children in Regina.
- RPL received funding from an anonymous donor to expand and evaluate the impact of the MMG program. The funding allowed RPL to expand the MMG program to outreach sites. The research evidence from this project is now being used by other public libraries.

## **Cultural Programming**

- Regina Public Library's Aboriginal Community Programs provided learning opportunities and awareness about traditional crafts, teachings and cultural feasts. These experiences have been well received by the whole community.
- Glen Elm Branch took part in a community cultural festival.
- To meet the needs of Regina's ever-changing community, a special brochure highlighting RPL's services was created and is being translated into various languages for newcomers to Canada.

## **Meeting Community Needs**

- Introduced technological innovations, such as Merlin print magnifiers and Sara-CE, a stand-alone machine that scans documents, magazine or book pages and then reads them back to you. These new technologies improved the library experience of RPL's low vision patrons.
- Books4Me, a new personalized online reading list service, was introduced to patrons in 2012. This service gives suggestions to readers looking for a new author or book.
- RPL joined forces with the RSO to provide patrons with six free concerts at Central Library.
- At least one special event/celebration was held at each Branch in 2012.

## **RPL Film Theatre**

- Each weekend, Regina's only repertory theatre offered feature films from around the world.
- The Film Theatre also has specialty screenings during the year that included cultural and community partnerships. The Theatre hosted Celebrate Indonesia, 50 years of Independence, and a Valentine's Day event that featured the love of film, dance and chocolate.

In addition to these specific special projects, Regina Public Library continues to provide thousands of programs and a full array of services to our patrons throughout the year.

## Looking Ahead to 2013

### Service Plan

- Our Service Plan has provided the organization with a progressive plan and direction that will build on yearly successes.
- Management will refresh the priorities of the Service Plan to fulfil the Board's expectations as articulated in the Strategic Plan.
- Through a continuing commitment to listen and respond to community needs and expectations, we will provide quality programs and services in an efficient and cost-effective way.

### Outreach

- Improve the Library experience for our low vision and homebound patrons.

### Increase Opportunities For Patron Self-empowerment

- New self-service checkout machines will be installed at some branches.
- Improved access to materials return will be provided in key locations.

### Digital Age

- Build on the success of our touch-screen Early Literacy Computers in the new Prince of Wales Branch by expanding this technology service to other locations.
- Expand the use of touch screen technologies across the system.
- Provide technology solutions to support patron use of e-books, e-newspapers and e-audiobooks.
- Increase the number of e-books in the collection.
- Introduce a second e-book service and a music download service.
- Install digital screens in each Branch to enhance the opportunity to provide information about RPL's programs and services to our patrons.

### Social Media

- Review and update our website.
- Expand social media opportunities.



### **Programming**

- Introduce a new 3-year program to encourage new parents to read to their newborns.
- Build on the successes of the Summer Reading program and Mainly Mother Goose early literacy initiative.
- Create family language kits for Regina's new citizens. This program will help encourage new Regina families to learn English together and develop early literacy skills in pre-school children.
- Continue to provide quality programming for patrons of all ages.

### **Literacy**

- The Literacy Unit will work with other RPL departments to offer literacy programs in external locations. Through this initiative, the Mainly Mother Goose early literacy program will be offered at Scott Collegiate.
- Work with community groups to create and deliver literacy programs and book bags for our intellectually challenged patrons.

### **North Central Shared Facility**

- RPL will continue to play a leadership role in this collaborative venture that is bringing several partners together to work with the community for a brighter future.
- Planning for the integrated community library and library services continues.

### **Central Library Development**

- The Library Board and Management Team will work with the steering committee and the City Administration to revise the development plan for a new Central Library building.

### **Special Events**

- Albert Branch and Prince of Wales Branch will each celebrate their 100<sup>th</sup> Anniversary in 2013.
- At least two multicultural and community events will be held at each Branch.
- The RSO will perform free monthly concerts at Central Library.

## Conclusion

Over the last few years, RPL has had the opportunity to celebrate many successes. As you can see by our anticipated future events and projects, 2013 will be a very exciting year for Regina Public Library.

The Library Board has played a very important role in RPL's recent positive movement. By actively engaging the Regina community, the Board has helped RPL gain support and increase the confidence our patrons have in the Library and its programs and services.

Regina Public Library is dedicated to serving the citizens of Regina in ways that best meet their ever-changing needs. Be assured that we remain committed to use the tax payers' resources provided to RPL in the most efficient and effective ways.

Regina Public Library has shown the community the great potential the future holds for all residents.

The Library Board thanks City Council for its past support and looks forward to a continued positive partnership with this new Council.

THE REGINA PUBLIC LIBRARY BOARD  
CITY COUNCIL 2013 BUDGET SUBMISSION  
STATEMENT OF OPERATIONS AND FUNDING ADJUSTMENTS

**Appendix A**

| 2013<br>Budget<br>\$<br>A<br>(Unaudited) | 2012<br>Budget<br>\$<br>B<br>(Unaudited) | 2013 Budget vs.<br>2012 Budget<br>\$ Change<br>C=A-B |
|--|--|--|
|--|--|--|

**Statement of Operations**

**Revenue:**

**Taxes and Grants:**

City of Regina tax levy (Note 1)  
Grants-in-lieu of taxes  
Provincial services agreement  
Other grants

|                   |                   |                |
|-------------------|-------------------|----------------|
| 16,035,500        | 15,187,800        | 847,700        |
| 1,153,500         | 1,064,200         | 89,300         |
| 591,600           | 582,500           | 9,100          |
| 282,100           | 271,600           | 10,500         |
| <b>18,062,700</b> | <b>17,106,100</b> | <b>956,600</b> |

**Other Revenue:**

Other revenue  
Lottery sales and grant

|                  |                  |                  |
|------------------|------------------|------------------|
| 562,500          | 605,500          | (43,000)         |
| 882,300          | 1,197,100        | (314,800)        |
| <b>1,444,800</b> | <b>1,802,600</b> | <b>(357,800)</b> |

**Total Revenue**

|                   |                   |                |
|-------------------|-------------------|----------------|
| <b>19,507,500</b> | <b>18,908,700</b> | <b>598,800</b> |
|-------------------|-------------------|----------------|

**Expenses:**

**Operating Expenses:**

Public services  
Support services  
Administration  
Governance  
Home Lottery

|            |           |           |
|------------|-----------|-----------|
| 11,421,800 | 9,987,300 | 1,434,500 |
| 3,446,200  | 3,630,500 | (184,300) |
| 1,519,900  | 1,517,100 | 2,800     |
| 114,600    | 88,600    | 26,000    |
| 650,000    | 897,200   | (247,200) |

**Total Expenses before Amortization**

|                   |                   |                  |
|-------------------|-------------------|------------------|
| <b>17,152,500</b> | <b>16,120,700</b> | <b>1,031,800</b> |
|-------------------|-------------------|------------------|

Amortization Expense

|           |           |           |
|-----------|-----------|-----------|
| 2,100,000 | 2,271,000 | (171,000) |
|-----------|-----------|-----------|

**Total Expenses**

|                   |                   |                |
|-------------------|-------------------|----------------|
| <b>19,252,500</b> | <b>18,391,700</b> | <b>860,800</b> |
|-------------------|-------------------|----------------|

**Annual Surplus from Operations**

|                |                |                  |
|----------------|----------------|------------------|
| <b>255,000</b> | <b>517,000</b> | <b>(262,000)</b> |
|----------------|----------------|------------------|

**Funding Adjustments**

**Adjustments for non cash items**

Amortization of Capital Assets  
Employment Benefits Expense

|                  |                  |                  |
|------------------|------------------|------------------|
| 2,100,000        | 2,271,000        | (171,000)        |
| 127,000          | 127,000          | -                |
| <b>2,227,000</b> | <b>2,398,000</b> | <b>(171,000)</b> |

**Funding Provided from Operations**

|                  |                  |                  |
|------------------|------------------|------------------|
| <b>2,482,000</b> | <b>2,915,000</b> | <b>(433,000)</b> |
|------------------|------------------|------------------|

Note:

1 Includes supplementary taxes of \$120,000 (2012 \$100,200)



THE REGINA PUBLIC LIBRARY BOARD  
CITY COUNCIL 2013 BUDGET SUBMISSION  
STATEMENT OF OPERATIONS AND FUNDING ADJUSTMENTS

**Appendix A**

|  | 2013<br>Budget<br>\$<br>A | 2012<br>Budget<br>\$<br>B | 2013 Budget vs.<br>2012 Budget<br>\$ Change<br>C=A-B |
|--|---------------------------|---------------------------|--|
| <b>Capital:</b>                        |                           |                           |  |
| <b>Ongoing:</b>                        |                           |                           |  |
| Library Materials (Schedule 2)         | 1,375,200                 | 1,332,200                 | 43,000   |
| Land Improvements                      | 21,000                    | 21,000                    | -  |
| Building                               | 250,000                   | 350,000                   | (100,000)  |
| George Bothwell Lease Payments         | 166,300                   | 166,300                   | -  |
| George Bothwell HVAC                   | 55,000                    | -                         | 55,000   |
| Information Technology                 | 415,000                   | 355,000                   | 60,000   |
| Furniture and Equipment                | 179,000                   | 179,000                   | -  |
| Vehicles                               | 75,000                    | 75,000                    | -  |
|  | <b>2,536,500</b>          | <b>2,478,500</b>          | <b>58,000</b>  |
| <b>Major Projects:</b>                 |                           |                           |  |
| Branch Development (Note 2)            | 169,000                   | 1,160,000                 | (991,000)  |
| <b>Special:</b>                        |                           |                           |  |
| Land                                   | -                         | 155,800                   | (155,800)  |
| <b>Total Capital</b>                   | <b>2,705,500</b>          | <b>3,794,300</b>          | <b>(1,088,800)</b>                                   |
| <b>Net Funding Requirements</b>        | <b>223,500</b>            | <b>879,300</b>            | <b>(655,800)</b>                                     |
| <b>Less other sources of funds:</b>    |                           |                           |  |
| Planned Funding from Reserves          |                           |                           |  |
| Drawdown of Operating Surplus (Note 3) | (224,100)                 | (170,000)                 | (54,100)   |
| From Capital Donation Reserve          | (232,300)                 | (299,900)                 | 67,600   |
| From Capital Project Reserve           | -                         | (709,900)                 | 709,900  |
|  | <b>(456,400)</b>          | <b>(1,179,800)</b>        | <b>723,400</b>                                       |
| <b>Add other uses of funds:</b>        |                           |                           |  |
| Planned Contributions to Reserves      |                           |                           |  |
| To Capital Donation Reserve            |                           |                           |  |
| Forecast net Lottery proceeds          | 232,300                   | 299,900                   | (67,600)   |
| To Fine Arts Reserve                   | 600                       | 600                       | -  |
|  | <b>232,900</b>            | <b>300,500</b>            | <b>(67,600)</b>                                      |
| <b>Net Budget (Note 4)</b>             | <b>0</b>                  | <b>0</b>                  | <b>0</b>   |

Notes:

2 Cost estimates include some advance ordering of furnishings, equipment and library materials.

3 The one time drawdown of previous years surplus for: NCSF and delivery truck; (2012 elevator modernization)

4 0 indicates a balanced budget.

February 12, 2013

Mayor Fougere, Members of City Council, Ladies and Gentlemen:

When I read of the plans to close some pools, decommission others and create another possible outdoor water facility at Wascana Pool, I was concerned about the lack of public and Heritage Community input in this decision.

I asked myself and asked others what makes a neighbourhood, the answer that came the most was "a place to gather." Be it our homes, our churches, or something else, that makes our Community "our place to gather". In the Heritage Community "the place to gather" is the Maple Leaf Pool and adjourning Park.

It has been said that per capita that we have more pools than other major cities. I say "Who cares what other Cities are doing." This is what works for us and makes us, the Heritage Community and provides a source of recreation for our citizens of all ages, during the spring and summer months.

In the many years I have lived here, my son, William and all the neighbourhood children lived at the pool during the summer. The children of today do also, I might add. We barbecued at the picnic area and the children played in the playground of the adjoining park. Maple Leaf Park and Pool is a place to go, a place to have fun for old and young like. The residents of neighbouring seniors home, I am sure, enjoy the sound of children's laughter just as much as I do.

Every Community needs a hub, a place to gravitate too, a place that is ours – as we have nothing else, not even an neighbourhood centre, the Maple Leaf Pool serves just that purpose. The Maple Leaf Pool provides the hub for the lunch program in the summer, it used as a rallying point for other programs that are sponsored by other groups. Maple Leaf Pool provides a balance for the school programs that are offered during wintertime.

It is my understanding that the neighbouring schools of Thomson Community School, St. Augustine School and Arcola would use the pool more in the spring until school ends if the pool was open during gym periods while the children are in school. Not to mention, the high schools of Miller and Balfour that are just 2 blocks away.



However, it is my understanding that Maple Leaf Pool opens after school hours-the Wascana Pool is many blocks away from all 5 schools, cannot be used fully because these are roped swimming lanes and is too deep at the shallow end for many of the smaller grade children.

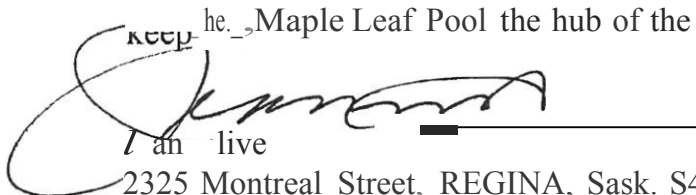
It was also my understanding the schools used buses to bus children to the Splash Park at the South Leisure Centre last year. It is also my understanding that users of Wascana Pool have to pay a fee.

It seems to me that the funds for the buses, drivers, extra pool fees, etc would more than adequately pay for staffing for a pool that is almost in the local schools backyard. It is my opinion that the Maple Leaf Pool is being underutilized by shorter hours during the week.

I would respectfully appreciate an answer to the following questions:

1. Why can't the Maple Leaf Pool be open in the afternoons that the neighbouring schools have gym periods to provide another source of activity for the children?
2. Why can't a couple of hours, a couple of days a week be included in the staffing schedules?
3. I would like to know who made the decision to close these pools, and
4. I would like to know the process. In Conclusion, I would like the decision makers to understand that a Community is not just dollars and cents and cost cutting measures, but a place where people live, where people go to school, where people have a career, a profession, a livelihood, where people are part of something and belong to something.

Find a way to keep Maple Leaf Pool open and functional – find a way to keep the Maple Leaf Pool the hub of the Heritage Community.

 Ian Live

2325 Montreal Street, REGINA, Sask. S4P 1L9. Presentation to Budget Meeting for February 19, 2013.

We are here to represent concerned Regina residents about the possibility of closing some of Regina's outdoor swimming pools.

With Regina's Revitalization Initiative set to take place in order to revitalize the downtown area we ask you, at what cost does the downtown neighborhood revitalization have to come at? Upon hearing of the possibility that there could be pools closed within Regina, we decided to look at the societal impact pool closures could have on Regina residents.

Community pride. Family friendly activity. An escape from reality. Increased vandalism. More kids on the streets. Feeling unwanted. Gang life. Drugs. These are all central themes that surfaced over and over again when talking to a sample of people in Regina's North Central area and University of Regina participants about the possible pool closures.

The idea of closing any number of Regina's outdoor pools due to the financial burden suggests that Regina has not considered the other social and financial burdens that may accompany pool closures. As a statement made by a resident in North Central states, "if you take the pools away, you may as well take everything away, because what else is there?" This resident insightfully implies that Regina's North Central community does not have access to any other affordable recreational activities or recreation facilities.

Currently, Regina's outdoor pools serve as one place for recreation and physical fitness which is essential for all Regina citizens' health but is crucial for the North Central community. In 2007, Maclean's magazine reported that the average family living in North Central was below the poverty line by more than \$6,000 of family income

(Gatehouse, 2007). While attempting to cover ones basic needs below the poverty line, one very important health component, physical activity and recreation is lost. In the same article, Maclean's stated that those living below the poverty line were thirteen times as likely to have diabetes, four times as likely to have mental health issues, and a heart disease rate twice as high. Thus, the less physical recreation spaces available to North Central residents, the more likely there will be an even greater cost on Regina's health care.

Personal health aside, a resident from North Central noted "when you swim you use all of your bodies' muscles so you do not have the energy to go and light garbage cans on fire". In the same year that Maclean's submitted their assessment of Regina's North Central area, CBC (2007) reported that vandalism costs soared beyond \$250,000 to the Regina Public School system. In 2010, Regina's Carillion publication noted that graffiti maintenance cost the city an annual \$80,000 (Colgan, 2010). Vandalism is just one of many costs associated with criminal activity which was one worry continually outlined by both North Central residence and university participants. We refer to a North Central resident who tells us, "if you start changing things in the neighborhood, it will start to change everything, especially if you start taking away things we like, we will find other things to do". Trust us when we say, these "other things" they will find to do will not make Regina look any better.

When we mentioned to people during our interviews that there is a possibility that in closing some pools, Regina would refurbish the existing Wascana pool, two common topics emerged. First, how are community members going to get to the Wascana pool if they do not have their own means of transportation? For North Central residents,

Wascana pool is too far away to walk to and walking is how most of the people who attend the pools transport themselves. York University School of Health Policy and Management notes, that social exclusion is the eighth largest determinate of health in Canada (Mikkonen & Raphael, 2010). By excluding people based on their transportation availability, we are in turn contributing to social exclusion. The second theme noted was that Regina has a diverse range of social class. With Wascana potentially being the main pool, different social classes may not get along with others or even more so may be intimidated by others. One research participant stated “these (North Central) kids will not go there, especially to a middle class place, they will feel out of place just as no middle class kid will come to a pool in our neighborhood”. These two topics of transportation and mixing social classes does not seem to accomplish what the City of Regina notes as their priorities on the Sport & Recreation Application & Process form which include removing barriers to access sport and recreational activities and building children and youth’s skills and leadership (City of Regina, 2013).

Earlier we stated that our sample came from inner city residence as well as university participants and it is important to note that their views about closing pools were not different. During our interviews we found that university participants supported the same ideas that North Central residence had which was that outdoor pools are not merely a place for physical activity or entertainment but rather they are a place for socialization, building relationships and building and establishing community pride. To demonstrate this mutual understanding, 89% of the university participants agreed with North Central residents that having pools in all parts of the city afforded family friendly activities, 89% agreed with the very common idea from North Central residence that the

pools build and maintain a sense of community pride. Finally, 87% of university participants noted that pool closures would segregate the city further and in fact create a larger distance between different socio-economical groups within Regina.

Regina's outdoor pools target every age as children, teenagers, adults, and seniors can all participate. Along with participation, a pool creates it creates a safe, supervised and structured environment that affords at-risk individuals to go to as a means to escape the world they live in and a place for physical activity which in turn, creates a healthier community. Although the future of the pools may be undecided, remember that with the future of our recreation facilities, also comes the future of a very special population in need of all the opportunities we can afford them, Regina's youth.

Reference

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Good Afternoon/Evening Your Worship and Members of City Council:

On behalf of the Heritage Community Association, I stand before you today to oppose the 2013 capital budget request to approve \$800,000 to "be used to engage the community about service options, undertake development of a conceptual design, develop a detailed construction design, prepare a budget business plan for Wascana Pool and decommission the existing facility to allow for redevelopment" of an outdoor aquatic park to be located in Wascana Park. According to recent news reports of local media outlets, part of the City's plan for outdoor pools includes the closure of Maple Leaf Pool. We are very concerned with the discussion surrounding the potential closure of Maple Leaf Pool and the negative impact this will most definitely have on members and the future of our community.

We are further concerned that there is no 2013 budget request for Heritage. We feel that the requested \$800,000 budget would be better spent on much-needed public consultations to determine the type of recreational amenity is best suited for the Heritage community, the development of a business plan for Heritage, and the remainder of the money used to keep Maple Leaf Pool open until final decisions have been made on the type of recreational amenity that will be provided to Heritage community including an approved budget for this new development.

We are not confident that the Heritage community will get any type of recreational amenity once Maple Leaf Pool is closed. We do not know if the Maple Leaf Pool site, if and once decommissioned, will serve as the site for a new splash park. While a spray park could be an enhancement to our pool, it is definitely not a replacement for our pool. Because people of all ages utilize Maple Leaf Pool, replacing our pool with a splash park is not an appropriate response, as the reality is that spray parks are not usually utilized by anyone older than a teenager- this would leave a huge segment of the Heritage population with no place to go in our community to participate in recreational activities. Also, having no supervision at a proposed spray park in Heritage is a huge concern. We are certain that once a proper community consultation on this issue occurs, Administration will then be able to provide Council with the recommendations they require to give this question more serious thought. Once this occurs, we are hopeful that Administration and Council will also conclude that a shift in priorities from Wascana to Heritage is required, and that the decommissioning of

Maple Leaf Pool and replacing it with a spray park is simply not a good plan.



And this is all based on the presumption that Maple Leaf Pool will be one of the two decommissioned pools that is selected to receive a spray park. As it stands today, Maple Leaf Pool is the only neighbourhood hub we have in the Heritage community. If it turns out that the other decommissioned pool is selected as the site for a splash park, this decision will leave Heritage residents with no community hub, something virtually every other disadvantaged community in Regina has. This is unfair to the residents of Heritage, and is unacceptable. Given these realities, the least we can expect is to have a community facility built and located in the Heritage community in the next five to ten years, as is recommended in the *Heritage (Core) Neighbourhood Sustainability Action Plan*. Again, this is unfair to the residents of Heritage, and again, is unacceptable.

It is incumbent upon Administration to consult with the people who will be most directly affected by the proposal to close Maple Leaf Pool, and to give serious consideration to this question and the best plans to move forward in the interests of serving the public, especially individuals and families who live in Heritage who fall within the City of Regina's Target Population, specifically:

- 1) children and youth, who are "included to encourage lifelong participation from a young age as well as social opportunities for youth,"
- 2) families, "which are recognized as an integral building block to community growth", and
- 3) individuals "who are more likely to encounter barriers to participation, including for example, seniors, persons with disabilities, individuals of Aboriginal ancestry, single parents, and low-income households and individuals who have recently immigrated."

According to the City of Regina's 2010 *Recreation Facilities Plan*: "It is recognized that higher participation levels among these segments of the population have a positive impact on the community-at-large by encouraging life-long participation in activities that are known to have a positive impact on the community (for example, on the creation of safe and healthy neighbourhoods, promoting acceptance and understanding among individuals with diverse ethnic backgrounds, reducing costs related to health care and social services, and preventing vandalism or other crime)." A large proportion of the Heritage community is comprised of individuals and families who fall within the City's Target Population. Administration's recommendation to decommission Maple Leaf Pool, with no firm plan on what type of



recreational amenity will be provided for the people of Heritage, if anything, is contrary to the City's own initiative to place a greater emphasis on the Target Population as identified.

We ask: If Administration can change their mind about decommissioning Dewdney Pool, as was originally proposed in the *Recreational Facilities Plan*, then why can't Administration also reconsider their recommendation to close Maple Leaf Pool? We respectfully submit that we in Heritage meet the City's same Target population as North Central. Why do we in Heritage not rate the same level of political support by Administration?

Furthermore, while I support that it is vital to involve Regina citizens in the discussion of replacing Wascana Pool with an outdoor aquatic park, I respectfully submit that people who live outside the Heritage community really do not have any understanding of how important Maple Leaf Pool is to the people of Heritage. Of course, people are going to be excited over Administration's proposed plan to have a water-world type of facility located in Wascana Park. But people who live outside the Heritage community will care very little, if at all, about how the closure of Maple Leaf Pool will affect the quality of life of Heritage residents. It is the people who live in Heritage who know best what they want for themselves, their children and their families. Yet the people who live in Heritage have not been consulted regarding the question of decommissioning Maple Leaf Pool. Such a process is simply unfair and unacceptable to the residents of Heritage, and runs contrary to Administration's policy of making such decisions "based on appropriate levels of public consultation."

We are requesting that City Council not approve this Report from Administration. We are also requesting that City Council ask Administration to shift their priorities from Wascana to Heritage as they reconsider this Report.

Written and Submitted by:



Marie Karner  
Heritage Community Association  
100- 1654- 11<sup>th</sup> Avenue  
Regina, SK S4P 0H4

I wish to communicate my opposition to the closing of any of Regina's outdoor pools. These public pools are among the most important resources in our communities, and financial investment in the maintenance of the pools should be ongoing. If the City has let the pools deteriorate to the point of needing expensive repairs, that is hardly the fault of the communities that use the pools.

Although I use Massey Pool myself, I am very concerned about Dewdney Pool. North Central has almost no remaining community resources or services. Dewdney Pool is vital to the health of that community as a place for all ages to find recreation and fun. Replacement of Dewdney pool with a spray park would be pointless - I have lived near the spray park on King's Road in Lakeview and it is hardly ever used. Kids want to swim in the summer, not stand in an icy shower.

I am aware that the Lawson Aquatic Centre is located in North Central, but it is almost exclusively used for elite sports such as speed swimming, diving and synchronized swimming. It is not used by neighbourhood kids looking for fun.

Finally, I think learning to swim is a basic life skill like learning to ride a bike or drive a car, and vital to keeping kids safe around any body of water. Try learning to swim in a spray park.

Sincerely,  
Maureen Heath

Dear Mr. Fougere and the rest of City Council,

My name is Jeremy Black, a Grade 4 teacher at Ecole Connaught Community School. Shortly after hearing about the proposal to close several pools in Regina, I shared this news with my class during our current events time.

The class was shocked to hear about the proposed decision, and were very worried about what their summers would be like without their neighborhood pools, Regent and Maple Leaf.

My students wanted to do something about this, and it was decided that they could write letters sharing how they felt about this, in the hopes that you, the City Council, would better understand the firsthand effect closing these pools would have on the children and families using these pools regularly during the summers.

I hope you will take the time to look over the following letters, and that it will help you to make a positive decision that will not only empower my students through their persuasive writing, but most importantly, to give them a fun and safe option for exercise and socializing during the summers.

Thank you.

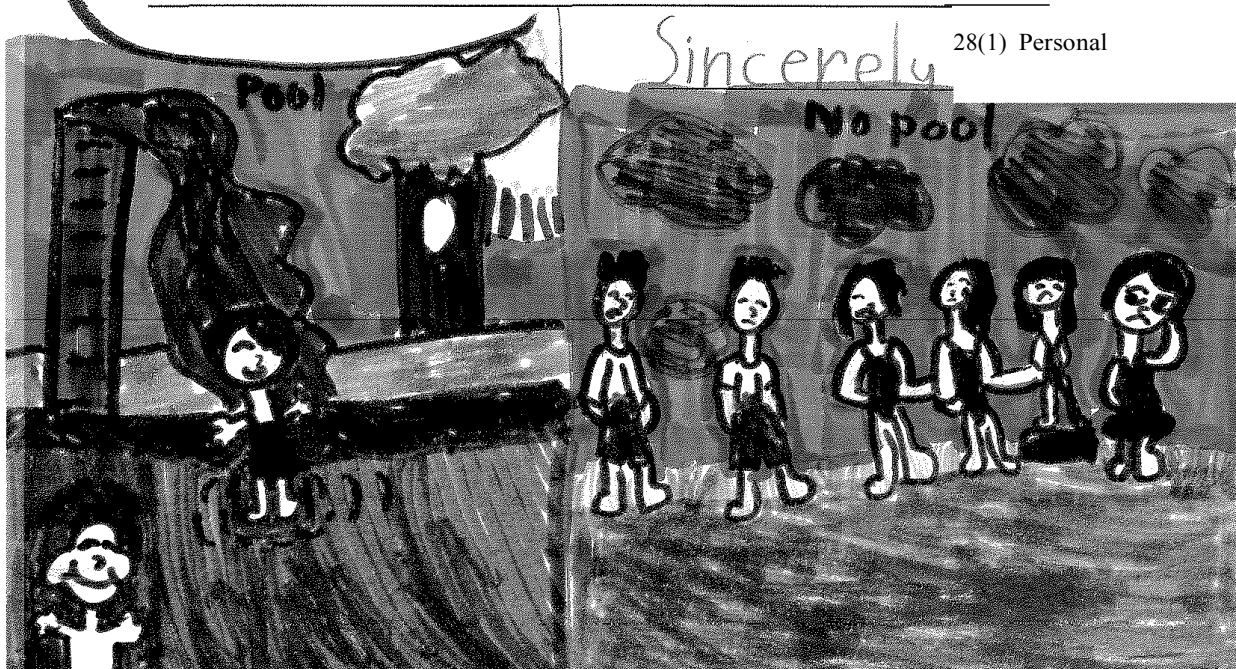
Sincerely,

Mr. Black's Grade 4 Class

Jan. 28 / 2013

Dear Mr. Fougere,

please do not close the pool! I go to  
pools all SUMMER. I love Summer and alway have  
fun at the pool. I love Summer. It is so sad  
you want to close the pools because now  
kids will play more video games instead of  
having fun at the pool. You do not know  
how sad I am.



BROOKLYN, N.Y. Jan 28, 2017

Dear Mr. Fugere

66 Please don't close the pool!!

When you live close to a free

pool, you can go whenever you

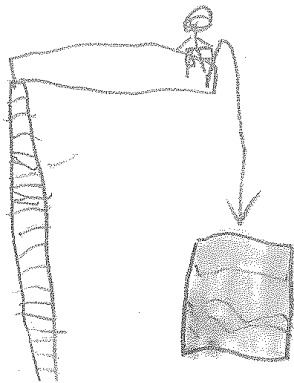
have permission. I love spending  
my summers there with my

cousins. We wouldn't have

anything to do,

Sincerely,

28(1) Personal

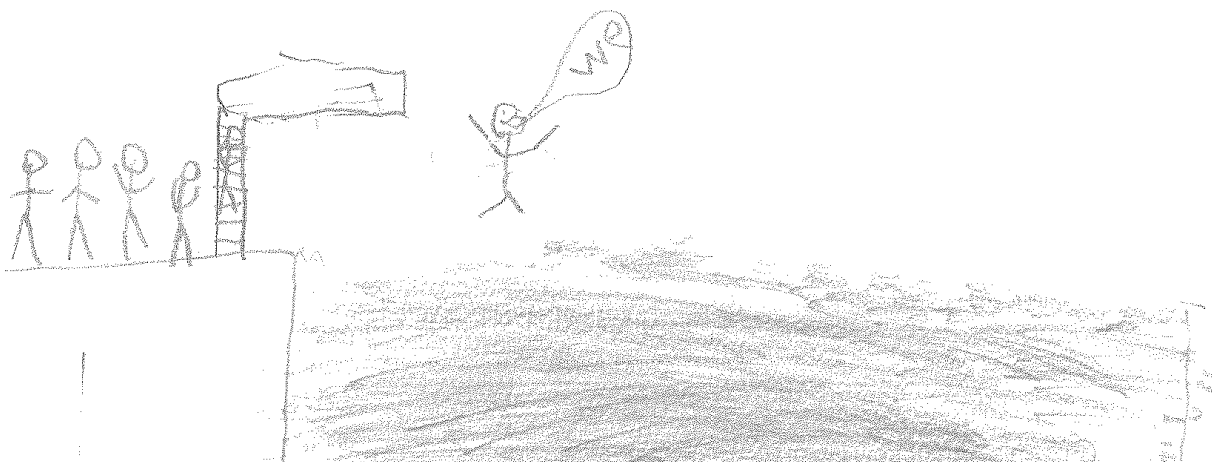


Dear Mr. Forgetful

You shouldn't close the pool  
Because some people go every  
day. You're a great mayor but  
if you do that the public will  
be infuriated so don't and  
plus I love to go swimming  
at maple leaf pool. Every time  
I go swimming at maple leaf it's  
always crowded.

Sincerely

28(1) Personal





January 28  
2013

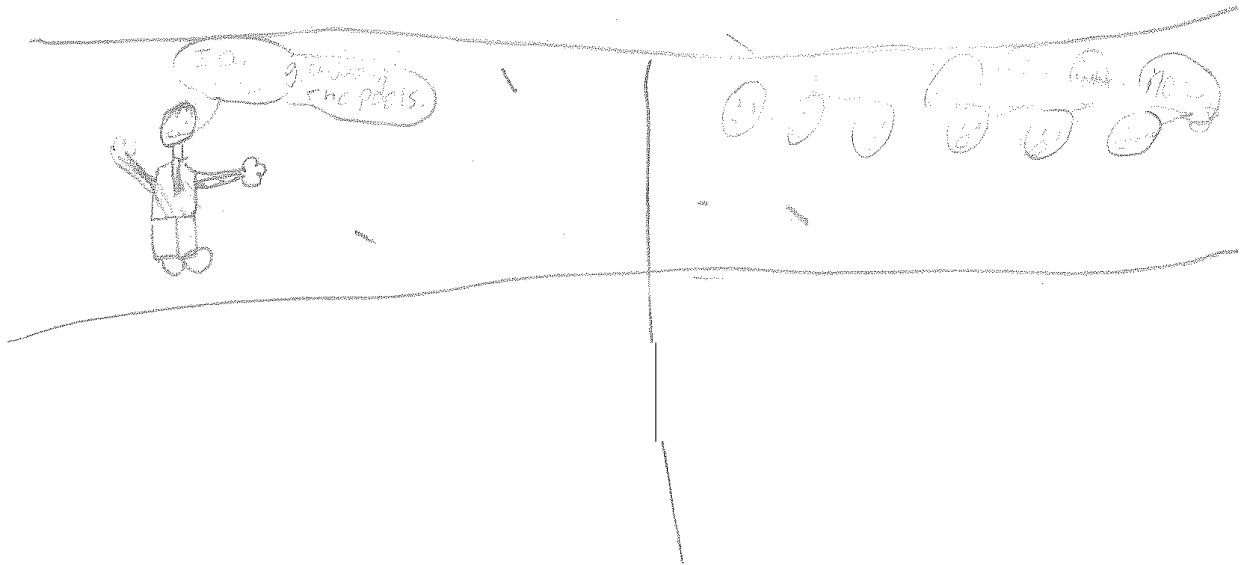
Dear Mr. Fougere

I am asking you! please please  
don't take away the pools.

They have so many memories  
Mr. Fougere don't you remember  
all those times when you  
and your friends played the  
pool? Sincerely.

28(1) Personal

-28(1) Personal

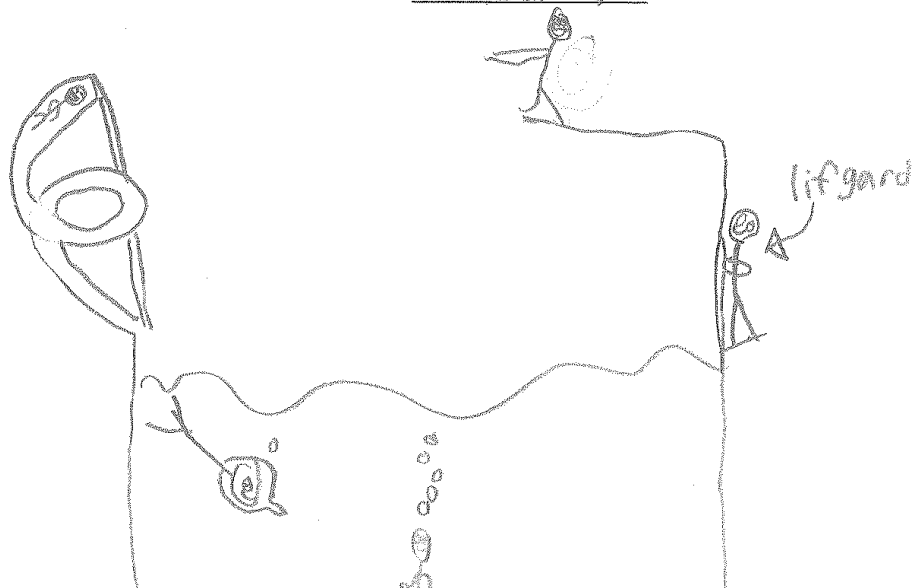


Dear Mr. Fougere,

you are an awesome Mayor but if  
you closed this pool I will think you are  
the best Mayor ever anymore. I go to the  
pool a lot during the summer.

Sincerely,

28(1) Personal



Dear Mr. Fongere

January 28,  
2013

Please please please don't close the  
the pool. Because if you do their  
will be nothing to do. We'll get  
boarded. But if I go to an indoor  
pool thier would be no sunshine  
only light. So please don't close  
the pool. I hope this makes up your  
mind.

28(1) Personal

Sincerely

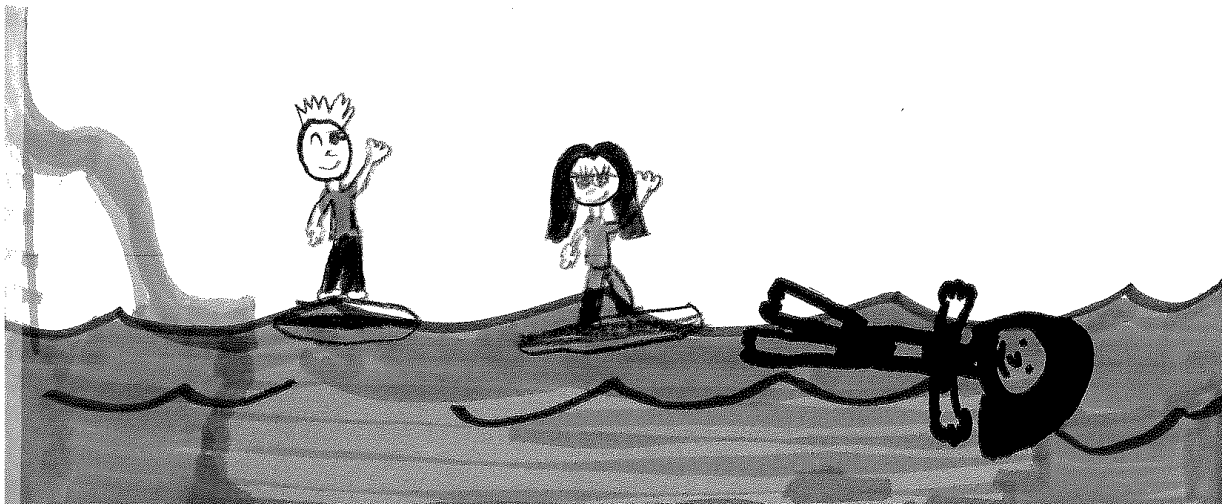


Dear Mr. Fougere  
please Don't close the pool!  
Mr. Fougere I go to the pool  
in the summer please Don't  
close the pool!  
please Don't!! its my  
favorite place to go and play  
with my friends in the summer.  
and its is very fun! swimming  
in the summer.

28(1) Personal

by

28(1)



Dear Mr. Fowler,

You are the best mayor ever,  
 but, if you close these pools, I won't  
 think that way anymore please don't  
 close the pool!!!!!!!!!!!!!!!!!!!!!!!!!!!!  
 !!!!!!! It's AWE some!!!. Hope you read  
 my letter. Hope it helps your decision.  
 I know it's hot but these pools are so  
 special. So don't close them please. It's  
 my only place to go in the summer.  
 Thanks for reading

Sincerely,

28(1) Personal



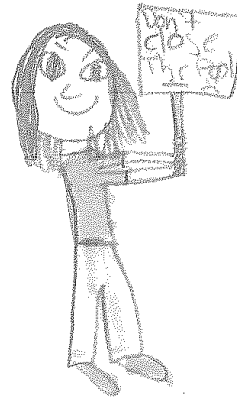
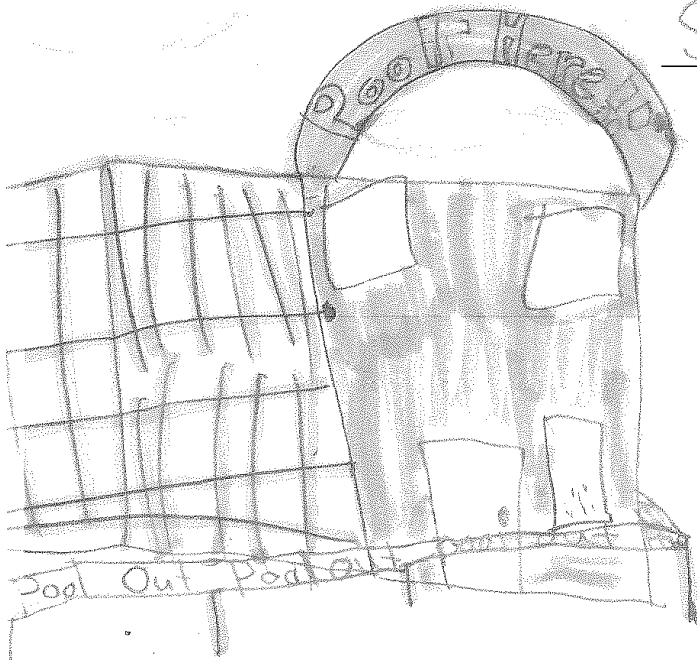
Jan 28  
2013

Dear Mr. Fougere

PLEASE DON'T CLOSE  
THE POOL! When it is hot  
Outside, it's a great place to  
cool of. and also parents  
won't have to worry about  
driving a long way to  
get to the pool

Sincerely,

28(1) Personal



February 5, 2013

Office of the Mayor  
City of Regina  
PO Box 540  
Regina, SK S4P 3C8

Dear Mayor Michael Fougere:

I'm <sup>28(1) Personal</sup> at Thompson school. I'm <sup>28(1)</sup> years old and in grade 28(1)  
close. This makes me sad.

Please Don't close Maple Leaf Pool. I want it to stay! I went there and I LIKED it. keep it there so they keep giving us free lunches and freezies.

Thank you for reading my letter  
Sincerely,





February 1, 2013

Office of The Mayor  
City of Regina  
PO BOX 1790  
Regina, SK S4P 3C8

Dear Mayor Michael Fougere:

My name is

28(1) Personal

I am <sup>28(1)</sup> years old. I am in Grade <sup>28(1)</sup>  
at Thomson COMMUNITY School.

I am writing this letter to you  
because I don't want The Maple Leaf  
pool to close.

It is fun to go to the pool. I go  
there with my uncle and my mom,  
dad and sister. I like swimming.



we do not go anywhere in The  
summer Time, only to The Pool.

Thank you for reading my letter.  
I hope you won't close The Pool.

Sincerely,

28(1) Personal

Student



January 31, 2013

Office of the Mayor

City of Regina

PO Box 1790

Regina SK S4P 3C8

Dear Micheal Fougere:

My name is <sup>28(1) Personal</sup> I am <sup>28(1) Personal</sup> years old.

I am in grade <sup>28(1)</sup> I go to <sup>28(1) Personal</sup> Johnson Community School. My Teacher is <sup>28(1) Personal</sup> I am devastated that Maple Leaf Pool may be closing.

Please do not close the pool because then I will just play my video games instead of doing



outdoor activities. I won't be able to go to other pools because I don't have a vehicle. I go there almost every day in the summer. I am just 3 or 4 blocks away. It is my favorite thing in the summer.

Thank you for reading my letter. Please make your decision so all children can get to swim.

Sincerely

28(1) Personal





January, 31, 2013

Office of the Mayor  
City of Regina  
PO Box 1790  
Regina, SK S4P 308

Dear Mayor Michael Fougere:

I am <sup>28(1) Personal</sup> . I am <sup>28(1)</sup> and I study at Thomson Community School. I am in Gr. <sup>28(1)</sup> .

My Teacher told us about the Toronto Maple Leaf Pool which may close. My classmates also said it was very fun. It's free, It's not too far for me to walk to, and I really want to visit it because I never visited it. If Maple Leaf Pool closes I won't have a nice extra-curricular activity. I just found a good exercise when it's summer but then it may close. I'm really disappointed and sad because I won't have a place to

hang with my family and friends. I also cannot go to other pools because they cost and are too far for me to walk alone. It is also very dangerous for me to walk alone to the other pools because there are too many signals to cross and I also cannot afford money. Please don't close Maple Leaf Pool. It is going to make me sad if you do not keep it open.

Thank for reading my letter. I hope you do decide to keep Maple Leaf Pool open.

Sincerely,

January 30, 2013

Office of The Mayor  
City of Regina  
PO Box 1790  
Regina SK S4P 3C8

Dear Mayor:

I'm <sup>28(1) Personal</sup> and I'm <sup>28(1)</sup> years old.  
I love to swim. I go to Thomson School. I am in grade <sup>28(1)</sup>.

Mayor, I go to Maple Leaf Pool at least once a day. It is fun because they provide me a healthy lunch which is always good.

Thanks for reading my letter.

Sincerely,  
<sup>28(1) Personal</sup>



January 30, 2013

Office of the Mayor  
City of Regina  
Po Box 1700 Regina, SK S4P 3C8

Dear Michael Fougere:

Hello my name is <sup>28(1) Personal</sup> . I go to  
Thomson School. I am <sup>28(1)</sup> years old.  
I am in grade <sup>28(1)</sup> . My teacher is <sup>28(1) Personal</sup>

28(1) Personal

told me Maple Leaf Pool  
might shut down. I've never been to  
Maple Leaf Pool but I really want to  
go. Please don't shut Maple Leaf Pool  
down. I hear it is a really fun  
place. People said you get lunch every  
day. I also hear that they do contests  
at Maple Leaf Pool. The Pool sounds  
really fun.

Thank you for taking the time to  
read my letter. Please read my other  
class mates letters.



February 1, 2013

Office of the Mayor  
City of Regina  
PO Box 1790  
Regina, SK S4P 3C8

Dear Mayor Michael Fougere:

I am <sup>28(1) Personal</sup>, I am <sup>28(1)</sup>, I am in Grade <sup>28(1)</sup>  
I go to Thomson Community School. My Teacher is  
<sup>28(1) Personal</sup> she told me that Maple Leaf Pool  
might close. I was sad to hear that.

Maple Leaf Pool is the only pool I go to.  
One time I went to Maple Leaf Pool, most of my  
friends were there. I had lots of fun and if it  
closes I will have nothing to do all summer. The  
only thing to do at summertime is just have to  
watch TV and play video games. So please keep Maple  
Leaf Pool open.

Thank you for reading this letter.

Sincerely,





January 30, 2013

Office of the Mayor  
City of Regina  
P.O. Box 1700  
Regina, SK S4P 3C8

Dear Mayor Michael Fougere:

My is <sup>28(1) Personal</sup> Tom a student at <sup>28(1) Personal</sup> Thomson Community School  
in Regina. Please Don't close Maple Leaf Pool. It means a lot to me and my family.  
<sup>28(1) Personal</sup> I feel  
Sad that it might close down. Please, because when I win I  
share my stuff with people. I like that too.  
Please Don't close it.

Thank you for Reading this note.

Sincerely, <sup>28(1) Personal</sup> H.



February 1, 2013

Office of Mayor  
City of Regina  
Po Box 1790  
Regina SK S4S 3C8

Dear Mayor Michael Fougere:

My name is

28(1) Personal

I'm <sup>28(1)</sup> years old. I go to  
Thomson Community School. I'm in  
grade <sup>28(1)</sup> and because I heard  
Maple Leaf Pool may be closed down  
I'm sad. The other pools are too  
far away. Maple Leaf Pool is in my  
neighbourhood. If I didn't have a free  
pool I couldn't go swimming. If Maple Leaf  
pool closes I won't see my friends.

Thanks for Reading my Letter.  
Sincerely

28(1) Personal

28(1) Personal

February 1, 2013

Office of The Mayor  
City of Regina  
Po Box 1790  
Regina, Sk S4P 3C8

Dear Mayor Michael Fougere:

My name is <sup>28(1) Personal</sup> . I'm in Grade <sup>28(1)</sup> and I'm <sup>28(1)</sup> years old. I go to Thomson Community School. The Reason I'm writing this letter is because Mapleleaf pool is maybe shutting down and this makes me sad.

-What will I do in the spring and Summer with no pool around? My Family doesn't have a lot of money.

Mapleleaf pool is my favourite place to go. For lunch they give free lunches out. Me and my friend go there all the

time but now I'm sad. I will have nothing to do now. Thank you for reading my letter. I hope you do not shut down the pool.

Sincerely, <sup>28(1) Personal</sup>



February 1, 2013

Office of mayor  
City of Regina  
PO Box 1790  
Regina, SK S4P 3C8

Dear Mayor Michael Fougere:

My name is <sup>28(1) Personal</sup> . I am <sup>28(1)</sup> years old. I am in grade <sup>28(1)</sup> . I go to Thomson Community School. My teacher told us that you guys are thinking of shutting Maple Leaf pool down. This makes me upset. I feel sad because you guys are thinking of shutting down.

I have so many memories of the pool. One day we were scared to go down the slide at first, but then my friend <sup>28(1) Personal</sup> with us. Then one time I found money in the pool.

I Was Wearing goggles. I Was lucky to find money in the pool so please don't shut it down.

I Can't Walk to Wascana. It is too far and I don't have money for the bus. So if you are closing it down you will make a lot of kids sad.

Thanks for reading my letter.

Sincerely,

28(1) Personal



January 30 2013

Office of the Mayor  
City of Regina  
REGINA SK S4P3C8

Dear Mayor Michael Fougere

My name is <sup>28(1) Personal</sup> I am <sup>28(1)</sup> years old. I am in Grade 28(1) I am in Thomas Community School. My teacher told me the Maple Leaf pool is going for closure.

I've never been swimming at Maple Leaf pool before but my class told me about it and it sounds fun. I would like to go swimming there. Swimming keeps me healthy. The free lunch is also healthy for me. I want to be healthy forever.

Thank you for reading my letter and my opinions about Maple Leaf pool.

Sincerely,



January 30, 2013

Office of the Mayor  
City of Regina  
PO Box 1740  
Regina, SK S4P 3C8

Dear Mayor Michael Fougere:

Hi, My name is <sup>28(1) Personal</sup> . I am <sup>28(1)</sup> years old, turning <sup>28(1)</sup> On <sup>28(1) Personal</sup> . I go <sup>28(1)</sup> to school at Thomson. I am in grade <sup>28(1)</sup> . I am sad about hearing the Maple Leaf Pool maybe closing.

I'm so sad Because you guys are maybe going to shut down Maple Leaf Pool. If you do I will be devastated because I will have nothing to do in the summer. The pool is the only physical thing I like to do in the summer. And this is the only pool thats free. At the pool I always have good memories with my friends. Thats the only place when my friends could meet up with each other And play tag at the pools park. The real reason I like the pool is family swim. Thats when my mom bring peanut butter sandwiches that was fun with my family.

Thank you for reading my letter and have a nice day. I hope you don't close the pool...

Sincerely:



January 31, 2013

Office of the Mayor  
City of Regina  
PO Box 17900  
Regina, SK S4P 3C8

Dear Mayor Michael Fougere:

My name is <sup>28(1) Personal</sup> . I go to Thomson Community  
School. I am <sup>28(1)</sup> years old. My teacher is <sup>28(1) Personal</sup> wh  
I am in grade <sup>28(1)</sup> . I'm from <sup>28(1)</sup> . I am sad to hear  
Maple Leaf Pool maybe closing.

I am feeling Sad. I spend so much time in Maple  
Leaf Pool. Maple Leaf Pool is close to my home. I  
just have to walk for 10 or 15 minutes. The other  
Pools are too far away so. I won't be able to go swimming.  
I always go on the Slide at Maple Leaf Pool. Last  
summer, I went to Maple Leaf Pool with my

class. When I was in .5  
wimming is healthy for me. I never have trouble  
and I always have fun in Maple Leaf Pool. I  
really like the Maple Leaf Pool.

Thanks for taking the time to read my  
letter. I hope you will come up with a  
Plan.

Sincerely

February 1, 2013

Office of the Mayor  
City of Regina  
PO Box 793  
Regina, SK S4P3C8

Dear Mayor Michael Fougere:

My name is <sup>28(1) Personal</sup> . I am <sup>28(1)</sup> years old  
and I go to Thomson Community School. I am  
in grade <sup>28(1)</sup> . My mom read me the Leader post  
article about Maple Leaf pool. I am sad to hear  
that the pool may be closing in the future.

If you shut the pool down I will be  
bored. I will be sad. I will play video  
games instead of getting exercise  
from swimming. I don't want to go to Wapiti  
pool because it is too far away and I don't have  
a lot of money. This is my favorite pool and  
I meet my new friends.

Sincerely,





January 30, 2013

Office of the Mayor  
City of Regina, SK

Po Box 1790 Regina, SK

S4P 3C8 Dear Mayor

Michael Fougere;

28(1) Personal

My name is

28(1)

I am Years old. I am in  
grade a Thomson Community  
School. I am writing because  
I don't want Maple Leaf

Pool to be closed down.

If you Shut Down the  
Pool, I will have nothing  
to do but play my x-box  
360. The pool makes me  
exercise. I've been  
going to the Pool for seven  
years just about every day.  
The life guards are nice.  
Thank you for reading my  
letters. - mi

sincerely,

January 31 2013

Office of the Mayor  
City of Regina  
PO Box 17798

Regina, SK S4P 3E6

Dear Mayor Michael Fougère  
My name is [redacted] 28(1) Personal I am 28(1) years old.  
I just turned 10 on January 1. I go  
to Thomson School. I am in grade 28(1) 1. I am  
writing this letter because my teacher told me my pool  
is slated for closure.

This is how I feel. I feel sad because  
it is the only pool I go to all summer.

I take swimming lessons. Why don't you close  
Wascana pool? Please don't close Maple Leaf pool.  
Please don't beggins you, it's the closest pool  
to me. I live on [redacted] 28(1) Personal I don't have  
money everyday to go to Wascana pool.  
It is too far from my house plus it doesn't  
have a big diving board  
my friends can't afford to swim there either

Thank you for taking the time to read  
my letter. Have a great day Michelle Fourge

Sincerely,

28(1) Personal

28(1) Personal



January 29, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

I am writing this to you to make you reconsider closing Regent Pool and Maple Leaf Pool.

You *see*, closing the pools is bad because first, there is a possibility that people will dislike you. Why? Because everyone likes the pools.

Secondly, if you close the pools, people won't get as much exercise. If people exercise, it will reduce the wait time in hospitals. But if you close the pools, people will start to get unhealthy and go to the hospitals more, which will make the wait time longer.

Thirdly, our school goes to the Regent Pool at the end of the school year. Other schools might use Maple Leaf Pool at the end of the school year too.

Lastly, Regent Pool starts out shallow, then goes deeper. This is good for small children because they can just go to the shallow end. If you get rid of the pools, then small children have to get carried by their parents for other outdoor pools.

It might cost a lot of money if all five pools are open, but you can just raise taxes by a little bit.

So, I hope you change your mind as soon as possible about not closing the pools.

Sincerely,  
28(1) Personal



If you need to raise the taxes a little, I have heard quite a few people say that they wouldn't mind paying a bit more to go swimming.

You are building a multi-million dollar football stadium so why not take some money away from that and put it into the pools or health care. It won't be ready for ten more years anyways.

I hope that you do the right thing and keep the pools open.

Sincerely,

28(1)





28(1) Personal

January 29, 2013

Mayor Michael Fougere

City of Regina

P.O. Box 1790

Regina, SK S4P 3C8

Dear Mayor Fougere:

My classmates and I have talked about your decision on supposedly shutting down Regent Pool and Maple Leaf Pool. I don't think it is the best idea to shut those two pools down.

We have our year end party at Regent Pool and some other schools might have their year end party at Maple Leaf Pool. It would be sad if we didn't have those pools anymore to swim and to have fun.

I know you will be saving a lot of money shutting them down but kids love going there in summer, with their classes and just to swim. Maybe you should shut down the one that maybe is not getting enough money or not enough kids are going there. But alii am saying is maybe can you re-think it?

Another thing the hospital wait lists will increase big time and patients will have to wait longer for surgery, they will be in more pain every other day they have to wait.



That is all I wanted to say! Thanks for reading my letter about the pools and hospitals!©

Sincerely,  
28(1) Personal



28(1) Personal

January 29<sup>th</sup>, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor & Council,

The reason I am writing to you is because I heard you are going to close two of our precious pools called "Maple Leaf Pool and Regent Pool".

Now people will get fewer exercises. Sometimes I wonder if you really want to close our pools... my school goes there at the end of the year. I would really appreciate it if you would not close our pools. And a lot of people love those pools...and if you're going to close both of them, people will be not very happy so please do not close Maple leaf and Regent pool.

I also heard that you are going to build a new stadium, the stadium that we have now is fine. Well I think you should put the money into the hospitals, so people don't have to wait a year to get surgery. We don't need a new stadium, that's what we want not what we need, people want a new stadium but that's not very important. What you should do is put the money that you are going to put in the stadium, you should put in the hospitals.

That's all I wanted to say to you and I hope you understand that I'm not against you at all. And I understand your decision.

Sincerely,

28(1) Personal

---

28(1)

Jan.29.2013

Mayor Michael Fougere  
City of Regina  
P.O. box 1790  
Regina,SK S4P 3C8

Dear Mayor Fougere :

I heard that you are shutting down Regent Park Pool. Weill don't think you should close it.

The reason is that we are so close to it and you don't want us little kids waiting for a long time to go to a swimming pool.

Another reason is that its good exercise. I also heard that people are waiting for surgery a long time so I thought to myself if you don't close the pool then people can get good exercise and don't need surgery.

I understand your decision with closing the pool but just try to read this and gladly hope you read this.

Sincerely,

28(1) Personal





*To: Michael Fougere*

28(1) Personal

Mayor Michael Fougere  
city of Regina  
P.O. box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere,

Hello Mr. Mayor I'm from Gladys McDonald Elementary School,  
Grade<sup>280</sup> ) I'm in Grade 6. I believe you said that the city is  
closing down 2 pools I hope you change your mind.

It makes me sad hearing that REGENT and MAPLE LEAF outdoor  
pools are closing and I keep thinking of all my memories I've had at  
those pools and it is super upsetting :(

Exercise can strengthen your immune system and if you choose to  
shut down the pools people will get less exercise and then get  
unhealthy and may need surgery and that means more wait time in  
hospitals and then lots of peoples injuries or disabilities can get worse.

Our school goes to Regent pool every year on the year end party  
and if the pools close our school will be devastated and we won't get a  
year end party.

Thanks for considering my opinion.

Sincerely, -

28(1) Personal



28(1) Personal

January 28, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

My class and I think that your decision to close the pools was a not a good decision to some people.

We think that, "why close the pools?" People like pools because there fun, something to do and help stop youth crimes. Our school loves Regent Park Pool for our year end parties. If you were going to close something I would say close the golf park there, (it's really run down).

I think if you wanted to have less wait times in hospitals, why close the pools? Most of the reason is because people aren't getting enough exercising done. Thus causing more wait times in the hospital.

And think about kids, there are so many bill boards saying kids are getting too much screen time. So if you close some pools, kids will just go on to computers and TV's.

Please keep the pools open. Tons of people love them, thank you for considering my suggestions.

28(1) Personal

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Dear le mayor and council

This is what I think about you closing the pools

People use the pools for exercise and fun if you take them away and make a football stadium with that all the audience is doing is sitting around watching people play a game instead of doing it themselves

The region pool is the pool our school uses sometimes for a party at the end of the year and other schools close to maple might use those ones too

Now about the hospitals you might want to give the money to buy another one instead of a stadium for watching football games

The hospitals waiting time is quite long I think it would be best to buy a new one

You should really save money for the stadium if you want it so bad

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28(1) Personal

January 28, 2013

Mayor Fougere

City of Regina

P.O Box 1790

Regina, SK S4P 3C8

Dear Mayor Fougere:

I am writing to you today to talk about the closing of the pools, and how I think Regina could save money by not closing Regent Pool and Maple Leaf Pool.

I know that you're wanting to cut down on the wait time in hospitals which if we keep the pools people will get more exercise which will lead to healthier lifestyles.

I know that you probably want to shut it down so you can invest more money into the other outdoor swimming pools, but why would you want to shut it down when it is already such a great pool, and I also know that if you shut it down some people will need to find new jobs and so many kids, parents and schools will be so disappointed, I know that because our school goes there every year for an end of the year party and everyone loves it!

Thank you for reading and considering my letter.

Sincerely,  
28(1) Personal





28(1) Personal

ilQA, s.vi  
: I-i, 2013

Mayor Fougere

City of Regina

P.O. Box 1790

Regina, SK S4P 3C8

Dear Mayor Fougere:

■ have been informed about the closing of Regent and Maple Leaf Pools, and do not think that is such a good idea.

You see, closing these two pools will make matters worse, the number of people in waiting lists in hospitals will increase, exercise can strengthen your immune system, plus, more young adults will have less stuff to-do that will keep them distracted from doing illegal actions.

The Regent pool is a shallow pool that starts from 30 em, so that's an opportunity for young kids that they don't want to miss.

Plus, The Regent Pool is a pool our school uses at the end of the year for parties, other schools close to Maple leaf pool might use that pool too.

Thank you for considering my request,

Sincerely,

28(1) Personal



28(1) Personal

January 28, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere

I think it would be better if you keep the pools open.

I think you should keep the pools open because swimming gives you exercise and strength. Also my school goes there for a year end party. My family, friends and I enjoy going to that place.

I understand that it costs a lot of money to keep them open but if you close two pools it could be overcrowded and may cause injuries.

So I feel it could be better to keep them open, so everyone can enjoy their time with friends and family.

Thank you Mayor Fougere  
for reading my letter.

sincerely,  
28(1) Personal

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28(1) Personal

January 29, 2013

Mayor Michael Fougere  
City of Regina  
p.o. box 1790  
Regina, SK s4p 3c8

Dear Mayor Fougere:

Today I listen in news that your'e closing two outdoor pools named **Regent** and **Maple Leaf**, but I don't agree with that even not only me no one wants their nearest pools closing down.

I don't agree with that because our school use Regent pool so much and that's only nearest pool from our school the pools are now the only a good thing to exercise and it can lead to shorter wait times for surgeries, If people or teenagers will spent more time in swimming then there will be absolutely less illegal problems in the city, kids will do more swimming then playing video games and wasting their parents money on video games, from pools older (wheel chair) people also have benefit that they can go to their nearest pool and they can do exercise and more fun except from sitting bored in their home, especially me and my family use Maple Leaf pool and so many people use pools in summer.

I got suggestions for you that you can take that sport stadiums money and put that money in pools and hospitals, you can raise the taxes for pools or you can close two other pools.

Thanks for reading my letter and I hope you will also agree with me.

Sincerely,  
28(1) Personal



28(1) Personal

January 29, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere/Council

I've been told that you're closing several pools in the city of Regina. I totally think you should reconsider that.

You see, people work at pools as lifeguards and maintenance staff and closing pools would mean that they'd be losing their jobs and not being able to find one easily.

Gladys McDonald School uses Regent Pool for the year-end party, which I think is really fun. If you close Regent Pool, then we have to find another pool, which might take a while to get to.

Swimming is usually an activity in the summer, but most pools will be closed and Regina will be named "The City with no Pools" by other cities maybe.

Another important thing to consider is fewer pools will result in over-crowding of the pool and swimming will not be that much fun.

Therefore, I hope you will reconsider your decision to close pools.

28(1) Personal

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28(1) Personal

January 29, 2013

Mayor Michael Fougere  
City of Regina  
P.O.box 1790  
Regina,SK S4P 3C8

Dear Mayor Fougere and Council:

You are probably wondering why I'm writing this to you. Well I'm writing this to you because I've heard you are going to be closing two pools, Regent Pool and Maple Leaf Pool.

We don't want you to shut down the pools because a lot of people enjoy swimming and having fun, hanging out with family, friends and people have memories when they go to the pools.

Secondly, a lot of schools go to those pools.

Thirdly, kids will be active instead of being in front of the T.V. screen.

Furthermore, the other thing I'm going to be talking to you about is the hospital and the stadium.

I also heard you are going to be building a new stadium. But the stadium that we have is fine. You should split half of the stadium money for hospitals, you should be putting more rooms and equipment because some people wait to get surgery for almost a year. And put wheelchair ramps so people could get around and watch games instead of watching T.V.

Thank you for reading my letter.

Sincerely,  
28(1) Personal



28(1) Personal

January 29, 2013  
Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

I have been informed that you are going to be closing Regent pool and Maple Leaf pool. With all do respect I highly disagree.

The reason why is because it makes no sense if the province is making a lot of money from resources and your planning on closing Regent pool and Maple Leaf pool. Plus, Regent Pool is one of the only shallow pools that starts at 30 cm deep. So little kids like babies don't drown

Also, Regent Pool is a pool that our school uses for the end of the year parties. Other schools close to Maple Leaf Pool might use it too. Plus if people spend more time in pools that means that there might be less youth crime.

Thank you for considering my request  
sincerely,

28(1) Personal



28(1) Personal

January 29 2013

Mayor Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

I am aware that you're going to shut down Maple Leaf and Regent Pool.  
I disagree with it.

If there is something for youth to do, they won't get into youth crime, so more  
time swimming, less youth crime.

Lots of families love the Regent Pool. My friends and I go swimming there every  
summer. My school goes there for the End of the year party. I don't go to Maple  
Leaf Pool, but it probably means the same as Regent to people that live close to it.

I hope you change your mind about closing Regent and Maple Leaf Pool.

Sincerely,

28(1) Personal



28(1) Personal

January 29, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

I've been informed that you've decided to close Regent Pool and Maple Leaf Pool and use the money to improve the other pools. My classmates and I would appreciate it if you did not.

I understand that the city is trying to cut down on hospital "wait times" with the pools being shut down. This could mean that more unhealthy people could be coming in because their immune system is weak from lack of exercise (like swimming). I also understand that you are going to improve the other 3 pools, which I think is a good idea, but, that could mean my school would have to find a new pool that would be further away, and even if we got there it could be very crowded and no longer fun to swim in. Which could cause you to lose money.

I also was informed that you are building a multi-million dollar stadium when we could be using that money for hospitals; if we really need a new stadium why not just use some of the money on upgrading Mosaic Stadium, that would equal more money for health care and a "new" stadium.

Thank you for taking the time to read my letter, my class and I appreciate your consideration.

Sincerely

28(1) Personal

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28(1) Personal

January 29, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

I am writing to you because I heard that you are closing down two pools. But if you close down those two pools, Regent pool, and Maple Leaf then people will get less exercise.

And also Maple Leaf is a great place for little kids and big kids. Our class goes swimming in Regent Pool when school ends.

People love to go swimming and have fun. If you close down the pools people won't be really happy because lots of people have good memories and people will sad if you close down the pools.

Thank you for reading my letter, I hope you think about it.

Sincerely:

28(1) Personal

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28(1) Personal

January 29, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

My class and I have been informed that you and the council are going to be shutting down Regent pool and Maple Leaf Pool. Here is what I think about it:

Regent Pool is a unique pool because the pool's shallow end starts at 30cm deep, and some pools start much deeper, younger people may not be able to access it because of the depth.

You should not shut down the pool because people may lose their jobs and may not get another job. There are many people still in wait times for the hospital, you can exercise in pools, and exercise can strengthen your immune system which means less people in the hospital.

Swimming may keep young adults away from vandalizing property and committing other crimes which could damage people's property and those very damages could cost thousands of dollars to repair.

That is why we think you shouldn't close any pools, thank you for taking some time out of your day to read my letter and also thank you for considering my request.

sincerely,  
28(1) Personal



28(1) Personal

January 28, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

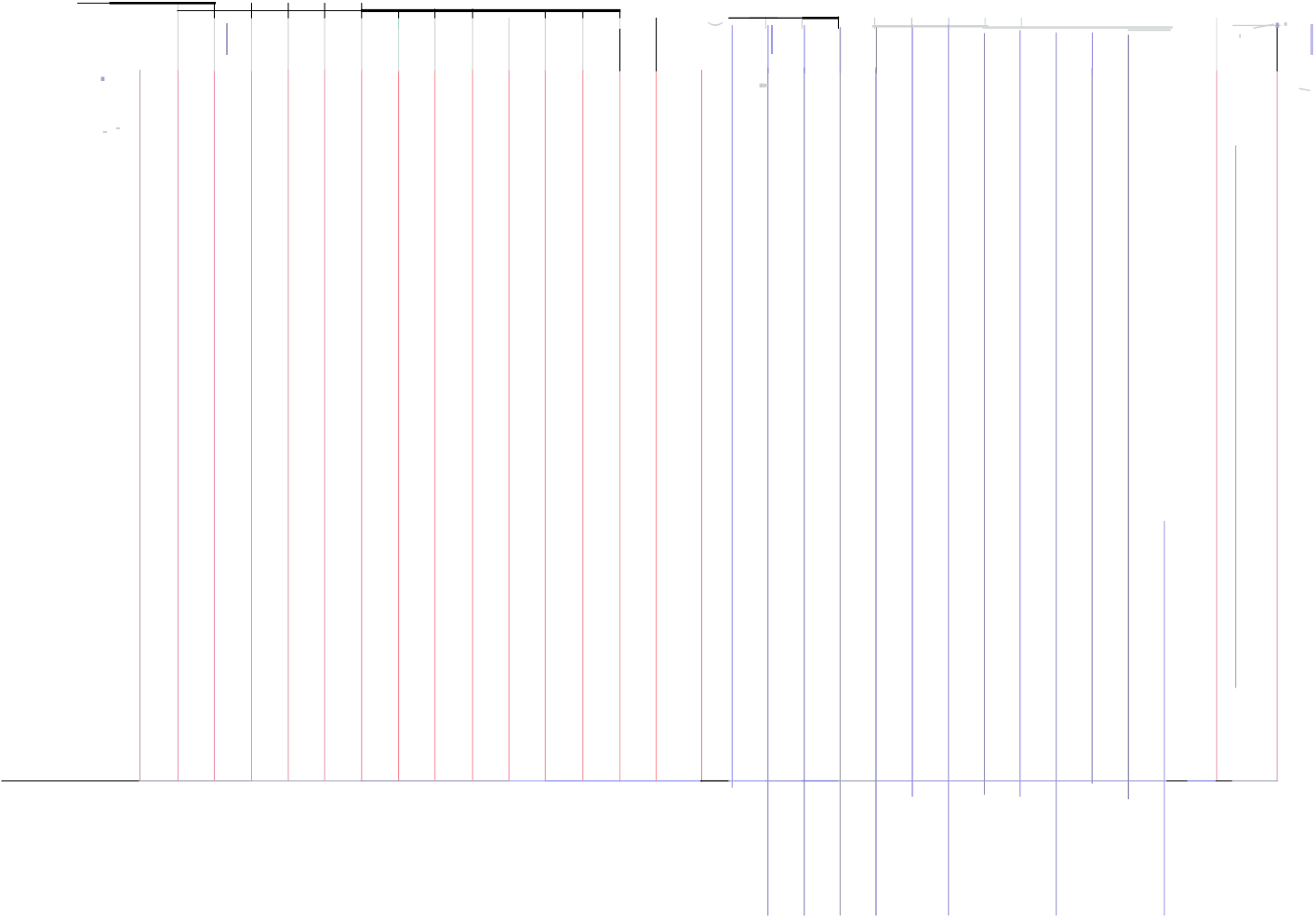
Dear Mayor Fougere

I would like Maple Leaf and Regent pool to  
stay open.

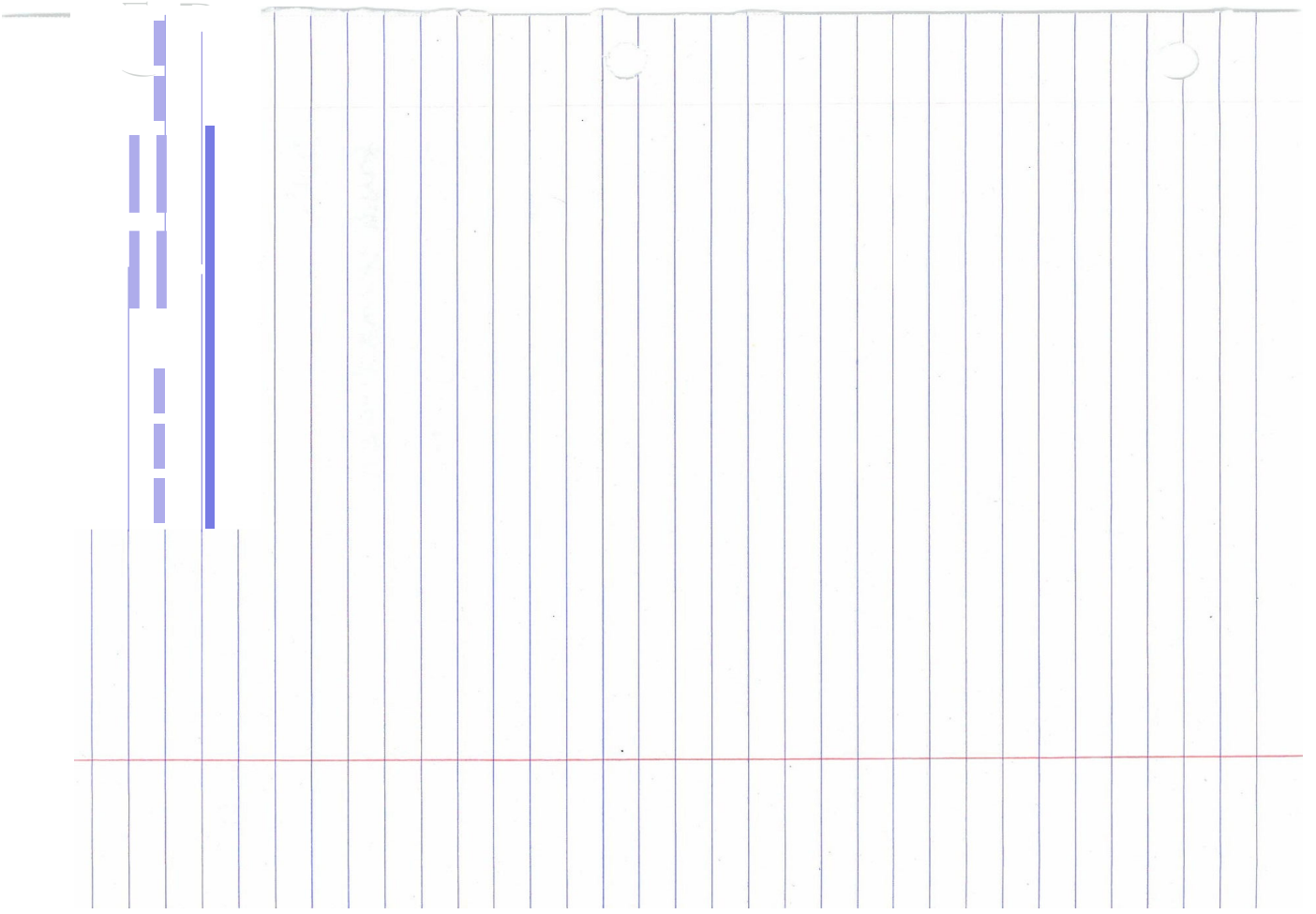
If you don't close the pools, our city will have  
a healthier population and will have less people  
in hospitals and less wait time.

If they stay open, more youths spend their time  
at pools instead of youth crime.

You may have to raise taxes to keep them  
running. Take the left over money from the  
Stadium and put it in to the pools. Maybe raise









28(1) Personal

Tuesday, January 29, 2013

Mayor Fougere  
city of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere, this letter is about the closures of the pools, the wait time in the hospitals, and the football stadium.

First off the pools, people are upset about the closures of Maple Leaf and Regent pool, Regent pool is where my school has our year end party, now I'm not saying to close maple leaf, but maybe close both temporary and take some money out of the stadium and do renovations on both pools which would just might mean less unhealthy people in hospitals.

Now to talk a little bit about the stadium, why not just put some ramps up and get new seats.

Hospitals, with all these people in the hospitals, and having to make people wait we have some problems.

11

I think the hospitals need more rooms and space for people to stay; now maybe you need to do renovations or something, we need more places for people to stay while injured.

Sincerely,



28(1) Personal

January 29, 2013

Mayor Michael Fougere  
City of Regina  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

Hello, I have heard you are closing Regent Pool. So I am sending this note to say why you shouldn't.

If you're going to close the pools to put into the other three why don't you just use some money from the football field to put into the pools.

Plus put some money from the stadium towards the hospital. Because if you keep them open, it will probably end up reducing wait times at the hospitals which is another one of your goals. You could then put the rest of the money into the hospitals to make them bigger, therefore also making the wait times shorter.

In addition, you could use the extra money from the hospital to add ramps to Taylor Field which is one of the reasons you're building a new field.

Also, Regent Pool is where we have our year end parties. It's also a place for exercise, sure they could go to the other pools but they would have to drive a while if they live in the north end. It also gets families out of the house and off the computers and T.V.s and getting them exercise.

I think the hospitals and pools are more important than a new football field, because we don't need a new football field we just want one but we do need

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bigger hospitals and more places for exercise like pools. It might cost too much money, but you could raise taxes a little bit or maybe even use some of the money from the football stadium being built.

So please do not close the pools.

Thank you for considering my request.

Sincerely,  
28(1) Personal



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1000



28(1) Personal

January 28, 2013

Mayor Fougere  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

Please don't shut down the pool!

I go there all the time for summer fun.

Please let there be more hospitals because some people have to wait for a year to get fixed. If you need surgery then you are in trouble and you have to wait for a year or two, so do lots of people. So don't close the pool because do you want people to be healthy or to have fun in the sun and to get fixed up at hospitals?

Sincerely,

28(1) Personal



28(1) Personal

January 30, 2013

Mayor Michael Fougere

City of Regina

P.O. Box 1790

Regina, SK S4P 3C8

Dear Mayor Fougere

This is how I feel about you shutting down the Regent pool and the Maple Leaf pool.

I would like to talk about the decision to shutdown the Regent pool and the Maple leaf pool, I heard that you and your council have decided to shutdown Regent pool and Maple Leaf pool. But if you shutdown Regent pool I would be very disappointed because that is where we have our end of the year party.

It also keeps teens out of trouble because sometimes when kids get bored they do bad things like smashing car windows and vandalism, so instead of them doing bad things they will be swimming.

The pools keep people exercising, therefore the more pools we have the better it will be for the community.

I hope my letter made you at least consider changing your mind. Thank You.

Sincerely,  
28(1) Personal

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28(1) Personal

January 28, 2013

Mayor Michael Fougere  
P.O. Box 1790  
Regina, SK S4P 3C8

Dear Mayor Fougere:

My Name Is<sup>28(1)</sup> Personal , my class and I are against your decision on closing pools.

Why close pools when we are getting exercise, exercise can improve your immune system, if we want shorter wait times, we need exercise so we don't get hurt. A lot of people like Regent and Maple leaf pool so if it is fun for other people why take it away?

The new football stadium idea is just for accessibility so why not get accessibility then use the money for the other pools.

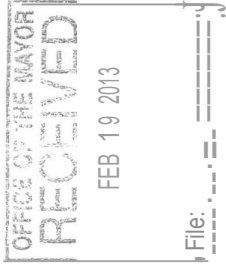
This may cost more money but the money is going somewhere good. Thus causing shorter wait times, better pools, and a better stadium.

Thank you for taking some time out of your day to read this letter and also thank you for considering my request.

Sincerely,  
28(1) Personal

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28(1) Personal



Mayor Fougere  
2476 Victoria Ave  
P.O. Box 1790  
Regina, saskatchewan  
S4P 3C8

Dear Mayor Fougere;

i think closing the pools would be a good idea because like you said some of the (Outdoor> pools are very old, which can lead to a safety hazards. For example would you want your child going to a pool where the filter is broken and parts of the pool wall are falling off?

would you really want to risk a child's or adult's safety Just to keep the pools open? Also if you kept it open can imagine how long it would take to repair them? Most likely more then and money then the pools are even worth. When you think about it, closing the few pools and making wascana pool (Which is in the center of the city> a much bigger and better pool seems more logical then trying to repair all the others. With closing the pools you then gain more space which you could use to make very nice parks and you could even add a splash pad. i agree closing the few pools is worth it so that you are to make the remaining ones even better!

Sincerely,  
28(1) Personal

28(1) Personal



Mayor Fougere  
2476 Victoria Avenue  
P.O Box 1790  
Regina Saskatchewan  
S4P 3C8

Dear Mayor Fougere;

The purpose of this letter is to request that you and city council reconsider your idea of shutting down Maple Leaf and Regent Park pools. When school ends in the summer it can be very hot outside. There are plenty of commercials on T.V about children staying active and not always being inside playing video games. Many teenagers and children go to the pool to cool down, exercise, have fun or just to relax on the pool deck in the summer.

As you probably know our population is growing and if you shut down Regent Park and Maple Leaf pool it could become dangerous, crowded or unsafe at the other pools because of the amount of people there. Many children that live close to Regent Park and Maple Leaf pool don't have to go very far to arrive there but if you shut down these two pools it may be hard for some children to get to the other pools because they may not have a ride and it's too far to walk. Many children go to Regent Park and Maple Leaf for a fun time or because they want something to do and if you shut these two pools down its possible that some of the children will look for something else to do and it may result with then getting into trouble.

Children go to swimming pools for a fun time and if you shut them down many children will be upset. Like I said, if shutting down Regent Park and Maple Leaf pool is finalized some children will possibly look for something else to do that may be harmful to the community.

Sincerely,  
28(1) Personal



28(1) Personal



Mayor Fougere  
2416 Victoria Ave  
P.O. Box 1790  
Regina Saskatchewan  
S4P 3C8

Dear Mayor Fougere;

The purpose of this letter is to request that you and the city council reconsider your position on the future shutdown of two city pools. The first reason is that kids do not get enough exercise today. Kids are always in front of the computer or T.V. If the pool in my Regent Park neighbourhood stays open they will have a place to exercise and hang out with friends and family. Another reason the pool should stay open is because it is convenient for the kids in the neighbourhood to walk to. In June St. Peter School students and staff walk to the pool for an afternoon of swimming. If the pool closes children would have to ride their bikes to Wascana pool which is a further destination. Most of us live in a homes where both parents work full time so a ride is not an option.

Please reconsider closing these pools.

Sincerely,  
28(1) Personal

28(1) Personal



Mayor Fougere  
2476 Victoria Avenue  
P.o.box 1790  
S4P 3C8

Dear Mayor Fougere;

Why on earth would you want to close down the pools when it is where all the children/kids go to swim and meet new friend! The children will miss it and there are plenty of children that go there every year. Maybe you should get the pools expanded and have better hours there! If you are going to close the pool you should let the children speak for what they want and believe. If you don't have life guards just hire the teens in high school that are looking for a job like my sister. She wants to be a life guard and is looking for a job. There are a lot of high school students looking for jobs.

So what I'm saying is that closing the pools would be a great disappointment for all the people that live in and near Regent Park.

Sincerely,

28(1) Personal

28(1) Personal



Mayor Fougere  
2476 Victoria Avenue  
P.O.Box 1790  
Regina, Saskatchewan  
S4P 3C8

Dear Mayor Fougere;

As a student and a citizen of the Regina Park Community, I believe that shutting down Regent Park and Maple Leaf pools in Regina is a bad idea. The pools are a great way for children and teenagers to stay active during the summer. There have been many advertisements on television that the children and teenagers that they spend too many hours in front of electronics. The pools give teenagers and children a chance to actually do something active, while having fun.

Another reason you should not shut down the pools is that they offer swimming lessons. Swimming is a valuable lesson that people need to know. Closing the pools would mean fewer opportunities for people to swim. In addition, most children do not have rides to the pool, since parents are gone for work, the children in these areas have a close and convenient walk or bike to the pool where they can pass time, exercise, or just hang out in a safe environment. Keeping the pools would be great. Please consider this letter in your decision.

Sincerely, <sup>28</sup>1

28(1) Personal



Mayor Fougere  
2476 Victoria Avenue  
P.O. Box 1790  
Regina, Saskatchewan  
S4P 3C8

ile

Dear Mayor Fougere;

My name is <sup>28 1</sup>Personal and I am one of the many residents that live and go to school in Regent Park neighborhood. I would like to address the closing of our Regent Park Pool

I know keeping the pools open are expensive, but I find it pathetic how the city has money for a brand new stadium but not a pool that costs a small fraction of a new stadium. I would like you and the city council to look at the closing of these pools from our point of view. The Regent Pool is always being used by many families from all areas in the city but mostly the north end as it's the only pool in this end of the city, most families that go to the Regent pool are there to go swimming, have a nice picnic in the sun, or just relax with family and friends. I think that you and the city council have a double standard because of your ads and commercials on the radio and television telling children they should stay active by getting exercise. However you are making it harder for children to stay active during the summer by taking away these pools that provide physical activity. In addition children's transportation in the summer is riding a bike or walking and you are making it just that much harder for them to get to the pools during the summer.

Another concern that I would like to address is that there will be a spray park in place of the pool. We both know that little kids love to go to spray parks but then where will the older teenagers go? Teens may just get into trouble as they have no place to go. Finally I have one more question for you. Do you like waiting in long lines to get into buildings or onto a ride? I am sure nobody likes waiting in long lines, but this is what is going to happen if you close these two pools more people are going to start to go to other pools and it's going to get dangerous with the high amount of people in the pools and there are going to be long lines to get into the pools or people will not get in as it will be filled to the capacity.

You and city council should reconsider closing the pools and be fair to the kids and let them have a safe place to go have fun. Please listen to the people and hear them.

Sincerely,

28(1) Personal

28(1) Personal



Mayor Fougere  
2476 Victoria Avenue  
P.O. Box 1790  
Regina Saskatchewan  
S4P 3C8

Dear Mayor Fougere;

As a citizen of this city, I would like to express my opinion about the closure of the outdoor pools. Could you please rethink your decision about closing the pools because it is pathetic that you are building a new football stadium but you can't repair the outdoor pools. Imagine what would it do to the children living near the pool. You are taking away their only way to do physical activities, as the advertisements on tv states that children should do more physical activities every day and get away from the video games, how can we get away from our video games if you are going to shut down these main outdoor facilities. Please reconsider your decision.

Sincerely yours,

28(1) Personal

28(1) Personal



Mayor Fougere  
2476 Victoria Avenue  
P.O. Box 1790  
Regina, Saskatchewan  
S4P 3C8

Dear Mayor Fougere;

I am writing this letter to inform you that closing our "summer getaway" (Regent Park and Maple Leaf Pool) is absolutely pathetic!

Living five blocks away from Regent Park pool is so convenient for my friends and I. My parents are working all the time, and they can't always drive me to the pool, so I can just walk. However, if you take it away, I would be a potato on the couch all summer. Speaking of being a potato on the couch, you adults have always been nagging us teens that we do not get enough exercise or physical activity. The pool is how we can exercise all summer.

In addition, if you close one pool, we would have to move to another pool that is already crowded, so it potentially could be three times as crowded. We would not have any space for our towels, bags, or even swimming. City hall council thinks the best decision is to close the outdoor pools, but there is funding for a new Mosaic Stadium. I think the money that is being used for the new Stadium should be used to keep the outdoor pools open.

Have you even thought twice about what will happen to the kids in these neighbourhoods? Keeping the Regent Park and Maple Leaf pool would be an amazing benefit to these communities. Please keep this letter in mind while you make your final decision.

Sincerely,  
28(1) Personal

28(1) Personal



Mayor Fougere  
2476 Victoria Avenue  
P.O. BOX 1790  
Regina Saskatchewan  
S4P 3C8

Dear Mayor Fougere;

The purpose of this letter is to request that you and the city council reconsider your position on the future shutdown of two city pools, the Regent Park and Maple leaf pools.

In the summer time my buddies and I like to go swimming. It would be risky to close down those pools because kids with nothing to do can cause a lot of trouble.

If you keep the pools open it can provide job opportunities for high school kids. If you were to close down these pools and get spray parks the little kids would have something to do but what about the kids who are too old for spray pads.

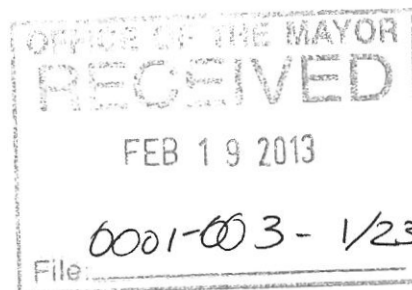
In order to keep older kids out of trouble please keep the pools open.

Sincerely

28(1) Personal  
a student of St. Peter School

February 19, 2013

His Worship Mayor Michael Fougere  
City Hall, Regina, SK  
Fax # 777-6824



Your Worship:

The Outreach Committee of Whitmore Park United Church invited our congregation to participate in the attached Petition requesting that the swimming pools in Regina be kept open and maintained so that children will have a place to exercise and learn to swim in their own community.

We respectfully request that the closing of these pools be reconsidered and kept open with the required maintenance provided.

Respectfully submitted

Christine Bristol  
Member of the Outreach Committee  
Whitmore Park United Church  
336 Durham Drive  
Regina, Sk S4S 4Z6  
Fax# 5840444  
2 attachments





## PETITION

WHEREAS the Mayor and Coun(if for the City of Regina have indicated that they will be closing certain swimming pools in the cJty;

WHEREAS children need swimming pools close to their place of residen(e during the summer months to keep them adive and occupied;

| Date                 | Name              | Address                 | City   |
|----------------------|-------------------|-------------------------|--------|
| Feb 10/13            | Renee Grubb       | 110 Logan Cres          | Regina |
| Feb 10/13            | Renae Grubb       | 116 Dufferin Dr         | Regina |
| Feb 10/2013          | Nash Radzko       | 61 Malone Cr            | Regina |
| Feb 10/13            | Jeff Abrahamowicz | 94 Mayfair              | Regina |
| Feb 10/13            | Christi Britz     | 912 Shannon Rd          | Regina |
| Feb 10/13            | Gertie Gordon     | 120 Greensboro          | Regina |
| Feb 10, 2013         | Nora Sash         | 2-101 procter pl        | Regina |
| Feb 10, 2013         | Donnett Elder     | 1556 Wascana Village Rd | Regina |
| Feb 10, 2013         | Kelly Hunter      | 3115 St. James Rd       | Regina |
| Feb 10 2013          | Kay Helparte      | #401 3101 Benbow Cr.    | Regina |
| Feb 10, 2013         | Carolann Lattit   | 835 SHANNON RD          | Regina |
| FEB 10, 2113         | Jane Kurnich      | 52 BUCKWOOD RD          | Regina |
| Feb 10               | Pam Bristol       | 1701 URRICH AVE         | Regina |
| Feb 10 <sup>th</sup> | SYLVAIN RHEULT    | 1701 URRICH AVE         | REGINA |
| FEB 10               | LARRY BRISTOL     | 912 SHANNON RD          | REGINA |
| Feb 17               | Elaine Spence     | 88 Deerprover Rd        | Regina |
| Feb 17               | Wilbert Kenner    | 130 Dufferin Gsc        | Regina |
| Feb 17               | Michael Hoffmann  | 85 Bobuluk Bay          | Regina |
| 7                    |                   |                         |        |

(next Page)

February 19, 2013

To: His Worship the Mayor  
and Members of City Council

Re: Outdoor Pool and Outdoor Tennis Court Planning Updates

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**RECOMMENDATION OF THE EXECUTIVE COMMITTEE  
- JANUARY 21, 2013**

That this report be received and filed.

*EXECUTIVE COMMITTEE – JANUARY 21, 2013*

The Committee adopted a resolution to concur in the recommendation contained in the report.

Mayor Michael Fougere, Councillors: Sharron Bryce, Bryon Burnett, John Findura, Jerry Flegel, Shawn Fraser, Bob Hawkins, Terry Hincks, Wade Murray, Mike O'Donnell and Barbara Young were present during consideration of this report by the Executive Committee.

The Executive Committee, at its meeting held on January 21, 2013, considered the following report from the Executive Committee:

**RECOMMENDATION OF THE EXECUTIVE COMMITTEE  
- JANUARY 16, 2013**

That City Council consider this report at the February 19, 2013 Council meeting.

*EXECUTIVE COMMITTEE – JANUARY 16, 2013*

The Committee adopted a resolution to concur in the recommendation contained in the report.

Mayor Michael Fougere, Councillors: Bryon Burnett, John Findura, Jerry Flegel, Shawn Fraser, Bob Hawkins, Wade Murray and Mike O'Donnell were present during consideration of this report by the Executive Committee.

The Executive Committee, at the **PRIVATE** session of its meeting held on January 16, 2013, considered the following report from the Administration:

**RECOMMENDATION**

That City Council consider this report at the February 19, 2013 Council meeting.

## CONCLUSION

Consistent with the Council-approved *Recreation Facility Plan 2010 to 2020*, and with the Strategic Focus 2013 mandate to narrow the gap between the capacity of the City of Regina to provide services and citizen expectations, the Community Development, Recreation and Parks Department, along with the Facilities Management Services Department has been developing outdoor pool and tennis court facility plans. The plans will enable the City to provide quality services that meet today's expectations, within a fiscally responsible approach. Both plans address the rapidly deteriorating infrastructure by providing better quality facilities in select locations and decommissioning other facilities and replacing them with more affordable and diverse recreation options that better meet community needs.

The purpose of this report is to provide an update on the planning processes and to illustrate how the 2013 capital budget requests fit into the plans. Future reports to Council will request approval for any recommended service level changes related to potential closures of outdoor pools or tennis courts, which will be based on appropriate levels of public consultation. Nonetheless, the 2013 budget request represents the first step in a plan that may ultimately result in service level changes to the public.

## BACKGROUND

In April, 2010, Council adopted the Recreation Facility Plan, which provided context related to the role of the municipality in the provision of sport, culture and recreation programming and established priorities for investment in facilities over the next ten years.

The Recreation Facility Plan recognizes that local sport, culture and recreation facilities, including parks and open spaces, are vital to building a sustainable future and to achieving Regina's vision, to be Canada's most "vibrant, attractive, inclusive, sustainable community where people live in harmony and thrive in opportunity". In particular, it recognizes the important role sport, culture and recreation programs and facilities play in community development, resulting in personal, social, economic and environmental benefits to both individuals and the community at large.

The Recreation Facility Plan provides context related to the role of the municipality in relation to the role of other levels of government, the private sector and the community. The foundation for understanding the role of the municipal government in the provision of programs and services, including how the costs of such programs and services are covered is the "benefits model". The principle of this model is that, where the benefits of a program or service are understood to directly benefit the recipient, the recipient would generally cover the cost of the program or service. At the City of Regina, water service is delivered in this way – users pay the full cost of the service based on the volume of the service delivered. Conversely, where the benefits of a program or service cannot be directly attributed to an individual (referred to as *collective benefits*), the costs are generally borne by the tax base. At the City of Regina, such services as arterial and corridor roadways and winter road maintenance are considered to meet this definition and are fully funded by the tax base. Where services provide both individual and collective benefits, the costs are shared between the users and the tax base. At the City of Regina, a good example of this approach is the transit system. Users of transit individually benefit from transportation and therefore pay for the service, however, citizens in general also benefit in multiple ways: transit contributes to the economy by providing workers without transportation a means to access work; transit also reduces traffic congestion and roadway wear and tear. Therefore, the costs of operating the system are subsidized by the tax base.

This “benefits-based” approach to planning for the municipality’s role in sport, culture and recreation (and more specifically infrastructure) was the foundation of the planning framework adopted as part of the Recreation Facility Plan, which is included in Appendix A. Specifically, municipalities invest in sport, culture and recreation infrastructure where an individual’s participation results in *indirect benefits* to all citizens and where infrastructure helps build healthy communities. Conversely, by implication, where programs and services provide only direct benefits to the individual participating, the City would not invest in infrastructure. In particular, the Recreation Facility Plan identified the following targeted services and targeted populations:

- Target Services include those which facilitate overall fitness and well being of all citizens through provision of basic skill development opportunities to a large segment of the population. The goal is to enable citizens to develop skills that allow for lifelong learning, participation and social interaction, with a focus on facilities that are low cost as a higher priority than those that are expensive to use.
- Targeted Population Segments include children and youth, to encourage lifelong participation from a young age, as well as social opportunities for youth; families, which are recognized as an integral building block to community growth; and individuals who are more likely to encounter barriers to participation, including for example, seniors, persons with disabilities, individuals of Aboriginal ancestry, single parents and low-income households and individuals who have recently immigrated to Regina.

The Recreation Facility Plan states, “it is recognized that higher participation levels among these segments of the population have a positive impact on the community-at-large by encouraging life-long participation in activities that are known to have a positive impact on the community (for example, on the creation of safe and healthy neighbourhoods, promoting acceptance and understanding among individuals with diverse ethnic backgrounds, reducing costs related to health care and social services, and preventing vandalism or other crime)”<sup>1</sup>. Appendix A provides additional information on the planning framework that was adopted as part of the plan.

At the same time, however, the municipality is experiencing increasing financial pressures to maintain and operate its facilities due to aging infrastructure, with many facilities nearing the end of their useful life. Life cycle and maintenance costs are rising, citizen expectations for new and better services are increasing, citizen needs are becoming more diverse as the population changes, and budget pressures are escalating, all within a corporate mandate to narrow the gap between citizen expectations and service levels that the organization can deliver upon.

Consistent with both the Recreation Facility Plan and the Strategic Focus 2013, the Community Development, Recreation & Parks Department, along with the Facilities Management Services Department has undertaken work to develop plans which will address the future of Regina’s outdoor pools and outdoor tennis courts, two facility types which are of particular concern, due to their rapidly deteriorating condition.

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<sup>1</sup> City of Regina Recreation Facility Plan 2010 – 2020, page 10.

The purpose of this report is to provide an update on the status of planning, in relation to the proposed 2013 capital budget. In particular, the content focuses on the following:

1. Outdoor pools

In 2012, the Administration focussed on research and planning in alignment with the strategic directions presented in the Recreation Facility Plan to “provide a city-wide outdoor facility in Wascana Park with a variety of aquatic and non-aquatic play amenities and [to] provide outdoor pools in the north, central and south areas, as well as spray pad facilities throughout the city at community destination and neighbourhood hub facilities where possible.”<sup>2</sup>

2. Outdoor tennis

In 2012, the Administration focussed on research and planning in alignment with the recommendation to “continue to provide four city-owned synthetic multi-court tennis facilities [and to] decommission and retrofit asphalt sites no longer required.”<sup>3</sup> The four synthetic multi-court tennis facilities were identified as Douglas Park, A.E. Wilson, and Gardiner Park, all of which currently exist, as well as South Leisure Centre, which would replace the current courts located at the Lakeview Par-3 Golf Course, consistent with the intent to enhance the South Leisure Centre as a community hub facility for south Regina.

In order to begin implementation, the Administration is recommending the following capital budget items in 2013:

- \$800,000 for Wascana Pool. Specifically, the funding will be used to engage the community about service options, undertake development of a conceptual design, develop a detailed construction design, prepare a budget/business plan for Wascana Pool and decommission the existing facility to allow for redevelopment; and
- \$275,000 for tennis courts. Specifically, the funding will be used to upgrade Douglas Park and Gardiner Park multi-court sites.

The purpose of this report is to describe the process that will be used to enable the municipality to move towards its long term goals of fiscal responsibility, by investing resources in higher quality facilities that meet more contemporary needs in strategic locations, by decommissioning lower quality, aging facilities that do not meet community needs and that are costly to operate.

## DISCUSSION

### **Outdoor Pools**

Regina’s outdoor pool service provides the opportunity for Regina residents to participate in outdoor swimming in five locations. These pools are used for skill development and water safety awareness (i.e. swimming lessons), fitness (lane or leisure swim), and for spontaneous recreation. The City’s five pools are operated for an average of ten weeks per year. Three of the

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<sup>2</sup> City of Regina Recreation Facility Plan 2010 – 2020, page 23.

<sup>3</sup> City of Regina Recreation Facility Plan 2010 – 2020, page 38.

five pools are located in neighbourhoods where residents tend to encounter higher barriers to participation in leisure activities:

- Regent Pool borders the north of the North Central neighbourhood;
- Dewdney Pool is located in the south area of the North Central neighbourhood; and
- Maple Leaf Pool is located in the Heritage neighbourhood.

The others are Wascana Pool, which is centrally located and serves city-wide uses, and Massey Pool, which is located in the south.

With a population of 202,000, the City is currently providing one pool per 40,400 residents. A review of other municipalities in Western Canada reveals that this is higher than is typical. For example, Saskatoon provides one pool per 50,000 residents (all of which have been recently upgraded or are being planned for replacement), Winnipeg provides one pool per 67,500 residents, Edmonton provides one pool per 96,400 and Calgary provides one pool per 198,000 residents. It should be noted that the operating model in Calgary is significantly different from other municipalities, with municipal pools being operated by community partners. Regina's net operating cost is roughly \$130,000 to \$160,000 per annum per pool, which fluctuates as a result of weather.

Outdoor pools are consistent with the targeted services and targeted populations identified in the Recreation Facility Plan. In addition to providing a basic recreation opportunity, three of the City's five outdoor pools (Dewdney, Maple Leaf and Regent) are located in neighbourhoods with a high proportion of the target segments, with Wascana Pool serving residents from throughout the city. Massey Pool attracts residents from the south, primarily families, children and youth. There are also 13 spray pads throughout the City, which are a complementary service that target children under the age of ten.

While Regina provides more pools than other municipalities on a per capita basis, the quality of experience in Regina is below that of other municipalities. Regina's pools have operated well past their expected lifecycles. Two of the five pools are 50 years old and the remaining three are 65 years old.

While there is currently no gap in terms of the number of pools, the situation could change at any time. Deferred maintenance at Regina's pools is such that any pool could be shut down at any time during a season. Maintenance issues at the pools include significantly deteriorated piping, main pool pumps that are over 60 years old, aged filtration systems, pool basin deterioration, corroded wiring due to water leaks and health and safety related concerns to accessing crawl spaces. The piping, pumps, filtration and wiring systems all contribute to pool water quality and any failure in these areas can mean significant expenditures to avoid temporary or permanent closure. Short term fixes to deal with these types of issues are costly and add up over time. In 2012, for example, the City of Regina spent approximately \$150,000 above regular start up maintenance to open the pools for the season. To keep all pools operational for another five years, it is expected that capital investments of roughly \$16.5 million would be required.

To avoid a significant service gap, and to avoid spending unnecessary funding repairing pools with short term fixes, the Administration believes a new plan to provide fewer pools with a greater variety of aquatic experiences (including spray pads/parks) is required. It should be noted that this approach will not result in immediate cost reductions, but rather long term capital and operating savings.

The first step would be to redevelop Wascana Pool to provide lane swimming and recreational elements. Consistent with leading practices in other municipalities, it would include a spray park that could be used when the pool is closed to extend the season/hours without staffing costs. This would be the City's primary outdoor aquatics facility and would be intended for city-wide use. As part of this redevelopment, the Administration would also provide complementary programming (for example, a transit route that would move residents from neighbourhoods without pool service to Wascana Pool) to help ensure that residents from throughout the City are able to access this new site, thus accommodating some of the use at the City's other four pools. The Administration has requested that \$800,000 be budgeted in 2013 to engage the public and develop a design for this new facility. As part of this process, the public would also be engaged to discuss options related to the future of the other four outdoor pools<sup>4</sup>.

In particular, the Administration is considering the option of redeveloping two pools and replacing the final two with other recreation opportunities (including potentially a spray park), all in a manner to provide adequate access for all neighbourhoods, especially those where residents experience greater barriers to participation. As part of this strategy, it is anticipated that a portion of the usage from the two decommissioned pools will migrate to the more contemporary redeveloped pools.

Projected costs to replace Wascana Pool, upgrade two pools, and decommission two others are as follows:

|  | <b>Capital Construction Costs (incl. capital maintenance required on existing pools)</b> | <b>Annual Capital Costs</b> | <b>Net Annual Operating Costs (net of revenue)</b> |
|--|--|-----------------------------|--|
| Redevelop Wascana Pool   | \$12.0 million   | \$240,000 <sup>5</sup>      | \$294,000 <sup>6</sup>                             |
| Decommissioning of two pools; replace one with a spray park  | \$0.56 million   | \$10,000                    | \$6,500  |
| Redevelop one pool (basin replacement)   | \$2.65 million   | \$53,000 <sup>7</sup>       | \$134,500  |
| Maintain Status Quo at Dewdney Pool (integrate plans with future capital or neighbourhood development initiatives) | \$0.1 million (for 5 years to address urgent issues)                                     | \$50,000                    | \$128,000  |
| <b>Total</b>   | <b>\$15.31 million</b>   | <b>\$353,000</b>            | <b>\$563,000</b>                                   |

This compares to a \$16.5 million investment in the next five years to avoid pool closures. By proactively investing in the short term, the approach presented would provide a more contemporary outdoor pool experience for residents, at a lower long term cost to the City.

<sup>4</sup> Specifically, the budget request includes \$800,000 to engage the community about service options, to undertake development of a conceptual design, to develop a detailed construction design, to prepare a budget/business plan for Wascana Pool and to decommission the existing facility to allow for redevelopment.

<sup>5</sup> Annual capital costs are estimated at 2% of capital construction costs.

<sup>6</sup> Projections based on data collected from other municipalities with similar facilities.

<sup>7</sup> Annual capital costs are estimated at 2% of capital construction costs.



## Outdoor Tennis

The City provides outdoor tennis courts as a fitness opportunity and as a place to promote social interaction at a neighbourhood level. The service enables residents to book courts for lessons or games or to spontaneously use the courts in their neighbourhoods. Participation numbers are difficult to monitor due to the fact that courts are typically not booked, but rather available for spontaneous use; however, it is known that the number of tennis players registered with clubs has been declining slightly over the past ten years.

Currently the City of Regina has one court for every 3,500 residents, which is higher than other major municipalities in Western Canada<sup>8</sup>. The City currently provides four synthetic surface sites (with a total of 14 courts) that are intended for city-wide use as well as 20 asphalt sites (with a total of 43 courts) that allow for participation at the neighbourhood level. Of the 57 courts, a number are in a state of disrepair due to lack of funding.

Recent condition assessments conducted by the Community Development, Recreation and Parks Department and the Facilities Management Services Department in 2011 revealed that of the 20 asphalt tennis sites, 11 sites are rated as poor quality or completely unplayable. Of the 4 sites with synthetic surfacing (A.E. Wilson, Gardiner Park, Douglas Park, and Lakeview), all require significant capital maintenance, as the playing surfaces are uneven, slippery from vegetation growth due to poor drainage and unsafe due to tree root damage and cracking on the playing surface. Consequently, play on a number of both asphalt and synthetic surface tennis courts have been restricted due to safety concerns. In addition to the City-owned sites, the Lakeshore Tennis Club is the only other tennis facility open to the public. This facility has eight synthetic courts that can be accessed by the public for a fee up to three times a season without a membership.

The Administration believes that outdoor tennis is a service the City needs to continue to provide, due to the fact that it promotes physical activity and socialization at both a community-wide and neighbourhood level. However, the Administration is recommending that the City reduce the number of sites available in order to direct funding at maintaining a smaller number of well maintained sites. The proposed approach would require a short term investment that will result in a smaller number of well-maintained sites, thereby reducing the amount of funding required for future operating/capital maintenance investments.

Specifically, the Administration recommends that the City aim to provide four city-owned synthetic surface multi-court facilities and to decommission and retrofit selected asphalt sites to provide the base level of service required. With respect to the four city-owned synthetic surface sites, the Recreation Facility Plan recommends that Douglas Park, A.E. Wilson Park and Gardiner Park tennis courts would continue to be maintained; the tennis courts at South Leisure Centre would be upgraded with four synthetic surfaced courts to replace the deteriorating site at Lakeview Par 3 Golf Course. To initiate this plan, the Administration has requested a 2013 capital budget of \$275,000 to upgrade two of the four synthetic sites. Additional funds will be requested through the 2014 budget process to begin decommissioning deteriorating asphalt sites that are in close proximity to the upgraded sites.

The Community Development, Recreation and Parks Department conducted a community engagement process in 2012 to assess the level of public support for such a rationalized program. Through the review, which included meetings with representatives from tennis organizations,

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<sup>8</sup> There is no rule of thumb in terms of per capita provision of tennis courts; however, research conducted to date suggests that the number of tennis courts in Regina is higher than average.

community associations and zone boards, an online survey and two public meetings, the Administration tested the assumption that the public would prefer a program that provided fewer, but better maintained sites. The Administration also collected input and feedback on which sites would be selected for decommissioning, many of which have not been available for use for lengthy periods of time and are in close enough proximity to another court so as not to leave a service gap in a community.

While there have been concerns expressed related to a couple of sites (that will continue to be explored through further consultation), overall the public agrees with the intent to reduce approximately ten sites and to improve the maintenance of those remaining. Priorities supported by participants are as follows:

- Repair the synthetic courts at Douglas Park, Gardiner Park and A.E. Wilson Park and replace the courts at the Lakeview Par 3 with 4 new synthetic courts at the South Leisure Centre (2013/2014);
- Refurbish the asphalt courts at W.H. Ford (2014);
- Decommission ten asphalt sites (2014-2016); and
- Re-purpose the courts in the North East community.

Decisions regarding the specific site to decommission will be made after public engagement with residents in affected neighbourhoods.

Required funding is as follows:

Capital Investment Required 2013-2015

|   |                  |
|---|------------------|
| Upgrade and build 4 synthetic sites<br>(including the addition of a shelter belt at the South Leisure Centre) | \$693,000        |
| Refurbish asphalt site (W.H. Ford)  | \$ 60,000        |
| Re-purpose asphalt courts at N.E. Park  | \$ 60,000        |
| Decommission 10 sites   | <u>\$290,000</u> |
| Total Capital Investment over 3 years   | \$1,103,000      |

|  |          |
|--|----------|
| Additional Operating Budget Requirements                                     | \$ 8,400 |
| (\$41,000 required to maintain new program less existing budget of \$32,600) |          |

Savings

|   |           |
|---|-----------|
| Onetime: by not refurbishing 10 sites (\$600,000-\$290,000) | \$310,000 |
| Annual Operating Costs (10 less sites)                      | \$ 18,000 |

There are cost savings with this initiative that are not measured, but related to future capital maintenance/refurbishment on the ten decommissioned sites. Decommissioning of sites also provides the added opportunity to return locked, unusable tennis courts to park space, or in some cases, to repurpose sites for other recreational uses.

If the current situation is not addressed, sites will continue to deteriorate and fewer sites will be available for use each season. This potentially could result in increasing costs for short term fixes to keep a base number of sites in usable condition, adding unnecessary expenses over time. As well, citizens become increasingly frustrated when unusable sites remain closed in their neighbourhoods and continue to request that if the City is not going to invest in the sites, that they be turned into green space for alternate recreation use.

Turning these sites over to the private sector is not an option, as tennis opportunities provided by the municipality are free, unstructured and spontaneous rather than booked for a fee. The private sector currently operates a site that is reserved for members who pay a fee to use the courts on a regular basis.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

Implementation of the first year of the two plans requires a capital investment in 2013 as follows:

- \$800,000 for Wascana Pool. Specifically, the funding will be used to engage the community about service options, undertake development of a conceptual design, develop a detailed construction design, prepare a budget/business plan for Wascana Pool and decommission the existing facility to allow for redevelopment; and
- \$275,000 for tennis courts. Specifically, the funding will be used to upgrade Douglas Park and Gardiner Park multi-court sites.

It should be noted that an additional capital investment of approximately \$12 million will be required over 2014 and 2015 to construct the new Wascana Pool, pending the elements of conceptual design.

### Environmental Implications

Any aquatics facility development will occur through processes that consider maximization of operational efficiencies. Decommissioned tennis courts will be replaced with open space suited for recreation.

### Strategic Implications

Provision of quality recreation facilities is consistent with Regina's vision and is a contributor to the social, cultural, and economic sustainability of the City. The recommendations to rationalize outdoor pool and outdoor tennis programs by enhancing the quality of facility at selected sites and decommissioning other lower quality facilities is consistent with the Recreation Facility Plan and with the Strategic Focus mandates. These plans are developed to improve overall customer service through better facilities, to improve the efficiency and reduce the overall capital and maintenance costs, and to lessen the existing infrastructure deficit.

### Other Implications

There are no other implications related to the content of this report.

### Accessibility Implications

The Administration will ensure that facilities are developed in manner that is consistent with accessibility principles. Individuals with disabilities will be consulted through the design process, which will include identifying how best to design facilities that are consistent with accessibility principles.

As well, site locations will be identified through processes which ensure easy access. The Community Development, Recreation and Parks Department will work with the Transit Department to ensure citizens are able to access outdoor pools through convenient, accessible, and efficient transit routes.

### COMMUNICATIONS

The Administration proposes that the public consultation with respect to the long term plans to reduce the number of outdoor pools in Regina, be aligned with a visioning process for Wascana Pool. This would ensure that other neighbourhoods' needs are met at Wascana Pool, and provide an ability to describe the tradeoffs related to providing a small number of redeveloped pools rather than five rapidly deteriorating pools.

A public engagement process will take place in neighbourhoods with deteriorated tennis facilities, that will influence future recommendations related to facility closures.

### DELEGATED AUTHORITY

This report is provided for information. Any future reports recommending service level reductions, including reports related to potential facility closures, will be presented to Council for decision.

Respectfully submitted,

EXECUTIVE COMMITTEE



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Joni Swidnicki, Secretary



## Planning Framework

The planning framework includes three primary elements (i) a discussion on the role of the municipality and the degree of community involvement that will be required to implement the Plan; (ii) nine guiding principles for the planning process; and (iii) a hierarchy of facilities that can be used to define the number and distribution of facility types throughout the City.

### Defining the Level of Municipal Involvement

Sport, culture and recreation has been positioned as a core service that is essential to helping the City achieve its Vision. The question remains, what should the City's level of involvement be, and where should the City focus its resources?

Much research has been done in the industry to help municipal Councils explore this question. It is generally recognized that choices among competing priorities should be influenced by the degree of public good for available public dollars, with the degree of public good referring to the indirect and often intangible benefits and outcomes of sport, culture and recreation. This is called the Benefits-based Approach, which is summarized in Appendix A.

Consistent with the Benefits-based Approach, and with the public policy values developed by Council during the Recreation Facility Strategy to 2020 planning process, the Administration has considered the following priorities in the development of recommendations and plans.

- **Targeted Services:** Targeted services include those which facilitate overall fitness and well being of all citizens through provision of basic skill development opportunities to a large segment of the population. The goal is to enable citizens to develop skills that allow for lifelong learning, participation and social interaction, with a focus on facilities that are free or low cost (for example, outdoor athletic fields and ball diamonds, playgrounds, and spray pads) as a higher

priority than those that are expensive to use. Facilities that enable participation in competitive activities or advanced learning will also be considered as a higher priority when participation in such activities encourages lifelong participation or when such facilities are typical of a municipality this size in Canada.

- **Targeted Population Segments:** While adults are an important market that is served through the City's sport, culture and recreation programs and facilities, the City aims to place a greater emphasis on the following segments, whose participation is vital to improving the social, cultural and economic well being of the City:
  - :: Children and youth, to encourage lifelong participation from a young age, as well as social opportunities for youth;
  - :: Families, which are recognized as an integral building block to community growth;
  - :: Individuals who are more likely to encounter barriers to participation, including for example, seniors, persons with disabilities, individuals of Aboriginal ancestry, single parents, and low-income households and individuals who have recently immigrated.

It is recognized that higher participation levels among these segments of the population have a positive impact on the community-at-large by encouraging life-long participation in activities that are known to have a positive impact on the community (for example, on the creation of safe and healthy neighbourhoods, promoting acceptance and understanding among individuals with diverse ethnic backgrounds, reducing costs related to health care and social services, and preventing vandalism or other crime).

To more clearly define the level of involvement of the municipality in these opportunities, the Administration has developed a Continuum of Municipal Involvement to help relate the degree of involvement to the targeted services and population segments.



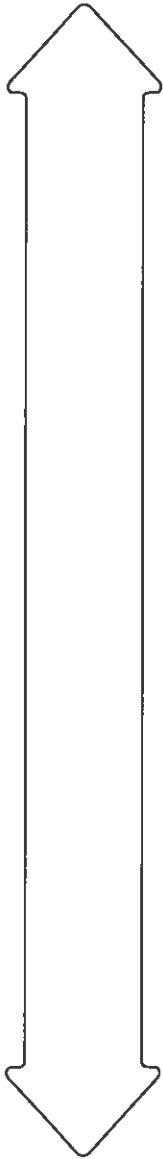
- Primary facilities are those in which the municipality will play a stronger leadership role in establishing and will invest more significant public resources to ensure that they are available to the public. These facilities are pursued where there are significant indirect benefits of participation to the community-at-large, where a high proportion of the population is expected to participate (including the identified targeted population segments), where such facilities are common in similar municipalities across Canada, and where the private and non-profit sectors are less likely to become involved.
- Secondary facilities are those which the municipality will support through allocation of public resources in order to ensure a predetermined amount of access to the general public at affordable rates. These facilities are those in which there are lesser indirect benefits of participation to the community-at-large (compared to primary facilities), where a smaller proportion of the population is expected to participate, and where other sectors are more likely to become involved.
- Tertiary facilities are those which may be needed in the City, but which the municipality would not direct public resources towards, often because they provide services in an area that is not deemed to be a core service area, because the proportion of citizens that use the service is small in relation to the costs of providing the service, because the community is already served adequately by existing facilities that serve the same purpose, or because the private or non-profit sectors are willing and able to provide the service.

Figure 2 on the next page illustrates these levels with definitions and examples.

**Figure 2:**

## Continuum of Municipal Involvement in Sport, Culture & Recreation

Municipal  
Leadership



Community  
Leadership

### Primary Facilities

(established primarily through municipal leadership and financial contributions)

These facilities are more highly subsidized through public dollars and are established through municipal leadership. In most cases, the municipality would operate these facilities, though partnerships may exist.

- Facilities in which an individual's participation positively impacts the community-at-large (i.e., basic skill development to encourage lifelong participation in sport, culture and recreation opportunities)
- Facilities that serve a large segment of the population and are more likely to provide opportunities for children, youth, families and segments that are at risk of encountering increased barriers to participation
- Facilities that are not likely to be provided without a high degree of municipal involvement
  - :: May also include facilities that offer competitive or advanced levels of instruction where the private sector would not be involved, if such a facility contributes to encouraging high levels of participation in basic services
  - :: May include complementary services that are also provided in the private sector (such as strength and conditioning centres within aquatics facilities), in an effort to improve the return on investment and encourage higher levels of participation in core services
  - :: May include competitive facilities that are consistent with other municipalities in Canada

### Secondary Facilities

(established primarily through community leadership, with some degree of municipal contribution towards capital and/or operating costs)

These facilities are established and operated by the private and/or non-profit sectors with municipal investment to provide public access.

- Facilities in which an individual's participation impacts, but to a lesser degree than primary facilities, the community-at-large
- Facilities that serve a smaller segment of the population and are less targeted at the City's target population segments
- The Community (private or non-profit sector) will typically play a leadership role in building and operating the facility; the City may contribute public funds to ensure base level of public access

### Tertiary Facilities

(established through community leadership, with no municipal involvement)

- Facilities are needed in Regina, but there is no rationale for public sector involvement because participation in the opportunity does not provide significant benefits to the community-at-large and/or the service can be provided without public money
- If the public sector is involved (for example, for historical reasons or because provision of the service is complementary and helps offset costs of another facility), its involvement is on a full cost recovery basis
- Includes facility types where existing facilities already meet the needs of the community





It is also recognized that there is a need for collaboration between the City of Regina and the Public and Catholic School Boards. School facilities can help satisfy many of the primary facility needs and, as such, there is a need for greater municipal involvement in the planning of school sites. The Administration has been working closely with the public school board on current projects and will continue to work with both school boards to identify opportunities for future development.

## Guiding Principles

The Guiding Principles are the core directional statements that have been used to guide the development of the Plan's recommendations. The Guiding Principles reflect corporate priorities, public policy values developed by Council during the development of the Recreation Facility Strategy to 2020, themes that have emerged through public feedback, and leading practices in the industry. The nine Guiding Principles that have been developed are not prioritized; instead, all nine will be used to guide the development of recommendations.

- **Outcomes-based & Targeted:** Priorities will be determined through the Benefits-based Approach, while also considering public policy values and corporate strategic priorities. Those facilities that serve the targeted population segments through the provision of the targeted services identified above will be priorities.
- **Fiscally Responsible & Financially Sustainable:** Assessment of opportunities will include capital, operating and lifecycle impacts, as well as an assessment of environmental sustainability and partnership potential. Strategic partnerships will be pursued to maximize available resources and avoid duplication. Non-traditional funding sources such as reallocation of savings, land re-use and sale, and developer contributions will be explored.

There will be no investment in new facilities at the expense of not properly funding existing facilities that continue to meet community needs. However, it is recognized that there are facilities that are approaching the end of their functional life. Due to the fact that needs and behaviour trends are changing, rebuilding the same facility may not be the best way of responding to current or future needs. Therefore, facilities that no longer provide benefits to the public may be decommissioned and replaced with facilities that better serve today's needs and behaviour trends.

- **Affordable:** Facilities will be developed to reduce financial barriers to participation.
- **Complementary:** Facilities are intended to complement rather than replace or compete with those which can be provided by the private and non-profit sectors. There will be no municipal involvement where community needs can be achieved without public subsidy.
- **Aligned:** Plans will be aligned with the Official Community Plan (Regina Development Plan) and with other corporate and community initiatives.
- **Clustered:** Where appropriate, facilities will be grouped with other sport, culture and recreation facilities to achieve economic efficiencies, expand use, and maximize the provision of sport, culture and recreation opportunities at one location.
- **Integrated:** Where possible, facilities will be co-located with other facilities that are elements of community life, such as schools, libraries and health services.
- **Flexible, Multi-use, Multi-season, Multi-generational and Environmentally Sustainable Design:** Facilities will be able to accommodate diverse and changing needs and interests to create synergies in skill and interest development.<sup>10</sup> Where appropriate, outdoor facilities will be designed for year-round use recognizing Regina as a winter city.

Facilities that provide opportunities for all generations will be preferred over facilities that serve a targeted generation; as such, spaces within multi-use facilities may be established to target the needs of a particular generation or other segment of the population.

Leading practices in environmentally sustainable design will be considered as part of the planning and design processes.

- **Accessible:** Where possible, facilities will be planned in a strategic location and will be connected to other municipal amenities through pathways, on-street bike routes and public transit. Facilities will also be designed in a manner that minimizes barriers to participation, including physical, economic, cultural and transportation.

## Hierarchy & Distribution of Facilities

In the Recreation Facility Strategy to 2020 Final Report, PERC recommended that public recreation facilities in Regina be provided by the City of Regina and other service providers at three levels as follows:

- **City Wide Level** – includes larger facilities that require the entire population of the City, or at least 190,000 to 200,000 residents to justify them and to make them viable. At this level, one major facility will be provided in the most appropriate location in the City and most residents would be required to travel to it.

<sup>10</sup> It is recognized that community growth can be fostered through opportunities that provide increased contact between people of varying age groups, mixing of various ethnic groups, and intergration of individuals with disabilities into mainstream activities.



- Zone Level – where a number of facilities are needed in the City, and they can be justified in a much smaller market than a City Wide facility, they may be provided within each of the City's five zones, which have an average population of about 40,000 residents.
- Neighbourhood Level – in a few exceptional cases, there may be some facilities that are needed within each of Regina's 28 neighbourhoods. Since each one is a very small market, and that reduces the viability of each facility, the number of recreation facilities provided in each neighbourhood will be kept to a minimum. Only those that are accessed primarily without a private vehicle, which attract a high proportion of residents in each neighbourhood, and are most inclusive, will be considered in each neighbourhood<sup>11</sup>.

It was recommended that in general, spectator and tournament-oriented facilities would be provided at the City Wide Level, while participant-focused facilities would be provided at the Zone Level. Furthermore, the majority of facilities provided at the Neighbourhood Level would be outdoor amenities or indoor amenities connected to other public sector Neighbourhood Level services like an elementary school.

The Administration has explored these levels in the context of the Official Community Plan, population projections, and current usage patterns of existing facilities. Through this internal planning process, it was determined that current zone boundaries (or other administrative boundaries that are often used for administrative planning) do not often provide the required facilities to meet the needs of a community or neighbourhood.

As a result, the three levels of facilities have been modified as per Figure 3, with each level of facility intending to fill unique, though overlapping roles. These guidelines reflect market demand and a reasonable distribution of resources and aim to achieve the Guiding Principles identified above.




<sup>11</sup> PERC, Recreation Facility Strategy to 2020 Final Repost, page iv.



The proposed zone-level facility has been replaced in this model with Community Destination facilities. Community destination facilities will provide multi-purpose spaces (for arts and culture activities, social purposes, and meeting space) and gymnasiums in addition to facilities that may fill gaps in services within the geographic area. The distribution of such facilities would be determined through factors such as analysis of geographic barriers and analysis of usage and travel patterns for customers currently using City of Regina leisure facilities. For some areas, city-wide facilities may also serve as the community destination site. Current facilities that fit this category include the Northwest Leisure Centre, Sandra Schmirler Leisure Centre and Sportplex (which also serves as a City-wide facility, providing competitive aquatics and athletics facilities in addition to basic recreation opportunities).

Neighbourhood level facilities are now described as neighbourhood hub facilities to reflect the guiding principles of **clustered** and **integrated**. Neighbourhood hub facilities provide informal, unstructured active recreation uses intended to serve a large proportion of neighbourhood residents.

Figure 3:  
Hierarchy of Facilities

|                         | City-wide Facilities  | Community Destination Facilities   | Neighbourhood Hub Facilities  |
|-------------------------|---|--|---|
| Population Base         | 190,000 to 235,000 or more to be viable and justifiable<br>  | 40,000 to 50,000 or more to be viable and justifiable<br>   | Typically serve 7,500 - 12,500 residents<br>   |
| General Characteristics | <ul style="list-style-type: none"> <li>• Intended to serve all residents</li> <li>• Provides a specialized service</li> <li>• Located adjacent to other elements of community life – i.e. libraries, high schools, parks</li> <li>• Provides outdoor amenities to complement indoor amenities</li> <li>• May attract tourists</li> <li>• Includes tournament level facilities with spectator support</li> <li>• Typically larger in scope and size than community destinations or neighbourhood hubs</li> </ul> | <ul style="list-style-type: none"> <li>• Serve as hubs of activity within the community</li> <li>• Located adjacent to other elements of community life – i.e. libraries, high schools, parks</li> <li>• Provides outdoor amenities to complement indoor amenities</li> <li>• May be customized to meet the needs of target groups within a specific community</li> <li>• May be provided in partnership with organized user or community groups and non profit organizations</li> <li>• May respond to organized interests and events but are designed with recreational use in mind</li> </ul> | <ul style="list-style-type: none"> <li>• May serve as the "community focal point" as defined in the Official Community Plan</li> <li>• Include facilities that attract a high proportion of local residents in each neighbourhood, with few barriers to participation</li> <li>• Focus on informal, unstructured active recreation uses</li> <li>• More common in neighbourhoods with economic or geographic barriers</li> <li>• May include similar amenities as community destinations</li> <li>• May exist as a hub or a stand alone facility if there are conditions that prevent the clustering of facilities</li> </ul> |
| Common Approach         | Generally accessed by vehicle or public transit, but linked by pathways and on street bike routes where possible to provide increased access  | A community destination facility would be established in each primary geographic area (see map)  | Neighbourhood hubs would be accessed primarily without a vehicle and would be established with existing facilities such as neighbourhood centres and existing park spaces. These hubs would typically be developed through partnerships with other levels of government, school boards, etc.  |
| Examples                | Canada Games Athletic Complex, Mosaic Stadium, Sportplex, Neil Balkwill Civic Arts Centre   | North West Leisure Centre, Sandra Schmirler Leisure Centre, zone level parks, Wascana Skateplaza   | Playgrounds, spray pads, outdoor rinks, Core-Ritchie Neighbourhood Centre, North East Community Centre  |

Good evening, your worship, members of city council, and city administration. My name is Colin Stewart, and I represent myself. I would like to address you this evening regarding the motion before you to phase in commercial property tax changes. I've read the discussion held during the executive committee meeting, and I wanted to add my own thoughts to the discussion.

I understand that an amendment to this motion had been proposed, and defeated, during the executive committee meeting. Could I ask you, please to hear me out, and then reconsider amending the motion?

It makes sense to me that there would be a cost, and it may be complex to phase in residential property tax changes. However, would that same cost and complexity not be involved in phasing in commercial property tax changes?

For many people in Regina, these are not easy times. Rents have gone up significantly since the last reassessment in 2009, and even more since the reassessment in 2005. So have housing prices, which means that mortgage payments have also gone up. While the mortgage payment increase would not affect somebody who has lived in their home for years, it does affect somebody who has recently purchased their home. Their mortgage payment would be significantly higher now than it would have been if they had bought that same house before prices started to rise. Because property values in the city have gone up, taxes, which are based on that property value, should also go up. What we need, though, is a balanced, and fair, system that treats all property owners equally. Instead, we are seeing a shift from what I call high end homes, in wards 9 and four, to low end homes in wards 3, 6, and 7.

The phase in I'm asking for should not just be for the inner city, it should be for everybody, whether they are a commercial property owner or residential. Councillors Murray and Fraser were specifically concerned about inner city residents, many of whom are facing a 55% increase. While residents of high end homes are more likely to be able to afford this kind of an increase, they are actually seeing a decrease, in many cases. Mid range homes are seeing an increase of about 10%, from my research. This is a significant shift in tax burden, that I'm not convinced is particularly fair. On the other hand, I remember 1997, when some of the suburbs saw their taxes double or more. I remember that many people were very upset. Meanwhile, many properties in the inner city saw their taxes significantly decrease that year. So I can see there may be a desire to shift the burden back in the other direction. But, no matter how any of us feels about the shift in burden, all of us should have the new assessment phased in.

For the record, taxes on the house I hold a lease agreement on (the house is a rent to own, where I'm paying rent, but my rent is all going towards purchasing the house) are going up 55%. This is a significant increase of over \$400.00. I note a comment made during the executive committee meeting that there are only 50 such properties in the city. I'm sure that Mr. Barr has done his research, so I won't question this fact. For some of us, that is a significant amount of money.

While there are single parents, low and fixed income people in all areas of the city, North Central, and the older areas of Ward 7 have a high concentration of this demographic. It's unfortunate that these areas of the city are being hardest hit, on a percentage basis, by increases.

Property taxes are the foundation of funding for city programs and services. There are few other sources of revenue, and what other revenue there is available makes up a very small portion of total revenue for the city. While many residents feel that their taxes are too high, and the system used has disadvantages, it is, to an extent, based on the ability to pay, while being based on the value of the property being taxed. This should mean that taxes would increase or decrease proportionately with the value of the property. With this assessment, though, that is not what is happening. The tax burden is being shifted, such that, as I noted a few moments ago, high end homes are paying less, while low end homes are paying significantly more, with the rest being somewhere between. While this rebalancing seems palatable to those who live in the higher end homes, to those of us who, not by choice, but by necessity, live in low end homes, it is a tough pill to swallow.

Please don't misunderstand me. I understand that, if I want services provided by the city, I must pay taxes. I understand that these taxes are based on the value of my home. So, I also understand that since the assessed value of my home has near tripled, my taxes will also go up significantly. I don't have a problem with any of these facts. I would appreciate, though, not having the entire increase applied all at once.

At the same time, I recognize the reason commercial properties are being considered for phasing in changes in their property taxes. I did note the letter from Moose Mountain Bus Lines, included in your packets for the executive committee meeting, indicating that their taxes had more than doubled. The increase they, and many other businesses will see this year is significantly more, percentagewise, than the increases residential properties will see, so perhaps special consideration is warranted, and the opinion that phasing in residential increases is unnecessary may be justified.

While commercial properties are negatively impacted by tax increases, causing a potential loss of jobs, and other problems, residential properties are also negatively impacted. Increasing my property tax reduces my buying power. Both of these scenarios impact the economy. Reducing buying power too much will impact the economy just as strongly as job losses will. In fact, both job losses and decreased buying power will cause the other.

Regina is a progressive, growing city. Our current system, in which changes for residential properties are not phased in, has worked for the past number of reassessments. However, just because something has worked in the past, doesn't mean that, if something better comes along, we shouldn't change it. In fact, as a progressive, growing city, if a new, better idea comes along, we should embrace it.

The amendment proposed during the executive committee meeting asked to phase in increases for residential, as well as commercial, properties. This evening, you are considering a motion to phase in only commercial property tax changes. We all want a fair property tax system. So, I would ask you to go further. I ask you to phase in residential property tax changes. Thank you. I welcome any questions you may have.

February 19, 2013

To: His Worship the Mayor  
and Members of City Council

Re: 2013 Reassessment Tax Policy

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**RECOMMENDATION OF THE EXECUTIVE COMMITTEE  
- FEBRUARY 13, 2013**

1. That the following principles be adopted in establishing mill rate factors for 2013:
  - a) That the relative share of property taxes between classes does not change due to reassessment; and
  - b) That long-term stability be considered in establishing tax policies for mill rate factors.
2. That based on these principles, the following mill rate factors be set for the group of residential classes of properties and the group of non-residential properties:

|                       |         |
|-----------------------|---------|
| Residential Group     | 0.87880 |
| Non Residential Group | 1.32901 |

3. That the subclass for Golf Courses be continued and the mill rate factor set at 0.86359 so that the effective tax rate is equal to 65% of the effective commercial tax rate;
4. That a phase-in of property tax changes be implemented for the Commercial and Industrial class of properties for changes in property taxes as a result of the 2013 reassessment, whereby the phase-in shall be revenue-neutral by phasing in decreases and increases, with decreases and increases applied as follows:
  - 2013 increases and decreases limited to 1/3 of the property tax change.
  - 2014 increases and decreases limited to 2/3 of the property tax change.
  - 2015 the full increase or decrease would be applied; and
5. That the City Solicitor be instructed to prepare the necessary bylaws to implement the changes set out in these recommendations.



*EXECUTIVE COMMITTEE – FEBRUARY 13, 2013*

The following addressed the Committee:

Archie Cameron, representing the Royal Regina Golf Club; and  
John Hopkins, representing the Regina and District Chamber of Commerce

The Committee adopted a resolution to concur in the recommendation contained in the report.  
Recommendations #6 and #7 do not need City Council approval.

Mayor Michael Fougere, Councillors: Sharron Bryce, Bryon Burnett, John Findura, Jerry Flegel, Shawn Fraser, Bob Hawkins, Terry Hincks, Wade Murray, Mike O'Donnell and Barbara Young were present during consideration of this report by the Executive Committee.

The Executive Committee, at its meeting held on February 13, 2013, considered the following report from the Administration:

1. That the following principles be adopted in establishing mill rate factors for 2013:
  - a) That the relative share of property taxes between classes does not change due to reassessment; and
  - b) That long-term stability be considered in establishing tax policies for mill rate factors.
2. That based on these principles, the following mill rate factors be set for the group of residential classes of properties and the group of non-residential properties:

|                       |         |
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  - 2013 increases and decreases limited to 1/3 of the property tax change.
  - 2014 increases and decreases limited to 2/3 of the property tax change.
  - 2015 the full increase or decrease would be applied; and
5. That the City Solicitor be instructed to prepare the necessary bylaws to implement the changes set out in these recommendations.
6. That this report be forwarded for consideration by City Council on February 19, 2013.
7. That CR12-99 be removed from the outstanding list for Executive Committee.



## CONCLUSION

In each reassessment, there is a rebalancing of the share of property taxes that occurs with the updating of the assessment base year. Consideration of tax policy is an important consideration in reassessment. There are some tax policies that are intended to provide the ability to mitigate impacts of reassessment for groups of properties. There are also tax policies that are not specific to reassessment that provide the ability to apply public policy that can determine the relative share for groups of property tax in the best interest of the municipality or community as a whole. Tax policy that is set on principles that can be applied consistently to reassessments will provide long-term stability, transparency and predictability that will promote fairness.

Council has established some long-standing principles that will support stability in the tax base and it is recommended that these principles should be continued. The relative share of taxes between classes remaining stable after a reassessment is a long-standing policy. Council has established a policy to have a single tax rate for multifamily, residential and residential condominium classes of properties. If the recommendations in this report are adopted, and considering the policies already adopted by Council, the following would be the tax policies that would be in place for the 2013 tax year:

1. A phase-in of tax changes due to the 2013 reassessment for commercial class properties that would phase in all increases and decreases so that 1/3 of the change would occur in 2013; 2/3 of the change would occur in 2014; and 100% of the change would occur in 2015.
2. The policy of not changing the relative share of taxes due to reassessment would continue. There would be three mill rate factors with the mill rate factors calculated based on the assessment roll as of December 6, 2013, as follows:

|                       |         |
|-----------------------|---------|
| Residential Group     | 0.87880 |
| Non Residential Group | 1.32901 |
| Golf Courses          | 0.86359 |

The residential group's relative share of the property taxes would be 64.2% while the non residential group would be 36.6 %. The effective tax rate for non residential group is 2.16 times the residential rate.

The mill rates will be set in the 2013 Property Tax Bylaw that will be considered by Council once the province provides the education mill rates and the Library Board sets the Library mill rate. By legislation, the Library mill rate is provided by March 15<sup>th</sup> of each year and the Education mill rate must be provided before May 1<sup>st</sup> each year. In addition to City Council's tax policy decisions, the School Boards and the Ministry of Education will have to decide whether they will adopt, where provided for in legislation, the tax policies chosen by City Council.

## BACKGROUND

2013 is a reassessment year, which is mandated by provincial legislation. This means that all property in the province will have assessment values recalculated to a new base date. A base date is similar to an appraisal date, with the 2013 reassessment updating values from a June 30, 2006 base date to a January 1, 2011 base date. The purpose of the reassessment is to ensure that the property tax is allocated fairly and equitably based on up-to-date information and more current values. The reassessment is, for the most part, a calculation exercise and does not involve re-

inspecting each property. The City inspects between 6,500 and 7,500 properties on an annual basis and maintains data on every property in the city. The assessments are updated to the new base date based on analysis of the extensive property characteristic data and market data that reflects the base date set out in legislation. Although reassessment changes the assessments, it does not generate revenue for the City. The only way the overall revenue for the City will change is through the budget process. The revenue required for property taxes is allocated to individual properties by the assessment. Each year, the mill rate is set to generate the amount of taxes required in the budget. In reassessment years when the overall assessment increases due to reassessment, the mill rate is reset to a level that generates the taxes approved in the budget. An important role for Council in the reassessment is reviewing and approving the tax policy options that are available.

## DISCUSSION

There are six major aspects associated with completing a reassessment:

### 1. Legislative Framework

- The 2013 reassessment is mandated by provincial legislation. Legislation requires a revaluation or reassessment every four years, and given that the last reassessment occurred in 2009, then 2013 is the next year for reassessment.
- Legislation requires that each revaluation be reflective of a base date. The base date for the 2013 reassessment has been set as January 1, 2011.

The foundation for the assessment valuation process is provided for in the following legislation:

- Section 163 of *The Cities Act* has definitions for market value, market valuation standard, mass appraisal, regulated property and regulated property valuation standard. These definitions provide the basis for the mass appraisal market value assessment system by describing market value, setting the market valuation standard for how market value is to be determined, and describing mass appraisal.
- Section 163 of *The Cities Act* also has definitions for regulated property and the regulated property valuation standard that provides a regulated assessment system for application to agricultural land, resource production equipment, railway, roadways, heavy industrial property, and pipelines.
- Section 171 of *The Cities Act* sets out a requirement for owners of income-producing properties to provide the Assessor with information respecting the income generated and the expenses incurred by the owner's property for the previous fiscal year. This information is used to value commercial and multifamily property as appropriate.

Assessments are determined by the City Assessor following legislation, guidelines produced by the Saskatchewan Assessment Management Agency, and professional mass appraisal practice. Property owners are encouraged to discuss concerns with an assessor to ensure they understand how the value was arrived at. The assessment and tax web pages provide key information to review a property's assessment, including the key characteristics for each property, all sales used in the analysis and the valuation models, and a property owner can

review the assessment on any property for comparison purposes. A formal legislated appeal process is available should an owner believe there is an error in the assessment. A property owner may appeal to the Board of Revision and there is the right to appeal a decision of the Board of Revision to the Saskatchewan Municipal Board. Decisions from the Saskatchewan Municipal Board can be appealed to the Saskatchewan Court of Appeal on points of law.

## 2. Calculation of Assessments

This is a process requiring the gathering of data about the properties to be assessed, and market data on property sales and, for some properties, income and expenses for the property. Detailed and thorough analysis is applied to create valuation models, the final step being the application of statistical models to the property data to produce valuations. The 2013 reassessment values were communicated by letters advising of the estimated 2013 reassessment values, the 2012 assessment and property tax information, as well as a projected impact of the 2013 reassessment on municipal property taxes were mailed on August 27, 2012.

Assessment notices were mailed December 6, 2013. For each mailing, an enhanced customer service response was provided to answer questions, explain the assessment and address concerns.

## 3. Determination of Impacts

Once the assessments are calculated, the results are considered as a whole to determine the impacts on various groups of properties. Impact analysis has been carried out. Letters were provided to each property owner including information relating to their 2012 property assessment, the 2013 reassessment, and an estimate of the impact on municipal and library taxes due to reassessment using revenue-neutral tax rates. It was not possible to estimate the school taxes for this letter as the province has not set the education level of property tax funding required, tax policy and mill rates. Once the Province announces the mill rates the city website will be updated to show an estimate of education tax for each property.

A high level analysis of the results was conducted to determine the magnitude of the tax changes in terms of number of properties with increases and decreases, the percentage change of taxes, and the dollar change of taxes.

The change in assessment is summarized in the table below.

### **2012 to 2013 Assessment Comparison**

| <b>Property Class</b> | <b>2012 Assessment</b> | <b>2013 Assessment</b> | <b>Percent Change</b> |
|-----------------------|------------------------|------------------------|-----------------------|
| Residential           | 8,611,611,091          | 16,524,930,480         | 91.9%                 |
| Condominium           | 1,236,892,300          | 2,436,206,800          | 97.0%                 |
| Multi Family          | 807,286,683            | 1,565,708,231          | 93.9%                 |
| Commercial            | 4,864,685,834          | 8,602,184,396          | 76.8%                 |
| Railway and Pipeline  | 44,215,735             | 72,77,859              | 64.6%                 |
| Agricultural          | 10,668,957             | 28,556,124             | 165.6%                |
| Golf Course           | 4,561,800              | 14,532,000             | 218.6%                |
| <b>TOTAL</b>          | <b>15,579,362,400</b>  | <b>29,244,669,400</b>  | <b>87.7%</b>          |

#### 4. Tax Policy

Through *The Cities Act*, City Council has some limited authority to use tax policy to manage or mitigate some of the impacts of the reassessment results on groups of properties where it would be in the best interest of the municipality or of the community as a whole.

It is important to note that some of these same tax tools can also be applied independently of a reassessment as a matter of policy, based on the community's views as to which properties should bear the relative tax apportionments. The tax tools allowed in legislation include mill rate factors, phase-in of tax changes, base tax, and minimum tax. The tools most applicable to managing the impacts of reassessment are mill rate factors and phase-in policies. Through the analysis of impacts, it has been determined that the use of other tax tools such as base tax or minimum tax would magnify the reassessment impacts.

City Council established principles to use as guidelines for establishing tax policy options for non residential group of properties based on public consultation. This type of approach had been suggested by the Regina and District Chamber of Commerce as an improvement to the public consultation process.

The Administration has developed an analysis for considering tax policy options. In addition to City Council's tax policy decisions, the School Boards or Department of Education will have to decide whether they will adopt, where provided for in legislation, the tax policies chosen by City Council.

#### 5. Public Consultation, Communications and Customer Service

Assessment is a complex process that is difficult to communicate. However, it is vital that the public have a solid understanding of the process and concepts in order for them to provide input to the tax policy decisions that must be made. The most successful reassessment projects include careful attention to the public consultation, communications and customer service aspects.

Some of the major efforts with regard to the Public Consultation, Communications and Customer Service processes include:

- Consultation with the business community occurred throughout 2012, with initiatives such as meetings with the boards and the membership of the various business groups, such as the Regina and District Chamber of Commerce, Regina Downtown, Regina Warehouse District, The Association of Regina Realtors, and others.
- The impact of tax policy options will be communicated at both a policy level and at an individual property level by using the City's Website, and through customer service processes.

#### 6. Risks and Challenges

One of the major risks with a reassessment is an increase in the number of assessment appeals, which can lead to uncertainties in predicting tax revenue. The uncertainties can result in the City failing to make sufficient allowances for appeals; or having a contingency that is too high, having all property owners pay a higher rate until the appeals are resolved.

Another challenge results from the fact that the values of properties have changed significantly from the base year of 2006 to the base year of 2011, which is the base year for the 2013 reassessment. Current values continue to rise at a significant rate, which may make the change in values from 2006 to 2011 base years difficult for property owners to understand and relate to.

A misconception, that rising property values automatically means equally higher property taxes, persists. Given the significant increase in property values, it is important to ensure that the correct message is provided often in the reassessment process. The budget process is the way the overall property tax revenues are changed for the city. The assessment, via the mill rate factors and mill rates, allocates out the budgeted property tax revenue to the properties. The City will continue to use the “Truth in Taxation” principle. The International Association of Assessing Officers’ Standards for Property Tax Policy describes the principle as requiring governments to notify property owners if there is going to be an increase in property tax rates or revenues, with the more successful systems including clear individualized notices on the effect of proposed revaluations and budget changes. As in the past reassessments, the City has provided individual calculations on the effect of reassessment that includes projected property taxes, and also makes this information available for every property on the City’s Website. The City, Library Board and Provincial Education budget process results, and the effect it has on the taxes for each property, would also be updated on the City’s Website. The concept that the total amount of tax revenue is set in the budget processes, and that property assessments are used to allocate the taxes that are required based on budget requirements, will continue to be a key message. Truth in taxation principles with transparency in property assessment and budget processes are important for continuing public confidence in municipal government.

Another challenge is that the changes due to the market for non residential group property will result in substantial tax shifts within non residential group property types. Because there are significant tax changes for many non residential group properties due to the 2013 reassessment; phase-in of these changes will need to be considered. It is critical to determine, as soon as possible, if there is to be a phase-in plan as properties on the Tax Instalment Payment Plan Service (TIPPS) will have had payments deducted to cover the tax changes in 2013 starting in January. The Province will announce the provincial education mill rates in March, and an adjustment would be made to the TIPPS payments for both education taxes and a phase-in at this time.

## **Tax Policy Recommendations**

The tax policy options for the 2013 reassessment for council to consider are:

### **1. Incidence of Property Taxation by Property Class**

Council has the authority to set the relative share of property taxes for classes of properties through the use of mill rate factors for each property class or group of property classes. Council also can create sub-classes and can apply a mill rate factor to a sub-class. In past reassessments, Council has followed the principle of not shifting property taxes due to reassessment between groups of property classes. This policy has had each group of property classes retaining the same relative share of the property tax before and after the reassessment. In 2012, the mill rate factor for the residential group made up of Residential, Residential

Condominiums, and Multi-family were the same, so these properties had the same effective tax rate. The relative share of property taxes for this residential group last reassessment was 63% and the share of the non-residential group was 37%. The residential property group has had growth at a slightly faster rate than the non residential group property group. For 2013, the equivalent share of taxes after adjusting for the difference in the growth rates is 64.2% and 35.8%. It is recommended that the same principle be followed for the 2013 reassessment and that there be no shifting of tax share between the residential and non-residential groups due to the reassessment.

The Real Property Association of Canada published a study of tax rate ratios for 2012; the following were the non residential group to residential effective tax ratios:

| <b><u>City</u></b> | <b><u>2012 Ratio</u></b> |
|--------------------|--------------------------|
| Winnipeg           | 2.03                     |
| Edmonton           | 2.46                     |
| Calgary            | 2.63                     |
| Ottawa             | 2.64                     |
| Halifax            | 2.94                     |
| Montreal           | 4.09                     |
| Toronto            | 4.13                     |
| Vancouver          | 4.32                     |
| <b>Average</b>     | <b>3.16</b>              |

Given that the provincial percentages are 70% for residential and 100% for non residential group, and if the mill rate factors are set to retain the relative share of taxes, the relationship between effective tax rates for the non residential group rate for 2013 is 2.16 times the residential rate, and the Golf Courses are at .65 of the non residential group rate.

In 2009, City Council approved a separate sub-class for golf course properties. There were two properties in this class and the mill rate factor was set so that golf course properties had an effective tax rate at 75% of the non residential group effective tax rate. A request was received from the Royal Regina Golf Club to continue this practice and to keep the relative share of taxes for the Golf Course group the same. The Royal Regina Golf Club provides a recreation opportunity within the city limits and is the only golf course wholly within the city limits that is not municipally owned. A large component of the golf course assessment is the value in the land. Due to the effect of high demand for vacant land prices, this type of property has seen the largest increase. It is recommended that the subclass for golf courses be continued and that the mill rate factor be set at 65% of the non residential group mill rate factor to follow the principle of relative share of taxes not changing between groups.

## **2. Phase-In of Tax Changes for Commercial Properties**

Commercial properties are subject to more variation in reassessments due to the wide variance in values and market influences. The distribution of values also makes this group more susceptible to large shifts. Fifty percent of the commercial levy is carried by the 125 largest properties and seventy-five percent of the commercial levy is carried by 481 properties, out of the 4,075 properties that make up the commercial group. The Regina and District Chamber of Commerce has suggested that phase-in discussion be based on principles



established before the results are known. This approach gains widespread support and reduces the potential for the type of divisive debate that can occur after individual results are communicated. The principles would be aligned with the strategic theme of economic sustainability through a predictable policy framework.

City Council, on June 25, 2012, considered report CR-12-99 and adopted principles to guide the Administration in consulting with the business community and in preparing options for the 2013 reassessment in considering phase-in for commercial property tax changes. The following principles were adopted:

Stability in property taxes is important to ensure that Regina has a sustainable, fair, competitive and viable economic environment.

Phase-in plans result in administrative cost and complexity and should be used judiciously.

- Any phase-in plan must be revenue neutral.
- Phase-in should only be considered if there are many properties with exceptional increases.
- The phase-in plan should be structured so that it is preferably two years, with three years being the maximum.

The administration has completed an analysis of the changes due to reassessment in Appendixes A - D and has consulted with the stakeholder group representing commercial property owners organized by the Regina and District Chamber of Commerce. The municipal tax shift for the commercial group as a result of the reassessment results in increases of about \$6.7 million, which is 11% of the commercial tax base and is considered a significant shift. The result of the consultation is a recommendation to apply the same phase-in model to the 2013 reassessment for the commercial group of properties as was used for the last reassessment. This would see increases and decreases due to reassessment phased in, such that in 2013 one-third of the tax change due to reassessment would be applied, in 2014 two-thirds of the tax change would be applied, and 2015 would see 100% of the tax change due to reassessment applied. The phase-in plan would be revenue-neutral with the costs of the tax increases being deferred and off-set by the tax decreases being deferred. Appendix C provides two charts that illustrate the range of change that would occur without phase-in and the range of change that occurs after applying the phase-in to the first year of reassessment. It is recommended that a phase-in be applied to commercial properties.

#### **4. Phase-in for Residential Properties**

City Council on September 17, 2012 in MN12-5, approved a motion to include a review of residential properties that are significantly affected by the 2013 reassessment for phase-in. An analysis of the changes is attached in Appendix B. In 2005 and 2009, there was no phase-in for the residential group of properties. For 2013, the magnitude of the changes due to reassessment is similar to the changes that occurred in 2009. The municipal tax shift for the residential group as a result of the reassessment results in increases of about \$4.6 million, which is 4.9% of the residential group tax base and is not considered a significant shift. In the residential class for properties with a building, there are 35,300 properties seeing an increase of \$3.2 Million (average of \$91 per property) and there are 24,632 properties seeing a decrease of \$3.8 Million (an average of -\$156 per property). The majority of properties (about 88%) are seeing less than a 20% change in property taxes as a result of reassessment.

In terms of dollar change, about 93% of properties are seeing a change of municipal taxes less than \$200 annually, or about \$17 per month. While it is different for every property, generally lower-valued properties are seeing more substantial changes in terms of percentage increases but, on average, the increases are moderate in terms of dollar impact. For example, the average increase for the group of properties with the lowest taxes for 2012 will see a 48% increase in terms of percentage; this is an average of \$136 in municipal taxes annually or about \$12 a month. There are some properties that are seeing larger increases for a variety of reasons, not related entirely to the reassessment, such as the removal of allowances to reduce the assessment for reasons such as incomplete construction in 2012 now being complete for 2013, or fire damage allowance in 2012 being removed for 2013. In some areas, the changes were higher due to the market changes and in some cases renovations were added for 2013.

Overall, the magnitude of change is the same as the previous two reassessments, which did not require a phase-in. While there are some properties seeing large increases, there are not a large number of properties with exceptional increases due to reassessment. Appendix B has information on the numbers of property seeing changes.

It is recommended that phase-in is not required for residential properties for 2013.

## **5. Minimum Tax**

Council has the authority to set a minimum tax for each property. A minimum tax can be set for municipal property taxes and all properties must pay at least the minimum tax. In theory, this would shift some of the property tax to the lowest value property. The lowest value properties are seeing the greatest increase in terms of percentage, so the reassessment is achieving the same result that this tax tool was designed to achieve. In some circumstances, this tool could be used to incentivize development of vacant lots. However, vacant lots have risen in value tenfold over the past seven years, and all lower-valued property has seen relative increases in the share of taxes the past two reassessments; a similar trend has occurred in the 2013 reassessment. The distribution of the properties with a higher number of lower- and modest-value properties than higher-value properties means that the minimum tax would need to be set at a fairly high rate to achieve any difference in the tax rate that would make a noticeable difference in the property tax distribution. It is recommended that minimum tax not be implemented for the 2013 reassessment.

## **6. Base Tax**

Council has the authority to set a base tax. A base tax is a per-property levy that can be set to achieve a portion of the property taxes required. The remainder of the property tax would be based on the assessed value of the property. The result of this tax tool is that it tends to shift taxes away from higher-valued property to lower-valued property. For the 2013, the resulting shifts from reassessment are having the same effect, so applying this tool would amplify the results of the assessment and shift a further amount of the property taxes from higher-valued properties to lower-valued properties. In the past, this tax tool has been debated widely in the community and was very divisive. The philosophy that is debated for this tax tool is whether property taxes should be based on ability to pay or if property taxes should be based on services received; both philosophies are valid viewpoints.

The assessment and taxation process in Saskatchewan is an “ad valorem” system. This means it was designed on the principle of ability to pay with the value of the property used as a proxy to determine ability to pay. In addition to property tax, the city also has user fees for some services and applies the philosophy of the user paying for services received through user fees. In reviewing the effectiveness of the base tax tool in the context of managing the shifts that are occurring in the 2013 reassessment, the tax tool is not helpful because it magnifies the impact of the reassessment. The lower-valued properties that are already facing an increase would have a steeper increase and the higher-valued properties that are already seeing a decrease due to reassessment would see a further decrease. Given that this would amplify the resulting tax shifts due to reassessment, it is recommended that base tax not be implemented for managing the impact of the 2013 reassessment.

### **OTHER OPTIONS:**

1. Council could adopt a phase-in program for all residential group properties. The phase-in would be revenue-neutral so the phase-in program would not have any cost; however, there would be a small administrative cost to administer a phase-in program for 71,192 properties. Residential property owners that are seeing decreases deferred may not be satisfied with having decreases deferred.
2. Council could phase in residential group properties that have increases greater than 30%. This would be applied to 6,787 properties (9.6% of the properties in the group). There would be a cost for this type of program of \$935,350, which would be funded by all residential group property owners by way of an additional 0.997% added to the mill rate.
3. Council could phase in residential group properties that have increases greater than 50%. This would be applied to 3,867 properties (5.5% of the properties in the group). There would be a cost for this type of program of \$549,200, which would be funded by all residential group property owners by way of an additional 0.556% added to the mill rate.

If council were to set a phase in program to mitigate the impact of reassessment on residential properties, it would need to determine how to fund it. Options are to phase in all residential property in a revenue-neutral manner, similar to the commercial phase-in with one third of the change being introduced in each of the next three years. While this is simple to administer, there will be a large amount of accounts with \$25 or less being phased in as an increase or decrease. While those seeing an increase phased in will be satisfied, those with a decrease being phased in will likely be less accepting. It is possible to phase in only a portion of the properties with the most change. For example, if only properties with a set percentage of change in taxes were eligible for the phase-in, it reduces the number of accounts to administer. Council could consider funding the cost of phasing in increases by increasing the mill rate for all properties. For example, if Council chose to phase in increases of greater than 50% for the residential group of properties, the cost of the phase-in program would be \$935,350 and the tax rate for this group of properties would need to increase by 0.997%. Setting the phase-in for increases above 30% for residential and condominiums would have a cost of \$561,830 and require the tax rate to be increased by 0.556 %.

An additional issue to consider is that when a dollar or percentage amount is set for a cut off for phase-in, it will create inequities on either side of the boundary, with the possibility of someone with a smaller assessment paying more than a property with a larger assessment. These phase-in cut off points create arbitrary shear points that distort equity and that can create a perception of the system not being fair. For this reason, it is advisable to only consider phasing in all changes or not having a phase-in program for residential properties.

Given that the amount of change is similar to the amount of change in 2009, and that there is not a large number of properties with exceptional changes, it is recommended that phase-in not be applied for residential properties.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

If City Council adopts a phase-in for Commercial and Industrial properties and does not adopt a phase-in for residential properties as outlined in this report, the commercial phase-in plan would be self-funding and no additional costs would be incurred. There would be no phase-in for residential and no additional costs.

If Council chooses to adopt a phase-in for all residential and condominium properties, the phase-in would be revenue-neutral and there would not be a significant cost.

If Council adopts a residential phase-in for a group of properties, there may be additional costs ranging from \$935,350 for phasing in at the 50% increase cut-off to \$549,200 if phasing in occurs at the 30% increase cut-off. To fund these costs, the 2013 mill rate would need to increase by 0.439% for the 50% cut-off or by 0.258% depending on where the cut-off point was set. For 2014, the funding requirement for the 50% cut-off phase-in option is \$467,675; the 30% cut off option would require \$274,600. In 2015, the phase-in would be completed and there would be no additional costs.

### Environmental Implications

None with regards to this report.

### Strategic Implications

In each reassessment, there is a rebalancing of the share of property taxes that occurs with the updating of the assessment base year. Consideration of policy to apply tax tools is an important consideration in reassessment. Long-standing principles of not shifting the relative share of property taxes between the residential group of property classes and the non-residential group of property classes provides economic policy stability and predictability for property owners.

### Other Implications

If a phase-in is to be implemented, it is important that it is approved early in 2013 so that the TIPPS payments can be adjusted to collect the phased-in property tax amount. Starting in January, properties on TIPPS were billed at the full estimated tax rate. If phase-in is approved, it is advantageous for property owners, businesses and tenants to know what the monthly property tax payments will be as soon as possible. The TIPPS payments will be adjusted once the library and education mill rates are set and any phase-in programs approved.

Accessibility Implications

None with regards to this report.

COMMUNICATIONS

The impacts of reassessment were communicated to each property owner by letter and the info for all properties is available on the City website.

Consultation has occurred with the commercial property stakeholders through several meetings.

The City website will be updated for each property to reflect the tax policies approved along with the mill rates that are approved for the Municipal, Library and Education Property Taxes.

Media relations will include a public service announcement directing property owners to the website.

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

DELEGATED AUTHORITY

This report must be forwarded to City Council for consideration.

Respectfully submitted,

EXECUTIVE COMMITTEE



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Joni Swidnicki, Secretary

BYLAW NO. 2013-15

THE COMMERCIAL AND INDUSTRIAL PROPERTIES  
TAX PHASE-IN BYLAW, 2013

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THE COUNCIL OF THE CITY OF REGINA ENACTS AS FOLLOWS:

**Purpose**

- 1 The purpose of this Bylaw is to provide for a phase-in of property taxes for commercial and industrial properties for the years 2013 and 2014.

**Authority**

- 2 The authority for this Bylaw is section 260 of *The Cities Act* and section 14 of *The Cities Regulations*.

**Definitions**

- 3 In this Bylaw:

"**2013 revaluation**" means the revaluation of property occurring in 2013 pursuant to section 22 of *The Assessment Management Agency Act*;

"**Commercial and Industrial Properties**" means properties that come within the Commercial and Industrial classification pursuant to section 14 of *The Cities Regulations*;

"**property tax change**" means the difference between the amount of property taxes assessed with respect to a property in 2012 and the amount assessed with respect to the same property in 2013;

"**Taxing Authorities**" means the taxing authorities on whose behalf the City of Regina levies taxes and includes:

- (a) the Board of Education of the Regina School Division No. 4 of Saskatchewan;
- (b) the Board of Education of the Regina Roman Catholic Separate School Division No. 81 of Saskatchewan; and
- (c) the Regina Public Library Board.

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
City Solicitor

**Tax Phase-In Plan**

- 4 The tax phase-in plan set out in this Bylaw will be implemented to phase in changes in property taxes resulting from the 2013 revaluation.

**Other Taxing Authorities**

- 5 This tax phase-in plan may be extended to any other rates with the agreement of any other Taxing Authority.

**General**

- 6 This tax phase-in plan does not apply to:
- (a) property that was not assessed in the year 2012;
  - (b) tax increases or decreases resulting from any change in assessed values that are not the result of revaluation; or
  - (c) tax increases or decreases resulting from a change in mill rates due to the 2013 budgets for the City and other taxing authorities.

**Funding of Phase-in**

- 7 The difference between the limit on tax increases set out in this Bylaw and the tax increases that would otherwise result from revaluation will be funded through the difference between the limit on the tax decreases set out in this Bylaw and the tax decreases that would otherwise result from revaluation.

**Calculation of Phase-in**

- 8 For the year 2013:
- (a) for each property within the Commercial and Industrial classification the maximum tax increase resulting from the 2013 revaluation will be no greater than 1/3 of the property tax change for that property resulting from the 2013 revaluation;
  - (b) for each property within the Commercial and Industrial classification the maximum tax decrease resulting from the 2013 revaluation will be no greater than 1/3 of the property tax change for that property resulting from the 2013 revaluation.
- 9 For the year 2014:
- (a) for each property within the Commercial and Industrial classification the maximum tax increase resulting from the 2013 revaluation will be no greater than 2/3 of the property tax change for that property resulting from the 2013 revaluation;

- (b) for each property within the Commercial and Industrial classification the maximum tax decrease resulting from the 2013 revaluation will be no greater than  $\frac{2}{3}$  of the property tax change for that property resulting from the 2013 revaluation.

**Effect of Assessment Appeals on Phase-in**

- 10(1) For Commercial and Industrial Properties for which, on the day this Bylaw comes into force, a final determination of its assessed value for 2012 has yet to be rendered because of outstanding assessment appeals, the maximum tax increase or decrease will be determined on the basis of the assessed value of the property for the year 2012 that is in force at the time the phase-in calculation is made and the taxes resulting therefrom.
- (2) Once a final determination of the assessed value for a property in subsection (1) for the year 2012 has been rendered, the maximum tax increase or decrease for that property will be recalculated on the basis of the final assessed value, and the subsequent years' taxes will be adjusted from the amount determined in accordance with subsection (1).

**Coming Into Force**

- 11 This Bylaw comes into force on the date of passage.

READ A FIRST TIME THIS 19th DAY OF February 2013.

READ A SECOND TIME THIS 19th DAY OF February 2013.

READ A THIRD TIME AND PASSED THIS 19th DAY OF February 2013.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
(SEAL)

CERTIFIED A TRUE COPY

\_\_\_\_\_  
City Clerk



## ABSTRACT

BYLAW NO. 2013-15

### THE COMMERCIAL AND INDUSTRIAL PROPERTIES TAX PHASE-IN BYLAW, 2013

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|                         |   |
|-------------------------|---|
| PURPOSE:                | To phase-in the tax effects of the 2013 revaluation   |
| ABSTRACT:               | This bylaw provides for a tax phase-in plan for the 2013 revaluation for Commercial and Industrial properties. For 2013, these properties will be taxed at 1/3 of the tax increase or decrease resulting from the 2013 revaluation. For 2014, the taxes will be at 2/3 of the increase or decrease resulting from the 2013 revaluation. |
| STATUTORY<br>AUTHORITY: | Section 260 of <i>The Cities Act</i> and section 14 of <i>The Cities Regulations</i>  |
| MINISTER'S APPROVAL:    | N/A   |
| PUBLIC HEARING:         | N/A   |
| PUBLIC NOTICE:          | N/A   |
| REFERENCE:              | Report EX13-11 from the February 13, 2013 Executive Committee meeting   |
| AMENDS/REPEALS:         | New bylaw   |
| CLASSIFICATION:         | Administrative  |
| INITIATING DIVISION:    | Community Planning & Development  |
| INITIATING DEPARTMENT:  | Assessment, Tax & Real Estate   |

February 15, 2013  
File No.

**BYLAW TRANSMITTAL FORM**

Re: Bylaw No.2013-15, *The Commercial and Industrial Properties Tax Phase-In Bylaw, 2013*

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Attached is the above-referenced Bylaw and Abstract for submission to the February 19, 2013 meeting of City Council. This Bylaw will accompany report EX13-11 from the February 13, 2012 meeting of the Executive Committee.

Minister's Approval Required: Yes ☐ No ☒  
If yes, provide Minister's particulars ie: name and address:

Public Notice Required: Yes ☐ No ☒  
If yes, provide dates of advertising:

Thank you.

OFFICE OF THE CITY SOLICITOR

Per:  
Jana-Marie Odling

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Instructions to the City Clerk's Office:

Good afternoon Your Worship, and Councillors:

I'm here with a request that I've heard from plenty of people both recently and over the years: Please fix Regina Transit. This will not take a significant change to the proposed budget. It could start with only a 0.1% change this year to the tax rate. And if you've been impressed by the economic opportunity the RRI provides Regina, you'll be astounded by transit's economic stimulus potential.

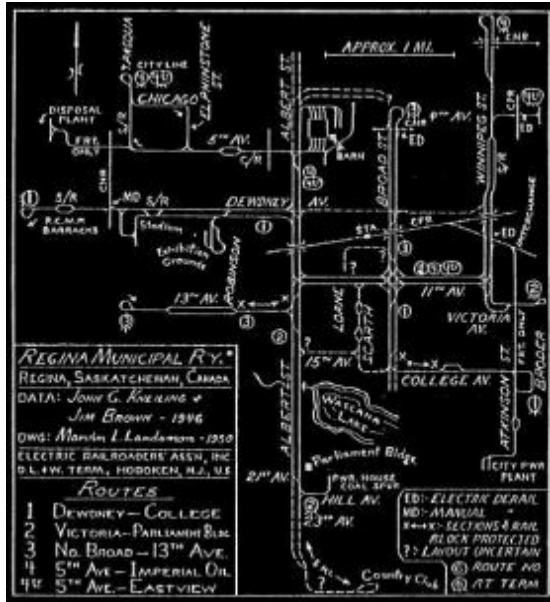
Berry Vrbanovic, President of FCM describes it this way:

"Public transit isn't a luxury; it is the key to a strong economy. Without efficient, affordable transportation, the movement of people and goods in Canada's cities will grind to a halt."

Since transit isn't efficient here, and it's treated as a luxury for the poor, Regina is missing out on economic opportunity that is yours for the taking. Transit must be thought of as an essential public service for anyone, and subsidizes workplaces by ensuring people have a means to get to employment, shopping, and recreation opportunities. People vote with their dollars, and only 4% of Regina's are voting for the current Transit system. This doesn't mean transit isn't wanted, it means its current form is not as well implemented as it could be if better funded. There's virtually no demand to leave the system as it is, I've not found or heard it from people, and there's near universal recognition that it needs more resources.

You'll be regarded as forward thinking if you assign much more money to Regina Transit than they've conservatively budgeted for. No one will seriously oppose you for a 0.1% change to the budget at this point, when it's such a win-win scenario. I also think that people who are giving Council a hard time about the RRI .45% over 10 years tax rate increase, would cut Council a lot of slack if less than a quarter of that much went toward a public service they care more about and can use every day to get to work if they choose.

In parts of downtown, you can feel the traffic grinding already, with noticeable rush hours, little available parking, and yet we're hoping to add many hundreds or thousands more people to daily downtown life. Without sufficient adoption of public transit, perhaps double or triple the present 4% using it for commuting, it's completely infeasible to expect that number of new people to drive and park downtown without wasting many hours stuck in traffic and circling for parking. This wastes a lot of gas too of course. The worst city in America for commuting, Washington DC, has drivers eating up an entire overtime work week of 65 hours, every year trying to park their cars at work. Let's not approach that sort of situation, when we can get way ahead of the problem still.



-Street car routes indicate where express routes today would make the most sense, to create a reliable, predictable transit corridor.

—

One obvious shortfall that Regina Transit cannot address without a small increase to its budget is airport bus or shuttle service. Why is there still no service to the airport? This is a huge black-mark on our city from the perspective of tourists who do not prefer cabs, cannot drive, and/or do not have family/friends picking them up. What other world class city doesn't have buses/shuttles, or even a sidewalk away from their in-town airport? There are employees who work at the airport, and surrounding businesses who deserve service too.

—

On our aging "Baby boomer" population: Do we want every 85-year-old driver to feel they can't rely on public transit to replace their car, should their eyesight fail?

On the subject of health, people who use transit often are more likely to lose unwanted weight. I encouraged some people from RQHR to present tonight, but they preferred to provide their input through Design Regina and the Transportation Master Plan which they obviously hope you're keeping tabs on so you know what sort of transit system people are already asking for, and our health system requires.

Still talking health, why has the RQHR started its own shuttle service in our city, for its employees? Has it given up on Regina Transit to provide efficient transportation service within Regina so that parking and staff trips are feasible? It would appear that provincial tax money allocated to healthcare may be going into busing doctors and staff in Regina, instead of toward staff and equipment to reduce wait times. Perhaps an arrangement with the province could be reached so that money goes to Regina Transit and Para-transit instead so the public can benefit more directly from this additional bus service too. The City of Regina is leaving it to RQHR to reinvent the wheel.

—

I hope you'll allow me to demonstrate TransitLive for you, while using my smart phone, or your iPad. You'll see why heated shelters are required at major transfer points, since a smart phone can't work as quickly as posted stop times, and it can't keep your hands warm while you're already outside looking for a bus.

From your iPad, go to <http://www.transitlive.com> and attempt to identify the stop time for the next bus that will take you home. If you find this task inconvenient or even impossible, please consider this is how people using the bus tend to feel if they don't have a current paper schedule with them or posted on the bus stop.

—

In summary, we need more express routes, more late evening service, a bus to the airport, and on the related Para-transit issue it's unacceptable for 2000 ride requests a month to be missed and that grossly unjust stat should be corrected by at least half by the end of this year.

Thank you for your time. I welcome questions, including ones about my petition effort to help you gauge support for some of the services requested in my presentation.

—

Some facts, using numbers taken from media reports about the budget:

$\$28.5\text{M transit budget} / \$566\text{M total budget} = 5\%$

$27 \text{ new buses at } \$500,000/\text{bus} = \$13.5\text{M}$

$\$13.5\text{M new buses} / \$566\text{M} = 2.4\% / \text{10years} = 0.24\%/\text{year (not compounding) increase.}$

$\$5\text{M operational increase} / \$566\text{M} = 0.88\%$  one time operational increase to manage all new bus service. If paid for over 10years that's a staggeringly small adjustment to the tax rate of  $0.09\%/\text{year (not compounding) increase.}$

SOURCES: <http://www.newstalk650.com/story/transit-changes-needed-meet-city-regina-expectations>

<http://www.leaderpost.com/news/regina/Regina+residents+transit+grievances+shift+into+higher+gear/7923395/story.html>

<http://www.cbc.ca/news/canada/saskatchewan/story/2013/01/15/sk-stadium-taxes-130115.html>

<http://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2012.300912>

[http://www.npr.org/blogs/health/2010/06/30/128210165/riders\\_who\\_take\\_mass\\_transit\\_regularly\\_may\\_lose\\_weight](http://www.npr.org/blogs/health/2010/06/30/128210165/riders_who_take_mass_transit_regularly_may_lose_weight)

[http://www.rqhealth.ca/inside/publications/elink/pdf\\_files/elink\\_24jan13.pdf200234558](http://www.rqhealth.ca/inside/publications/elink/pdf_files/elink_24jan13.pdf200234558)

Dear Mayor and Council,

My name is John Bishop. I am here today to ask for two items:

- 1) Increase the amount of paratransit service in this city, and
- 2) Increase the snow removal in our residential areas of this city.

I have been using the paratransit service of this city for one reason:

- 1) I am incapable of using an automobile because of my illness, muscular dystrophy. I also need the use of a scooter or in some limited cases, walking assistance.

In recent years, I have been increasingly able to use the low-floor regular transit service but this does not necessarily replace that of the paratransit. The use of the regular transit service also has some limitations. Each has problems and I will let you know of some of these problems tonight. Firstly, I will talk of the paratransit service.

You should be aware of the lack of service of this city to fulfill the basic needs of our citizens. There are over 800 denied service calls each month. Even with the regular transit service availability and other limited options that each of us has available to us, the basics of mobility in this city are being denied me and others every day. Recently, I had to replace or repair the charger for my scooter. Without the charger, I would be almost unable to get out of my home. As the scooter is my most trusted mobility device, I needed to get to Automobility Medical in a timely manner. I called paratransit three times and could not get any service during office hours. As the sidewalks had the potential for me not getting there alone, I was lucky that a friend was able to go with me and get me unstuck a number of times along the short 1.7 kilometre (13 block) trip. On my way home, I went back a different way hoping the problems I ran into going would not happen going home a different route. I was mistaken as I found more obstacles and more locations where I got stuck.

In addition to the lack of paratransit and transit service, the lack of snow removal on our streets and sidewalks stops me from getting to those same services or those locations that I wish to go to every day. One of the routes I had available to me to get to and from home was the south side of 11th Avenue from Broad Street to Winnipeg Street. Up until recently, this sidewalk was available even though most of the sidewalks were not being cleaned. It was available because the snow on those sidewalks had been packed down so that my scooter could travel over the snow. But recently, a couple of businesses followed the snow removal bylaw and cleared the snow in front of their stores down to the concrete. Now there is a 4 inch drop in elevation on each side of those stores stopping me from travelling down those sidewalks because my scooter cannot jump those types of drops or elevations without a ramp. A few other locations also create problems as many of the curb cuts to accommodate my scooter are now full of snow where the sidewalks behind them are cleared. With the fluctuations of temperatures, even a few inches of loose snow can make it impossible to continue on those sidewalks. Many bus stops for regular transit do not have a clear path from the sidewalk to the edge of the curb so that I can access the low floor transit buses. Many businesses push the sidewalk snow to the edge of the curb or the graders on the streets place the snow on the edge of the curbs eliminating my access to the edge of the

curb and therefore the transit buses. Some of my friends who also use scooters are obligated to go down the middle of the street as they are not able to get up onto or along sidewalks.

These problems are examples of what I am dealing with every day. Every day I cannot get out. Every day I cannot go to community meetings that I wish to attend. Every day I may not be able to get groceries or go to medical appointments. Every day I cannot get services available to everyone else in this city. Every day my quality of life is diminished because the basics of mobility are refused to me and others in this city. And my inability to have basic mobility is by any means the worst. There are others that have more problems and more limitations to their lives.

On November 30, the Chief Commissioner of the Saskatchewan Human Rights Commission, Mr. David Arnot said, and I quote

"People relayed highly personal accounts about how transportation inaccessibility, capacity, and timeliness issues create real and significant barriers for people with disabilities. To go to work, to be social, and to engage in all of the opportunities in our community requires ready access to public transportation." The Commissioner further said, "The [Saskatchewan Human Rights Commission] SHRC is committed to working with stakeholder groups to resolve systemic barriers to accessible transportation for persons with disabilities in Saskatchewan."

I know that Mr. Arnot met with the Mayor of Regina prior to December 3rd. I had hoped that there would be some accommodations or work planned in this budget and in years ahead to eliminate these systemic barriers faced by the people in this city every day.

I am therefore requesting today the following:

- 1) That the City of Regina Paratransit Services be increased year on year for at least 5 years to reduce or if possible eliminate the backlog of access denials seen today. And that if 5 years does not deal significantly with the problem, that a second five year term be implemented.
- 2) That the City of Regina implement an augmented winter road maintenance program so that all sidewalks along priority 1, 2 and 3 streets be cleared by the City of Regina to the same level as the streets to either the sidewalk or to a 10 centimetre flat base.

Thank you for the opportunity to address you today and I am open to questions from Council.

John Bishop

# 2013 Budget Submission

CUPE Local 21 Presentation to  
City of Regina Council  
January 28, 2013



## **INTRODUCTION**

CUPE Local 21 represents about 1300 permanent and casual employees of the City of Regina. Although our local has made presentations before council many times in the past, there are a number of new people on Council, so I will briefly outline the kind of services our members provide.

CUPE Local 21 members provide important front line services to the citizens of Regina in the areas of public works, parks and recreation and community services.

Our members maintain and repair sewer and water lines, collect garbage and upkeep the landfill site. We maintain and repair city streets, alleys, sidewalks and boulevards. We keep Regina's parks and green spaces beautiful. Local 21 members also operate the sewage treatment plant.

We are dedicated employees and proud of the services we provide. We know that our work helps make the city a good place to live, raise a family and enjoy a wide range of recreational services. We believe that public services make a difference to our citizen's quality of life.

Sometimes people do not realize how much they take public services for granted or rely on them until they are no longer there. We don't want that to happen.

We are here tonight to speak about the importance of maintaining public services.

## **The 2013 budget**

The budget before you proposes a substantial property tax increase and further capital expenditures for water and wastewater treatment plant upgrades.

Our union is not opposed to tax increases as we understand the many infrastructure pressures facing the city. But Council has a responsibility to ensure that tax increases are fair, that public services to citizens are maintained in an equitable manner, and that spending decisions do not create a heavy debt burden for future generations.

This budget and past spending decisions of Council raise many concerns about Regina's long term financial stability and a lack of commitment to public services.

I will briefly outline some of those concerns.

## **Recreational services**

Several years ago the City of Regina developed a Recreation Facility Strategy that would have closed four indoor rinks and two inner city outdoor pools. After public pressure mounted, those recommendations were shelved, at least temporarily.

We are surprised to see that the proposal to close up to two of the city's five outdoor pools - which could include Maple Leaf and Dewdney outdoor pools - has come back in this budget. You are also seriously considering closing a large number of outdoor tennis courts.

Maple Leaf and Dewdney pools serve low-income, inner-city neighbourhoods. They provide relief from the summer heat and enjoyable recreation for children who may not have access to other recreational activities. The proposal to bus children to an upgraded outdoor pool in Wascana Park does not address the issue of accessibility. Not only are the inner-city pools physically more accessible to children in those neighbourhoods, but they have free admission, unlike Wascana pool which only has one hour of a free swim in the evening.

Our union is not opposed to investing in a new or refurbished Wascana Pool, but this should not require the closing of any other City of Regina pools, whether it is Maple Leaf, Dewdney, Regent or Massey pools.

We urge Council to reject the proposal to close or "decommission" any outdoor pools or tennis courts. The cost to operate and refurbish these facilities pales in comparison to the hundreds of millions of dollars the city is preparing to commit to the construction and operation of a new stadium. Surely, local recreational facilities that are used by thousands of residents, children, must not suffer as a result of the City Council's pending decision to push ahead with a new football stadium.

## **The new Waste Water Treatment Plant**

Since 2008, the City has increased water utility charges to residents by 9% per year. The increased revenues were to help pay for upgrades to the water treatment plant and construction of a new waste water treatment plant. The waste water treatment plant is expected to cost over \$200 million.

There are many disturbing signs that the city wants to privatize the new waste water treatment plant. Last March, council amended its purchasing policy bylaw to add public private partnerships as a possible way to deliver new infrastructure.

We were told not to worry and that it was just another “tool in the toolbox”.

Then in June, Council received a report from its administration claiming that the waste water treatment plant was large and complex and could not be delivered through traditional financing. At the June 11, 2012 City Council meeting, CUPE Local 21 urged the City of Regina not to apply to P3 Canada Fund to help finance a new waste water treatment plant. We argued that, given the disastrous experiences other municipalities have had with P3 sewage treatment plants, the City of Regina would be better off without these federal funds, given the very large strings that came along with them. Nonetheless, City Council voted unanimously to apply to the P3 Canada Fund. A number of councillors stated that if the City’s application was approved, it wouldn’t necessarily commit the city to go forward with the P3 model.

In December, we learned that citizens of Regina were being polled on whether or not they supported a privately-owned and operated waste water treatment plant.

As previously noted, our union has made several presentations to Council outlining the numerous risks of public private partnerships or P3s. The experience in many other municipalities is that P3s cost more, they do not transfer risk to the private sector, they do not deliver capital projects on time and on budget, and they undermine democratic oversight and accountability. In 2004, Hamilton City Council voted to take back the operation and maintenance of its water and wastewater treatment plants after the private company failed to deliver. This P3 was marred by secrecy, deep staff cuts and spilled sewage which the company refused to pay for clean-up costs.

We are alarmed that the City appears to be proceeding on a P3 wastewater treatment plan when other municipalities are rejecting this approach.

In 2011, a plan to build a water treatment plant in Abbotsford through a P3 was defeated in a referendum by 74 percent of residents. The mayor a strong proponent of P3s was also defeated in the election.

The Council of the Resort Municipality of Whistler also recently voted against using a P3 to upgrade its wastewater treatment plant.

A recent poll conducted last month shows that over 64 percent of Saskatchewan residents think it’s better for a city to build and operate public infrastructure itself. Only 26 percent supported the P3 approach.

## **Need for public disclosure and accountability**

The City of Regina should immediately release its business case for the wastewater treatment plant and publicly disclose its plans.

This budget is asking for a significant tax increase and citizens need to know how their tax dollars will be spent and whether or not Council is planning to privatize the construction and operation of the water and wastewater treatment plants.

Water and wastewater is integral to our lives and the public overwhelmingly wants water services to be delivered publicly.

CS/tlg.cope491

Mr. Mayor and Council,

My name is Jim Elliott.

This Council in its budget and other documents are supporting myths, myths that I see are dangerous and ultimately life threatening. Carrying on with the status quo and expecting things to change is, in my mind, considered not logical or not wise.

### Myths of Growth

This and previous budgets have been supporting a myth: Growth is equal to a larger physical footprint for Regina, more roads, more subdivisions and we can afford it. This was ably pointed out to this Council by the consultants who did the Downtown Plan. There are currently many properties in the downtown and other places that are significantly underutilized or left to simply be parking lots or empty space. Recently a property that housed 48 apartments is now being considered to be a place to store 56 automobiles. This council should be considering this a waste of good property. This ongoing support for the physical growth of the city has significant impacts on the finances of this city, increasing costs for the residents, reduces our quality of life and increasing the subsequent taxes people pay.

It is noted on pages 89-90 of the operating budget that there are increases in the budget due to footprint growth in the city amounting to some \$645,000. If for example, the expanded footprint did not happen, what would happen? Firstly, that budget increase would not happen. Those same people would live on properties now underutilized. Current infrastructure would be used more efficiently. The carbon footprint for the city would become smaller as distances for commuting would be smaller. The city would be more compact. More taxes would be received on some single use parking lots downtown, if they were developed. And there are many other costs that are built into this budget that could easily be redeployed to more valued uses.

To blindly increase the physical footprint of this city, leaving all of the costs to the next generation or next council, does not indicate to me or others that this city will be sustainable now or into the future. In fact, I see this as making the city less sustainable, not more, which is going against one of the fundamental visions for this city that this Council uses as its mantra.

Another substantive myth perpetuated by this Council is that we need more parking.

### Myths of Parking

Most vehicles currently used in this city and around the world are parked close to 95% of the time. The way we design and build roads and development forces us to maintain at least two parking spots for each vehicle in use as well as the capacity to move it around. This is not truly and effectively fulfilling the mobility needs of the residents of this city. By maintaining that demand for the automobile that doesn't match up with the current trends demanded of us if we want to stay around and have a hospitable planet into the future, it will become increasingly impossible to reduce carbon dioxide emissions or to encourage people to utilize other positive modes of mobility. So unless you push people either financially or through better choices, urban centres like Regina will not significantly reduce their transportation carbon footprint.

It is also a myth that a parking space automatically equates to the generation of economic development. What it does do is take up space in this city that could be utilized either for housing, business development, food production or needed environmental services.

Automobiles are being constantly subsidized by the taxpayers of this city and by the business community. Housing costs are between 10-15% higher because homeowners are forced to purchase and maintain a parking space whether personally or through their taxes. If that space was not there, other mobility choices would be used. Other choices could be purchasing goods on line. Other choices could be using public transit. Other choices could be moving to more durable goods requiring less often replacement.

All parking lots should be taxed equal to or at a higher rate than other commercial development, not being currently subsidized through a reduced tax rate. All parking should be charged at a rate that covers the full cost of the service it provides. That is estimated to be between \$10,000 and \$50,000 a year depending on the location of the parking space.

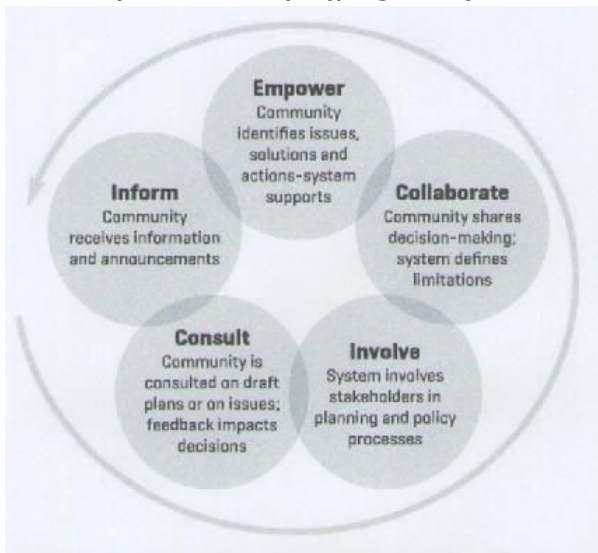
By moving people more efficiently and more effectively through active transportation, costs to the city and the province would be reduced. There would be less wear and tear on our current roads and bridges, extending their lifecycle. People would be more active, increasing their physical

activity and perhaps reducing obesity. Capital budgets would be focused on reducing the infrastructure deficit rather than throwing money at the current catch up game that will never catch up.

Besides these two more general demands for a different budget and a different focus on spending, there are some additional specific questions. Some are compatible with what I have already said. Others are simply a lack of adequate information to justify or explain the changes in spending.

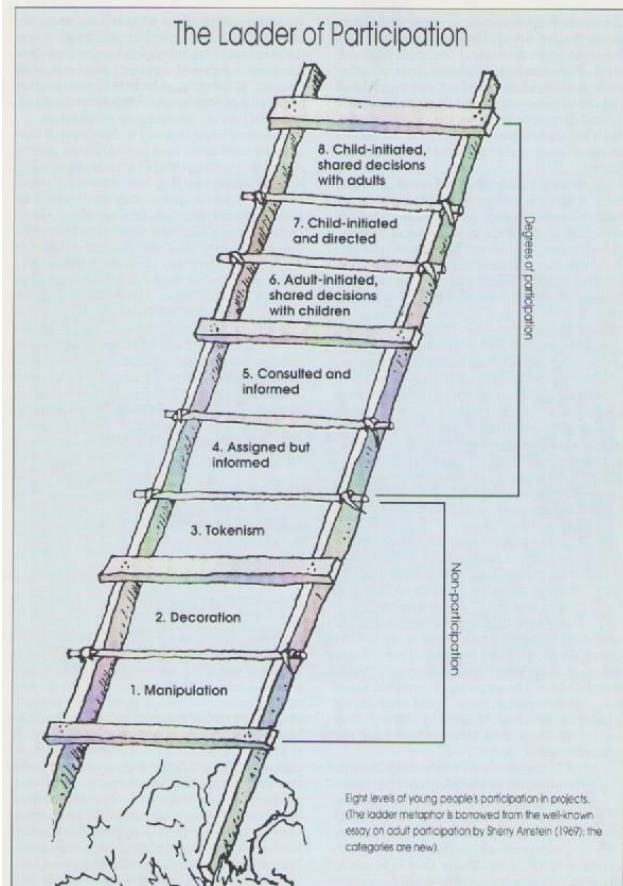
### Changes or Questions

1. There are increasing pressures put on the infrastructure and the services provided by Wascana Centre Authority by the citizens of Regina and beyond such that they are not able to maintain what is currently present. So, why is the City of Regina's Wascana Centre Authority investment going down by \$499,100 (page 59)?
2. Where is the draft Public Engagement Framework? I have tried to find it on the city website. It was identified that this has been in the works since 2009. Has there been any public discussion as to whether this is the best framework to discuss and have the public participate in the activities of the city? I reference two different types of public engagement in other publications (see below). (page 71)



1

<sup>1</sup> Gordon, Pat, ed. Leadership Series –Cool Ideas for Locally Elected Leaders, Chapter 4: Leadership Tools, Columbia Institute, Centre for Civic Governance, 2011, p. 111.



2

This Council still does not do an adequate job of engaging its citizens in the civic administration of this city. We have advisory committees that have to ask permission to even ask questions. They are not given an opportunity or the ability to review this budget or to provide input into the development of it. Most have no decision making powers at all.

3. Why is it necessary after just only finishing the City Square Plaza and spending millions of dollars on the plaza are we now having to do electrical and building maintenance and repairs among others for \$165,800 (page 89)? There are also monies in the 2013 Capital Budget for City Square Restoration \$30,000 (page 49). Why do we need to restore the city square already?

4. And where was the decision made about the placement of a fountain in the Plaza? For close to three years, there has been no mention of putting a fountain in the plaza never mind identifying that this was still in the works?

<sup>2</sup> Hart, Roger. Innocenti Essays No. 4: Children's Participation: from Tokenism to Citizenship. UNICEF, 1992, p. 9.



Why are we planning to spend additional capital of \$300,000 in 2014 (page 41)?

5. With such a positive response to the transit service being available on the 4 Statutory Holidays in 2012, what rationale was there for the city to not extend that service to the full year of statutory holidays this year (page 90)? The cost of adding the remaining 6 days would only amount to an additional \$110,850 dollars.

6. Looking at only one of the needs for more bylaw enforcement, snow removal on sidewalks, why is the Bylaw & Licensing budget going down by \$422,400 (page 113) and not going up? I have heard many times that there isn't enough manpower to do enforcement of bylaws in this city so bylaws are going unenforced.

7. We have a clear deficiency in the supply of transit services in this city both on the transit and paratransit sides of the ledger. One of the consistent responses to why we can't increase service, a visible sign of service improvement, a way to reduce our carbon footprint and to increase ridership, has been the lament that the budget has not been increased to allow for things like shortened rider times, more paratransit buses on the street and a decreased wear & tear on the roads. Why is there not an increase in the transit budget to expand the service level of transit? Why is there not an increase in paratransit service in this budget to get at the backlog of hundreds of refused calls per month? Why is the City not publicly chastising the provincial government for decreasing their provincial operating grant for paratransit?

8. Why are we not seeing an increase in the revenue coming from parking meters? There hasn't been an increase in over 4 years. It should be going up by at least \$150,000.

9. Why is the Community Investment funding going down by \$249,100 instead of going up to meet the increasing needs and the cost of inflation on all services provided with that investment (page 59)? Is it better to invest in more street sweeping and alley services or help this community to deal with the stresses of homelessness or being unskilled in this community in a "booming economy"?

10. We are currently flaring off the methane coming from our landfill. Why have we not invested in gas turbines to generate electricity and have the landfill help to pay for some of the costs of its continued operation?

11. On the capital side, how are we to have any new transit shelters when the City is only willing to spend \$25,000 per year (page 58)? I would suspect that would perhaps cover some of the repairs to the current shelters. Again, we are willing to spend twice as much on a sportsplex central kiosk feasibility plan or ten times on tennis court redevelopment, but not more for transit shelters? Is transit a priority or not?

12. The current capital budget for 2013-2017 identifies \$98,376,000 dollar shortfall from current funding. So even today, we have almost \$25 Million dollars per year more in capital construction that can't be funded. So the infrastructure deficit is increasing and that doesn't include those projects that aren't even on the projected budget list.

13. It was identified in July of 2012 that we have a \$293 Million dollar shortfall in unfunded pension and benefits liabilities last updated in 2011. We were assured by the Mayor last summer it would be resolved last fall. It is now 33 weeks later and we have not been told how that shortfall will be met or paid for or even how much it is. How much higher is the liability, \$400 Million or \$450 Million dollars?

New Stadium Funding Increases:

2012 - \$743,800

- \$2.5 Million transferred from the General Reserve

2013 - \$961,000 (page 75)

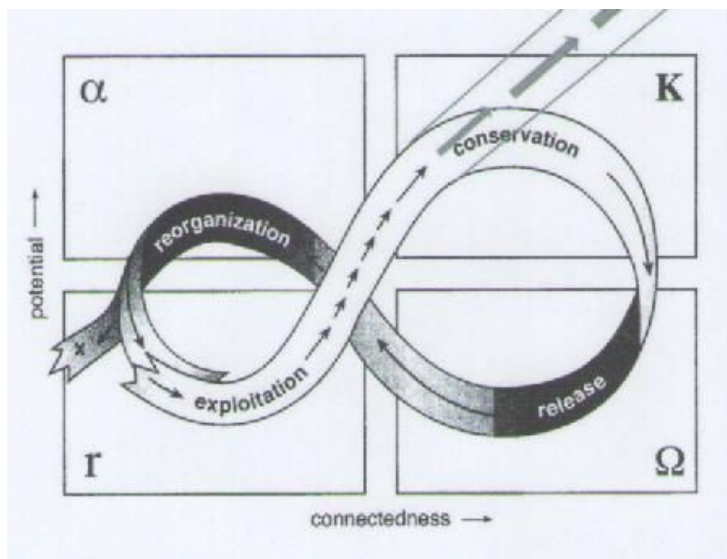
## Climate Change

In his keynote address<sup>3</sup>, Paul Kovacs, the Executive Director at the Institute for Catastrophic Loss Reduction, highlighted the role of local governments and said that “climate change is an opportunity for municipal leadership”. Echoing these sentiments, Mayor Steve Parish from the Town of Ajax said:

Local government...are uniquely positioned to adapt to the challenges of climate change. If we use the tools we have to implement policies and actions, and continue to advocate for municipal support, we can do more than any order of government to make our communities sustainable for the benefit of future generations.”

## Resiliency

Resilience is a measure of “the capacity of a system to withstand disturbance while still retaining its fundamental structure, function and internal feedbacks.”<sup>4</sup>



Well, who can argue against that? We all hope that human society is sufficiently resilient to cope with any shocks that might be tossed at it. If we can withstand a disturbance, we will be able to continue indefinitely within

<sup>3</sup> ICLEI, Livable Cities Forum: Creating Adaptive and Resilient Communities, November 29-30, 2012, Hamilton, ON, page 4.

<sup>4</sup> Walker, B. and D. Salt. Resilience Thinking: Sustaining Ecosystems and People in a Changing World. Island Press, Washington, 2006.

<sup>5</sup> Gordon, Pat, ed. Leadership Series - Going for Green Volume 5: Cool Ideas for Locally Elected Leaders, Columbia Institute, Centre for Civic Governance, 2011, p. 13.

the existing set up. Since disturbance, or change, is inevitable, people generally think of resilience in a positive light.

Resilience thinking accepts that:

- The human enterprise is structurally and functionally inseparable from nature. We are a fully embedded subsystem of the ecosphere.
- We belong to linked/integrated socio-ecosystems, complex adaptive systems that are constantly changing.
- The sustainability of the human enterprise on a crowded and resource-stressed planet depends on our ability to conserve the resilience of socio-ecological systems.
- Resource management efforts must shift from reshaping nature to satisfy human demands to moderating human demands.

As noted at the outset, there is an ironic downside to resilience. Human inventiveness, creativity, ability to adapt—our resilience in the face of change—has meant that we have been able to extend the growth and conservation phase of our adaptive cycle. In other words, as challenges have surfaced, we have managed in the conservation phase to invent new solutions to maintain the system.

Whenever a population grows beyond carrying capacity the environment is degraded. Think about climate change, ozone depletion, rising sea levels, deforestation, collapse of fisheries, land degradation, etc. This is all the result of uneconomic growth, growth that makes us poorer, not richer.

What we may have done is gone off on the path to oblivion without knowing that we are still not on the path to conservation and release in the diagram above.

Unless we can reconcile economic growth with unprecedented rates of decarbonization, in excess of 6% per year, proper preparation will require a planned economic recession.

We need to restructure our socio-ecosystems for collective resilience.

We need to abandon the myth of continuous economic growth and reorganize on a manageable scale. This means creating socioeconomic planning regions, partially returning to a localized economy, and maintaining the integrity of the natural system within each region. We need to invest in multiple redundant energy systems with an emphasis on sustainable renewable forms.

We need to intervene to create more efficient markets.

We need to end perverse subsidies, such as those to the fossil fuel sector, and acknowledge that most goods are underpriced and therefore over-consumed. We must:

- Recognize that government intervention to correct for gross market failure, such as climate change, is necessary and legitimate.
- Internalize ecological and social externalities, such as pollution and social damage from development. Among other things, a sustainable society will insist on full-cost pricing of goods and services.
- Initiate ecological fiscal reform: tax the bads, not the goods. Implement a combination of pollution charges/taxes (e.g., carbon tax) and import tariffs as necessary. Support World Trade Organization reform.
- Consider a negative income tax to assist low-income families through the transition.

## TINA vs. LOIS

The starting place for invigorating our communities is the understanding that there is a gigantic wrestling bout going on between two archetypes of capitalism: TINA and LOIS.

## TINA

TINA comes from Margaret Thatcher's invocation, "There Is No Alternative to global economy!" Economic development departments around the world have embraced TINA with three big strategies:

- Attract Toyotas to your back yard.
- Export your goods as far and wide as possible, because exports are the only way you can get "real" wealth into your community.
- Reassure all the local businesses that all of this is in their interest.

It's interesting to me that the words that come up repeatedly in economic development are "attract" and "retain." What's weird about this is that you cannot attract local business. That's an oxymoron. And if the only way you can retain a local business is by bribing it not to seek, say, one more percentage point of return in China, how local is that business really? The entire focus of economic development has become non-local business.

We can now empirically prove that this is the case in the United States. In a four-year study for the Kellogg Foundation where they looked at the three largest economic development programs in 15 states, 46 programs in all. They found that 80% of these programs were spending most of their money on non-local business and that around 30% of these programs were spending 90% of their money on non-local business. This turns out to be the worst way of doing economic development.

## LOIS

The alternative to TINA is LOIS, as argued by the late, great Canadian Jane Jacobs, urban economist and intellectual godmother of many of the ideas I'm talking about. The LOIS perspective emphasizes:

LO = Locally Owned Business, meaning the majority control is in the community where the business operates, and

IS = Import-Substituting Development, an economists' term for self-reliance.

### Why embrace LOIS?

Let's talk about why LOIS is a better idea than TINA. There have been studies done in at least two dozen places around the world comparing local businesses and non-local businesses of similar types. In the United States these studies all show that the same amount of consumer spending generates between two and four times as many jobs in a local business than in a non-local business.

Why do we get these results? Because the local businesses spend their money locally, and when they spend locally it multiplies in the economy. I should also point out that there's not a single study that shows the opposite. Don't take my word for this. To quote the Harvard Business Review summer issue 2010, "More small firms means more jobs. Cities relying on a few large non-local businesses have slower subsequent job growth than cities with an abundance of small firms."

February 19, 2013

Re: 2013 City of Regina Operating Budget

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 this evening on behalf of the 1245 members of our business organization to provide you with some perspectives on the proposed 2013 operating budget.

Regina is quickly becoming one of Canada's most vibrant, inclusive, attractive and sustainable cities.

It is a place where people generally do live in harmony.

It is a place where most people do thrive in opportunity.

In many respects we are the envy of the nation.

Your worship we should be proud of the accomplishments that have been made over the years, and yes, we should celebrate our many successes.

Now before we get accused of looking through rose coloured glasses, we recognize that there are still challenges in our community that we must address including the supply of housing, and poverty related issues as well as the reality that not everyone has benefited from our success.

However, the point we are trying to make is that there are many positives for us to build upon now, and into the future.



In preparation for the City Budget we asked our members for their views on the City Budget.

For clarity purposes we sent the email to 2,113 contacts which lead to 139 bounce backs, 79 out of the office replies, 496 ‘opens’, 197click throughs and ultimately 139 responses.

We asked the following question:

Regina City Council will be considering the proposed 2013 City Operating Budget which proposes a 4.45% mill rate increase. In total City Operating Expenditures are increasing by 8.6% or \$27 million.

A breakdown of the increase is as follows:

- ◆ \$4.8 million, Increase to Salaries & Benefits
- ◆ \$2.9 million, Increase in Operating Expenditure Changes
- ◆ \$3.1 million, Increase due to Uncontrollable Price Increases
- ◆ \$2.6 million, One time and Ongoing Increases (net)
- ◆ \$3.2 million, Waste Plan Regina Implementation
- ◆ \$5.7 million, Increase to Capital Funding
- ◆ \$1.4 million, Increase in the Transfers to Reserves
- ◆ \$3.5 million, Increase in the Regina Police Budget

We asked - Please choose one of the following options or provide an other comment regarding the proposed mill rate increase.

|  |     |
|--|-----|
| The #1 response<br>I support an increase but at a lower rate   | 27% |
| #2<br>I support a combination of an increase in the mill rate with some cuts to programs and or services | 24% |
| #3<br>I support the proposed mill rate increase  | 18% |
| #4<br>I support cuts to programs and or services to balance the budget                                   | 17% |
| #5<br>I support a higher mill rate increase  | 8%  |

The predominate view from the survey is that an increase is supported with the key question being how much.

When the City initially released the 2013 budget we expressed concern about the rate of expenditure increase at 8.6%. Our concern is based on the benchmark we have been using for many years to measure expenditure increases - inflation plus growth.

If we looked at Regina's GDP growth based on a number of forecasts we are in the range of 2.8% and looking at CPI according to Statistics Canada we get a rate of 1.8%. Combined we are in the range of 4.6%.

If we took our benchmark and compared it to last year's budget it would equate to an expenditure increase of \$14.4 million as compared to the \$27 million that is being proposed.

Over the past number of years a number of references have been made to the reality that city expenditures raise at a different rate than consumers which lead to the Municipal Price Indicator, or MPI.

The budget documents indicate MPI would be 4%. If we take MPI and add GDP it would equate to an increase of 6.8% or \$21.3 million as compared to 8.6% or \$27million as proposed in the budget.

Your worship we have come a very long way over the years in these budget discussions. A decade ago the entire discussion essentially surrounded the concept of how to achieve a zero percent mill rate increase, year after year.

On many occasions we debated the merits of purchasing one new transit bus let alone the 8 transit and 6 Paratransit buses that are being proposed in this budget.

The point here is that we agree striving for zero percent mill rates in a growing economy is not realistic. However at the same time our view is that city operations should not be growing faster than the community which is why we support CPI plus growth or even MPI plus growth as the benchmark.

2013 is a reassessment year which in and by itself creates significant shifts within all classes of property. If past reassessments provide any indication we will see some properties face very high increases on a percentage bases and some on a monetary basis and still further some will face both.

On the decrease side we will also see significant decreases percentage wise as well as on a dollar basis. In a nutshell reassessments create instability particularly because of the reality that the base dates and cycles are so far apart.

In addition to 2013 being a reassessment year the government of Saskatchewan has already announced that it will not be using the tiered methodology to determine education taxes for commercial properties.

At this point in time we do not have any idea what the impact will be from the elimination of the tiers other than some educated guesses. Once the provincial budget has been released we will be able to determine what the impacts will be.

Reassessment, elimination of the education tiers, the proposed mill rate increase, and uncertainty on whether the provincial property tax will be revenue neutral is creating some instability in the business community.

While assessed values, mill rates, mill rate factors, tiers and a range of other related assessment issues are important issues for our organization to review, reflect and comment on there is one issue that stands far apart when dealing with property tax – business tax.



This budget contains a number of references to business tax which to the vast majority of business people in this city who fought tooth and nail for the elimination of the business tax back in the 1990s is a major area of concern. I want to be very, very clear here on behalf of Regina's oldest and largest business organization: We do not now, nor will we ever support the reimplementation of a business tax in Regina.

While some may argue that businesses do not pay their fair share, we would argue that the opposite is true – non-residential rate payers now pay over double the amount of taxes per dollar of value.

In fact according to the Canada West Foundation's report A Tax Framework for Saskatchewan's Continuing Prosperity the authors' state:

The effective rate of tax paid by owners of non-residential properties is much higher than the effective rate of tax paid by owners of residential properties. The purpose of (the recommendation in the report) is to reduce the size of the differential to 1.43, which would equalize the effective rate of tax as businesses can deduct property taxes from their personal and corporate income tax liability.

Your worship, the issue of infrastructure is near and dear to our organization. We fully support the ideal that as a nation we need a long term sustainable infrastructure program. In fact we believe this should be one of the top priorities for senior levels of government, and in particular the federal government.

While we understand that the city of Regina has virtually no other revenue options other than property tax to fund existing street infrastructure renewal, we are somewhat annoyed that we are being asked to pay twice, actually more than twice for the same infrastructure given the reality that we are all paying very significant dollars through fuel taxes which for the most part do not come back to this community in the form of infrastructure renewal.

Now before we get too far down this road we do appreciate that there are funds for infrastructure that are coming back to the city from both provincial and federal coffers; however, the point here is that far more is generated here than is returned.

Your worship, strategic infrastructure investments are vital to the long term health and vitality of this community. In fact according to the Canada West Foundation's At the intersection - The case for Sustained and Strategic Public Infrastructure Investment, and I quote:

The conclusions from decades of economic research are very clear: strategic public infrastructure investments increase productivity, which is critical to future economic growth.

Thank you, if I can answer any questions, I would be happy to answer them now.

John Hopkins

Chief Executive Officer

Regina & District Chamber of Commerce

Good evening your worship, city councillors, and city staff. My name is Colin Stewart. I am here representing myself, and would like to address you regarding the 2013 operating budget. Before I begin, I'd like to thank you for hearing my presentation, even though it was submitted past the deadline.

Let me say, first of all, that I understand providing services costs more this year than it did last year. That being the case, I have no issue whatsoever with a 4.5% increase in my property taxes.

There are a couple of areas where I would like to see some changes, and I hope you would be willing to amend the budget so that these changes can be made.

The first budget item I would like to see changed is the snow removal budget. I admit that I don't know how much what I'm asking for would cost. However, I, and many Reginaans who have posted this winter on the city's facebook page, would like to see our snow removal enhanced. We would like to see residential streets ploughed more frequently, and we would also like to see windrows removed from all streets. Many people are frustrated by the fact that their street gets ploughed, and then they have to shovel the windrow away from the front of their house so that they can park their cars. Many of them have posted that they have had to clear the windrow away repeatedly, and they are asking that snow not be left where they have been trying to keep a space clean so they can park. This winter has been a tough winter for snow removal. I'm sure most people understand that, but they are still commenting on the number of residential streets that are downright dangerous, or next to impassable. It seems they expect their residential street to be ploughed every time it snows. I wonder, would you be willing to investigate what such a level of service would cost, and then increasing the budget to allow for more frequent ploughing of residential streets, and removal of windrows on all ploughed streets?

The second area of concern that I have is with the police budget. North Central continues to be a dangerous place to live. When my wife and I moved there in 2006, we felt safe walking after dark, as long as we stayed on the south side of Dewdney. I felt safe leaving my car running while I went to open the garage. Seven years later, we are constantly looking over our shoulders. Last summer, one of our dogs was attacked walking with my wife to Seven Eleven. My truck has been vandalized six times in the last eight months. We have witnessed the aftermath of a number of violent attacks within a block of our house. Last summer has been the worst summer for violent crime since we have lived in our house. My second request is that you increase the police budget so that the Regina Police Service can have a more visible presence in North Central Regina. If we cannot place more uniformed officers on the street, there are other ways that I would be happy to discuss with you to form a visible presence in North Central that would help residents to feel safe.

Thank you again for accepting my late submission. I welcome any questions you may have for me.

12 February 2013

His Worship Mayor Michael Fougere  
and Members of City Council  
City of Regina  
PO Box 1790  
Regina, SK, S4P 3C8  
[clerks@regina.ca](mailto:clerks@regina.ca)

Dear Mayor Fougere and City Councillors:

The City of Regina is developing a new Transportation Master Plan (TMP) that will facilitate its growth into a city that offers year-round integrated, sustainable and affordable transportation choices for all citizens. As the city's population grows, providing transportation alternatives becomes more urgent.

Multi-use pathways (MUPs) and on-street bikeways are the primary cycling facilities within the city. By combining these facilities with manageable commute distances and bike racks on Regina Transit buses, Regina is in a position to have a multi-modal transportation network serving all areas of the city. However, given that no new on-street cycling facilities are being constructed in 2013, we ask that the City consider **improving the connectivity and efficiency of the existing network for the nearly 4,000<sup>1</sup> citizens who depend on these facilities daily** until the TMP has been finalized.

Specifically, **we urge Council to reallocate a portion of capital funds for select spot improvements and a portion of operating funds for enhanced maintenance of the current cycling infrastructure.** This reallocation request is to avoid increasing the mill rate.

Cycling is a healthy, convenient and inexpensive way to travel. Funding the capital program for spot improvements of existing assets is a positive step towards a safe and integrated network that will encourage more cycling and reduce reliance on other modes of transportation. If capital funding is allocated, we recommend making priorities of the following items:

- necessary curb cuts
- bike racks at major cycling and transit commuter destinations
- more signage for on-street bike routes and at critical points of conflict

To facilitate identification of key locations, Bike Regina can provide the City with a crowdsourced list from our member user assessments.

Likewise, allocating funds from the operational budget will ensure that existing infrastructure is maintained to permit year-round access while encouraging use by new cyclists. If operational

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<sup>1</sup> 2009 Origin-Destination Travel Survey, City of Regina

funding is allocated, we recommend making priorities of the following items:

- establish a line of communication between all relevant business units, such as Parks, Wascana Centre and Roads, to ensure that on-street and off-street cycling facility design, construction, and maintenance is effectively and holistically managed
- develop a higher level of maintenance through regular gravel-sweeping and curb-to-curb snow removal and ice control along the MUPs and on-street cycling and bus routes within high cycling commuter destinations such as the University of Regina and the Central Business District.<sup>2</sup>
- promote the benefits of cycling during Commuter Challenge week
- identify a point of contact within the City of Regina with whom cycling topics and issues can be discussed.

These steps will begin to address the vision outlined by Design Regina to enhance the existing transportation system focusing specifically on the community priority of creating and promoting better active transportation options. Thank you for your consideration.

Yours Respectfully,



for: Cate Hydeman, Director, Bike Regina

Freddy Vandelinden, Owner, Dutch Cycle

Dane Stennes, Co-Owner, Western Cycle Source for Sports

Kris Abrahamson, President, Offroad Syndicate Mountain Bike Club

Naomi Beingessner, Executive Director, Regina Public Research Interest Group

Jason Christbason, President, Regina Cycle Club

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<sup>2</sup> A formal request to have all on-street cycling routes be classified as Priority 1 for snow removal will be made during the spring stakeholder review of the winter maintenance program.





CANADIAN FEDERATION  
OF INDEPENDENT BUSINESS.

101-2400 College Ave  
Regina, SK S4P 1C8

February 14, 2013

**Re: City of Regina's Proposed 2013 Operating Budget**

Dear Mayor Fougere and Councillors:

On behalf of the Canadian Federation of Independent Business (CFIB) and our Regina members, we would like to once again provide you with our members' views and concerns on the City of Regina's proposed 2013 Operating Budget.

As you know, CFIB's recent report: *Communities in Boom: Canada's Top Entrepreneurial Cities* -ranks the most entrepreneurial cities with population greater than 25,000. Besides measuring core statistics such as business start-ups and self-employment, these rankings also incorporate direct measures of business climate- namely the actual perspectives of a community's business owners. Five of the top 10 jurisdictions were located in Saskatchewan. Saskatoon ranked #2, Regina ranked #3, Moose Jaw ranked #4, Lloydminster ranked #5, and Prince Albert ranked #7. We are concerned another year of tax hikes could further jeopardize Regina's ranking for 2013.

In our January 17, 2013 correspondence, we provided Council with a copy of CFIB's latest research report, *WANIED: Property Tax Fairness*, which is the fifth in a series of CFIB reports on municipal property taxes in Saskatchewan. The report provides a summary of the municipal tax gap and total tax gap for 63 municipalities across Saskatchewan. As you know, the property tax gap measures the difference between commercial and residential tax rates applied to commercial and residential properties of the same value. While we recognize the City of Regina fares reasonably well among Saskatchewan's largest cities with a tax gap of 1.95, being competitive is a moving target. We believe this report is very timely and we hope you find it helpful as you work to finalize the City of Regina's 2013 Operating Budget in the coming days.

Since Regina small business owners currently pay 1.95 times the property taxes of residential property owners, our members are concerned that the City is considering another property tax hike for 2013 of 4.45 per cent. This is especially concerning given that there was already a 3.9 per cent increase in 2012. It is our understanding that City Administration is proposing operating expenditures of \$339.5 million, an increase of \$26.9 million or 8.6 per cent over 2012. This is simply unsustainable. If approved, this means property taxes are due to go up 8.35 per cent and operational spending is due to go up a staggering 17.5 per cent over the last two years. This increase in spending is well above inflation and population growth. As Premier Wall stated at the 2013 Saskatchewan Urban Municipalities Association convention, the province will have to find savings internally in order to balance its 2013 budget, and suggests that municipal governments should be doing the same.

As stated in previous pre-budget submissions, we are also very concerned that the City of Regina's property tax hikes eat into provincial education property tax relief. While the Province of Saskatchewan has taken important steps toward reforming education financing, we worry those education property tax savings delivered in recent years are quickly being eroded by Saskatchewan municipalities introducing property tax hikes.



In 2012-13, the Government of Saskatchewan committed one full point of the Provincial Sales Tax (PST) or \$237.4 million, up from \$216.8 million in 2011-12 to municipalities through the Municipal Operating Grant (MOG). This is an increase of 87 per cent from 2007-2008 levels. As Saskatchewan's economy grows, so too will the revenue share to municipalities. In fact, as stated in the City of Regina's operating budget, the City will receive a record \$40.8 million from the Government of Saskatchewan in 2013, up by \$4.2 million in 2012. This is up from \$15.7 million in 2007-08, or 160 per cent more. A CFIB survey found 83 per cent of Saskatchewan business owners said given the additional revenue, municipalities should avoid a property tax hike. It is evident that business owners have no appetite to take another hit when the province has provided long-term, sustainable and predictable revenue sharing to municipalities.

Regina business owners have a strong interest in the finances of their City and the budgeting process that is used to govern their resources. They acknowledge the difficulties civic leaders have in balancing a number of often conflicting demands and objectives. However, small business owners work hard to live within their means and count on their City Councils to do the same as they work to finalize their budgets. We read with interest the one section of the proposed budget which outlined the option to decrease expenditures, but was promptly dismissed as an unlikely exercise. CFIB believes this is short-sighted and will continue to identify and support a number of options which the City could adopt to ensure sustainable spending and reduce its overall expenditures. We therefore recommend the City of Regina consider the following small business recommendations to further contain costs and ensure sustainable spending:

1. Limit year-over-year spending growth to a maximum of inflation plus population growth and ensure the funds from the Province's Municipal Operating Grant are used prudently. CFIB believes the proposed 8.6 per cent increase in operational spending is unsustainable.
2. Continue to review current programs and services with the objective to identify programs and service areas that can be eliminated, streamlined, contracted out to the private sector, or sold. CFIB commends the City of Regina for identifying \$8.6 million in savings through the Core Services Review since 2005. We believe the City of Regina should focus on delivering core services (roads, sewers) and continue to look for ways to deliver these services more efficiently and effectively. The potential to pursue alternative service delivery should be more attainable as a result of the proposed changes to the Saskatchewan Employment Act. We are concerned this is not factored into the budget discussions as it could provide significant cost savings to Regina taxpayers. The City of Winnipeg is learning very quickly that Alternate Service Delivery is saving taxpayers a lot of money through increased and managed competition for the provision of city services. We encourage the City of Regina to follow this lead.
3. Address the unfunded pension liability. As the operating budget identifies, the City has significant unfunded liabilities for pension and benefit plans. CFIB remains very concerned that the plan's deficit has ballooned since 2010. In a April 28, 2011 letter to Council, CFIB encouraged Council to support the recommendations in the report on the Regina Civic Employees' Superannuation and Benefits Plan that proposes the following benefit changes for existing Plan members for future service:
  - Removing guaranteed cost of living adjustments and moving to an "ad hoc" system;
  - Lengthening the average period for determining final average earnings to five years from the current three years;

- Removing the current "Bridge" benefit as of the date of Plan conversion/closure;
- Revise the current 80-point *rule* to an 85-point rule; and
- Eliminate overtime from the calculation of pensionable earnings.

Although these changes in the Plan will be positive for taxpayers and the sustainability of the pension plan, they may well still be insufficient depending on future performance of investments and valuations. They are, however, very much a step in the right direction.

We urge Council to hold firm in addressing Regina's Civic Pension Plan and the unfunded liabilities.

4. Introduce a plan to reduce the size and cost of the municipal civil service (primarily through attrition). It is important to remind Council that the 2010 Saskatchewan Budget introduced a plan to reduce the size of the provincial civil service by 15 per cent over four years through attrition. The provincial government is urging all governments and third party partners to also do more with less and find efficiencies. Now entering the final phase of this plan there have been no indications that this reduction has compromised the quality of service provided by the government. This initiative has been achieved while also dealing with challenges of a growing economy, aging infrastructure and rising prices for supplies and services. CFIB believes municipalities could also achieve this by reducing the size of their civil service. A recent CFIB survey revealed 60 per cent of Saskatchewan respondents agreed Saskatchewan municipalities should introduce a plan to reduce the size of their civil service. Supporters say it would result in smaller, more effective and efficient municipal governments. Only 16 per cent disagreed, 24 per cent were undecided on the issue.
5. Work towards additional revenue sharing, rather than new taxing authority or provincial tax increases to finance municipal infrastructure (e.g. province wide property tax levy on business & residential properties, vehicle registration tax). CFIB is concerned the City of Regina continues to be interested in the authority for alternative revenue sources such as a local fuel tax, a local vehicle registration surcharge, a land transfer tax, a hotel tax and a local sales tax.. Small business owners believe new taxes are unnecessary and have called on the Government of Saskatchewan to reject calls for such tax increases.
6. Develop and implement a plan over time to further reduce the commercial- to- residential property tax gap.
7. Consider the introduction of a base tax for all homeowners. When surveyed, 70 per cent of small business owners agreed a base tax for basic core services should be implemented for all homeowners. CFIB believes that local government services are enjoyed by all taxpayers and the costs must be shared by all taxpayers.

We thank you for considering the views of the Regina small business community as you deliberate and work to finalize the 2013 Operating Budget. As you know, small businesses are the backbone of the City and the local economy and municipal decisions impact a business' ability to grow and create jobs. If you have any questions please do not hesitate in calling our office at 306-757-0000.

Respectfully submitted by,



Marilyn Braun-Pollon  
Vice President, Prairie and Agri-Business

February 19, 2013

To: His Worship the Mayor  
And Members of City Council

Re: 2013 General Operating Budget

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### RECOMMENDATION

1. That the 2013 General Operating Budget detailed in the attached 2013 General Operating Budget document be approved;
2. That the 2013 Costing Fund Budget as detailed in the attached 2013 General Operating Budget document be approved; and
3. That a municipal mill rate of 8.4404 for 2013, representing a 4.45% increase from 2012 be approved.

### CONCLUSION

In order to continue investing responsibly and building a sustainable future for our community, the City Administration is proposing a 4.45 per cent mill rate increase for 2013. With the proposed mill rate increase, the City's General Operating budget for 2013 will be \$339 million.

It costs a lot to run a city. Every year there are major expenses that include maintaining our roads, removing waste, providing fire and police services, operating leisure centres, keeping our buses running, and planning for the future.

When building the budget, City Administration took the following challenges into account: aging infrastructure, rising prices for supplies and services, continued growth, and resident's service expectations. Even with the increases, the City's budget remains quite limited. Not all budget requests have been accommodated in the Administration's proposed 2013 budgets as shown in the table on the table below.

| <u>Expenditures (\$000's)</u>                   | <b>Budget<br/>Requested</b> | <b>Budget<br/>Accommodated</b> | <b>Amount<br/>Unfunded</b> |
|---|-----------------------------|--------------------------------|----------------------------|
| <b>Wascana Centre Authority</b>                 | 2,538                       | 1,969                          | 569                        |
| <b>Regina Regional Opportunities Commission</b> | 1,323                       | 923                            | 400                        |
|   | <b>\$3,861</b>              | <b>\$2,892</b>                 | <b>\$969</b>               |

The proposed 2013 budget maintains current services and service levels, funds the operating budget submitted by the Board of Police Commissioners and results in a municipal mill rate increase of 4.45% for 2013.

### BACKGROUND

The purpose of this report is to submit to City Council for approval, the 2013 General Operating Budget including the Costing Fund Budget.

Section 128(1) of *The Cities Act* states, “a council shall adopt an operating and a capital budget for each financial year”. The 2013 – 2017 General Capital Budget and the 2013 Water and Sewer Utility Budget are dealt with in additional reports submitted to City Council at this same meeting.

Section 128(2) of *The Cities Act* states that “no council shall pass a property tax bylaw with respect to a financial year unless it has adopted the operating and capital budgets for that year”.

For the City of Regina, the Regina Property Tax Bylaw, 2013, which includes the 2013 mill rates and mill rate factors, can be adopted when:

- the City’s 2013 General Operating budget has been approved,
- the City’s 2013 Capital Expenditures as outlined in the 2013 – 2017 General Capital Budget are approved,
- the Regina Public Library’s 2013 budget and mill rate have been approved,
- the Regina Downtown Business Improvement District’s 2013 budget and mill rate have been approved,
- the Regina Warehouse Business Improvement District’s 2013 budget and mill rate have been approved, and
- the Province of Saskatchewan has established the province wide education levy mill rates by property class.

The Regina Downtown and the Regina Warehouse Business Improvement Districts are required to submit their 2013 budgets and mill rates to Council by March 15<sup>th</sup>. As a result, the Regina Property Tax Bylaw, 2013 may not be approved by Council until late March 2013.

## DISCUSSION

The following table provides a summary of the general operating revenues in the proposed 2013 General Operating Budget (\$000’s).

### General Operating Budget Revenue Summary

| Revenue Category                | 2012<br>Budget | 2013 Budget      | Budget Change |                    |
|---------------------------------|----------------|------------------|---------------|--------------------|
|                                 |                |                  | Dollar Change | Per Cent<br>Change |
| Taxation                        | 157,172.2      | <b>170,211.0</b> | 13,038.8      | 8.3                |
| Government Grants and Transfers | 38,697.2       | <b>42,756.3</b>  | 4,059.1       | 10.5               |
| Licenses, Levies and Fines      | 10,650.8       | <b>12,494.8</b>  | 1,844.0       | 17.3               |
| Fees and Charges                | 40,670.0       | <b>47,729.6</b>  | 7,059.6       | 17.4               |
| Other Revenue                   | 58,031.1       | <b>58,471.2</b>  | 440.1         | 0.8                |
| Civic Total                     | 305,221.3      | <b>331,662.9</b> | 26,441.6      | 8.7                |
| Regina Police Service           | 7,356.4        | <b>7,811.9</b>   | 455.5         | 6.2                |
| Total General Operating Revenue | 312,577.7      | <b>339,474.8</b> | 26,897.1      | 8.6                |

For 2013, funding for Regina from the Municipal Operating Grant is approximately \$40.8 million. This is an increase of funding of \$4.2 million from 2012.

The following table provides a summary of the general operating expenditures in the proposed 2013 General Operating Budget (\$000's).

Operating Expenditure Summary by Type of Expenditure

| <b>Expenditures</b>                  | 2012<br>Budget | 2013<br>Budget   | Budget Change |                    |
|--------------------------------------|----------------|------------------|---------------|--------------------|
|                                      |                |                  | Dollar Change | Per Cent<br>Change |
| City Council and Committees          | 1,520.4        | <b>1,670.4</b>   | 150.0         | 9.9                |
| Office of the City Manager           | 11,018.1       | <b>11,060.4</b>  | 42.3          | 0.4                |
| City Operations                      | 118,773.5      | <b>130,759.5</b> | 11,986.0      | 10.1               |
| Corporate Services                   | 25,607.8       | <b>27,514.0</b>  | 1,906.2       | 7.4                |
| Community Planning & Development     | 43,978.1       | <b>46,484.6</b>  | 2,506.5       | 5.7                |
| Civic Operating Expenditures         | 200,897.9      | <b>217,488.9</b> | 16,591.0      | 8.3                |
| Community Investments                | 7,831.0        | <b>7,581.9</b>   | (249.1)       | (3.2)              |
| Capital Funding and Debt Servicing   | 26,570.3       | <b>32,303.5</b>  | 5,733.2       | 21.6               |
| Transfers to Reserves                | 11,544.9       | <b>12,895.0</b>  | 1,350.1       | 11.7               |
| Civic Other Expenditures             | 45,946.2       | <b>52,780.4</b>  | 6,834.2       | 30.1               |
| Total Civic Expenditures             | 246,844.1      | <b>270,269.3</b> | 23,425.2      | 9.5                |
| Regina Police Service                | 65,733.6       | <b>69,205.5</b>  | 3,471.9       | 5.3                |
| Total General Operating Expenditures | 312,577.7      | <b>339,474.8</b> | 26,897.1      | 8.6                |

The 2013 budget for the civic operating portion of the general operating budget is about \$217.5 million, an increase of \$16.6 million or 8.3% over the 2012 budget for expenses of this type. This increase consists of the following:

- An increase of \$7.3 million or 3.6% to cover increased costs for Salaries & Benefits (2.4%) and Inflation, Contractual, and Other increases (1.2%)
- An increase of \$3.0 million or 1.5% to account for additional tax supported investments such as maintaining city wide service levels (0.3%), extending service to growth areas (0.3%) and all other tax supported investments (0.9%)
- An increase of \$6.3 million or 3.2% to account for additional investments that are non-tax supported such as Waste Plan Regina (1.6%), parking enforcement (0.4%) and all other non-tax supported investments (1.2%)

In total, the 2013 budget for the civic portion of the general operating budget, including community investments, capital funding, and transfers to reserves is about \$270.3 million, an increase of \$23.4 million or 9.5% over the 2012 budget.

The 2013 operating budget for the Regina Police service as recommended by the Board of Police Commissioners is \$69.2 million, an increase of about \$3.5 million or 5.3% over the 2012 budget.

While the proposed 2013 General Operating Budget allocates the funding available to the City according to community priorities, it is not sustainable for the City to continue delivering our services at current service levels. In the past infrastructure maintenance and renewal has been deferred in an effort to maintain affordable services. The City's aging infrastructure is now reaching a critical state in many areas and needs to be replaced. The wastewater treatment plant and the stadium are at the end of their lives, so we are rebuilding them. Our roads also require significant investment over the long term.

When building this budget, City Administration took the following challenges into account: aging infrastructure, rising prices for supplies and services, continued growth, and residents'

service expectations. Even with the proposed property tax increase, not all budget requests have been accommodated in the Administration's proposed 2013 budgets. The 2013 General Operating budget as proposed includes \$1.164 million to fund the Regina Police Service's 2013 capital program. While \$1.163 million represents an increase of \$43 thousand over the 2012 budget, it is \$3.442 million less than the \$4.605 million requested by the Board of Police Commissioners. In addition, our community partners Wascana Centre Authority and Regina Regional Opportunities Commission are requesting an additional \$569,000 and \$400,000 respectively. City Council will decide if and/or how these additional cost pressures can be accommodated, in the 2013 budgets.

There is some risk with the 2013 budget. Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, assessment appeals, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2013 due to these factors.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

The budget implications are detailed in this report and the attached 2013 General Operating Budget document. The budget proposes a 4.45% increase in the mill rate. A 4.45% mill rate increase represents an average \$5.25 per month or \$63.00 per year municipal property tax increase. No new debt is planned to be issued as part of this 2013 budget.

### Environmental Implications

None specifically related to this report.

### Policy and/or Strategic Implications

Approval of this budget will allow the City to continue to move forward toward its vision and implement its strategic plan.

### Other Implications

The City Administration has been advised by Regina Public Library that it will be requesting a mill rate increase of 2.9% for 2013. In addition, Regina Downtown Business Improvement District and Regina's Warehouse Business Improvement District have not submitted their 2013 budget and proposed mill rate increase to City Council as yet. These entities are required to submit their budget and proposed mill rate increase to Council by March 15<sup>th</sup>. The Province of Saskatchewan sets province wide mill rates to calculate the education tax for properties. These mill rates will likely be established at the time the provincial budget is announced. Consequently, all tax changes and their impact on property owners may not be known until late March 2013.

### Accessibility Implications

None identified in this report.



## COMMUNICATIONS

On January 11, 2013, the Administration held a media technical briefing on the budget, followed by a media conference hosted by City Manager Glen Davies. A budget summary and the complete proposed General Operating, General Capital and Water & Sewer Utility Budgets have been posted on Regina.ca. Print and online ads direct residents to Regina.ca for complete information. The print ads and online information invited residents to attend the January 21, 2013 Special Executive Committee meeting and the February 19, 2013 Special City Council meeting regarding the Administration's proposed 2013 budgets.

## DELEGATED AUTHORITY

This report requires City Council approval.

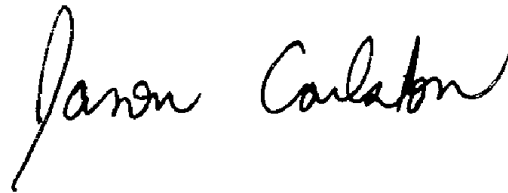
Respectfully submitted,



Brent D. Sjoberg,  
Deputy City Manager & CFO

JM/CM/BS/rls  
Attachment

Respectfully submitted,



for

Glen B. Davies  
City Manager

**2013**

**CITY OF REGINA**

**GENERAL OPERATING BUDGET**

**PROPOSED**



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January 21, 2013

To: His Worship the Mayor,  
and Members of City Council

Re: 2013 General Operating Budget and Other Funds Budget

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Pursuant to Sections 128 of *The Cities Act*, City Council is required to adopt an operating and capital budget. The budgets summarized in this document are the proposed 2013 General Operating Budget and the 2013 Costing Fund Budget. The General Operating Budget for 2013 includes a 4.45% municipal mill rate increase. The 2013 General Operating Budget totals \$339.5 million in expenditures, an increase of \$26.9 million or 8.6% over 2012.

The 2013 General Operating Budget reflects City Council's Vision:

**Canada's most vibrant, inclusive, attractive,  
sustainable community, where people live in  
harmony and thrive in opportunity.**

The budget provides City Council an opportunity to prioritize and invest in those areas that it feels will best address the needs of the community. The City of Regina continues to grow and diversify, and this budget is intended to work toward supporting these changing needs. Guided by the City's Vision, but also respecting the need to minimize the burden on tax payers, the primary areas of investment in 2013 are as follows:

- Maintaining our commitment to service to the community
- Managing and servicing the unprecedented growth the City has seen in the last five years
- Tackling the challenges of an aging infrastructure

The process of more rigorous strategic and business planning at the City of Regina has been transformational. We have become more thorough in our analysis and more focused in our choices so that we can ensure that citizens continue to see their community move towards the Vision while Regina remains an affordable place to live.

The focus has intensified on the sustainability of City programs and infrastructure in the face of increasing demands and uncertain funding. The City continues to be challenged to maintain existing services and infrastructure while also making new investments to meet the demands of a growing population and economy. In 2013 the City of Regina will continue to narrow the gap between the service level expectations of customers and the ability of the City to deliver on these expectations. As a result the City will be better prepared to act on the outcomes of both the Design Regina community consultations and priorities identified in the next strategic plan.

In the meantime, the focus of this budget has been to **maintain existing services**, including the **expansion of existing services to new areas of Regina**, to begin to tackle the issue of our **aging infrastructure**, and to **minimize the burden on our tax-payers**. This approach is reflected in the 2013 general operating budget through:

- Support to cover inflationary cost increases across the organization.
- Continuation of the Street Infrastructure Renewal Program, improved lights and traffic controls, bridge rehabilitation and water, sewer and drainage projects.
- Investment to address the growth of the community, including new streets and roads, improvements to our waste system and continued community investment funding.
- Providing value for tax dollars, including maintaining competitive tax rates and maintaining a strong credit rating.
- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public transparency and accountability.

The increase also includes estimated additional costs for wages and benefits totaling \$4.1 million. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada. These pressures are reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general.

This budget was developed with \$40.8 million in funding from the Municipal Operating Grant Program (MOG). This funding will continue to be invested toward supporting the delivery of community programs and services, while addressing the increased costs of community growth.

Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2013 due to these factors.

To continue to deliver programs and services in support of Regina's growth, while making progress on our vision, the City of Regina is recommending a 4.45% increase in the mill rate in 2013. The budget reflects a balanced approach to addressing the strategic priorities and an effort to strengthen the City's reserves for future needs.

Respectfully submitted,



Glen B. Davies  
City Manager

# Introduction

# Introduction

## Budget Overview

The 2013 General Operating Budget recommends a 4.45% mill rate increase while maintaining our existing infrastructure and increasing services provided by the City. The 2013 General Operating Budget totals \$339.5 million in expenditures, an increase of \$26.9 million or 8.6% over 2012.

The budget provides City Council an opportunity to prioritize and invest in those areas that it feels will best address the needs of the community. The City of Regina continues to grow and diversify, and this budget is intended to work toward supporting these changing needs. Guided by the City's Vision, but also respecting the need to minimize the burden on tax payers, the primary areas of investment in 2013 are as follows:

- Maintaining our commitment to service to the community
- Managing and servicing the unprecedented growth the City has seen in the last five years
- Tackling the challenges of an aging infrastructure

The City's focus has intensified on the sustainability of City programs and infrastructure in the face of increasing demands and uncertain funding. The City continues to be challenged to maintain existing services and infrastructure while also making new investments to meet the demands of a growing population and economy. In 2013 the City of Regina will continue to narrow the gap between the service level expectations of customers and the ability of the City to deliver on these expectations. As a result the City will be better prepared to act on the outcomes of both the Design Regina community consultations and priorities identified in the next strategic plan.

In the meantime, the focus of this budget has been to **maintain existing services**, including the **expansion of those services to new areas of Regina**, to begin to tackle the issue of our **aging infrastructure**, and to **minimize the burden on our tax-payers**. This approach is reflected in the 2013 general operating budget through:

- Support to cover inflationary cost increases across the organization.
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- Investment to address the growth of the community, including new streets and roads, improvements to our waste system, and continued community investment funding
- Providing value for tax dollars, including maintaining competitive tax rates and maintaining a strong credit rating
- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public transparency and accountability.

The increase also includes estimated additional costs for wages and benefits totaling \$4.1 million. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada. These pressures are reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general.



This budget was developed assuming \$40.8 million in funding from the Municipal Operating Grant Program (MOG). This represents an increase in the contribution of \$4.2 million.

The 2013 budget for the Board of Police Commissioners is \$69.2 million, an increase of \$3.5 million or 5.3% over the 2012 budget. This budget was developed assuming a capital contribution for the Board of Police Commissioners for 2013 of \$1,163,700.

Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2013 due to these factors.

To continue to deliver programs and services in support of Regina's growth, while making progress on our vision, the City of Regina is recommending a 4.45% increase in the mill rate in 2013. The budget reflects a balanced approach to addressing the strategic priorities.

|           | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>5 Year<br/>Average</b> |
|-----------|-------------|-------------|-------------|-------------|-------------|---------------------------|
| Calgary   | 5.30%       | 4.79%       | 4.60%       | 6.00%       | 5.50%       | 5.24%                     |
| Edmonton  | 7.30%       | 5.00%       | 5.00%       | 5.20%       | 3.30%       | 5.16%                     |
| Red Deer  | 7.05%       | 3.31%       | 3.98%       | 4.32%       | -           | 4.67%                     |
| Saskatoon | 3.41%       | 3.86%       | 3.99%       | 4.00%       | 4.99%       | 4.05%                     |
| Regina    | 0.00%       | 4.00%       | 4.00%       | 3.90%       | 4.45%       | 3.27%                     |

## **2013 Budget Process**

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involve the establishment of priorities. Many Canadian cities are developing multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2013 budget was developed based on priorities established through City Council's Vision for Regina, the Corporate Strategic Plan and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2013 Budget focused on identifying strategic priorities and allocating resources to those priorities to avoid having budget limitations drive the strategy. Divisions identified requirements for ongoing and one-time initiatives and evaluated them according to the strategic priorities. Divisions also identified opportunities where existing resources could be reallocated toward the strategic priorities.

## **Corporate Strategic Planning and Performance Management Process**

City Council has adopted the following Vision for Regina:

Canada's most...  
Vibrant,  
Inclusive,  
Attractive,  
Sustainable community  
Where people live in Harmony  
And Thrive in opportunity.

To achieve the vision the City has established an accountability framework, this framework demonstrates that both Council and the administration have a role in strategic planning – Council sets the Vision, the administration develops strategic and business plans to align their activity to the Vision.

## City of Regina Accountability Framework



### Corporate Strategic Plan

While the Vision identifies the long term direction for the City of Regina, in order to achieve the Vision, a number of challenges have to be addressed in the short term. In 2012 and again for 2013, within the context of the Vision, the City of Regina has focused on the issue of financial sustainability.

Administration has developed the short-term strategic focus, *“that we will have narrowed the gap between current and expected service levels and our ability to deliver them.”* This focus recognizes that the current resources available to the City do not support the sustainable delivery of the current portfolio of services at the current level. Administration is considering areas where services can be reduced or eliminated, where revenues can be increased and where services can be delivered in different ways to improve their affordability. In 2013, the City will be consulting with citizens to more fully understand their expectations, including the trade-offs they are prepared to make to maintain the most important services.

Perhaps the most urgent issue related to the financial sustainability of the City of Regina is the issue of infrastructure. In an effort to maintain affordable services for Regina taxpayers, the City of Regina (similar to most other municipalities in Canada) has chosen to defer on-going life-cycle maintenance and renewal of infrastructure. The issue has reached a critical point where deferral could result in service or infrastructure failures.

Council endorsed the strategic focus and its key deliverables in March, 2012. The Administration has developed a performance measurement system to support the new strategic focus and has cascaded accountabilities for results throughout the organization.

One of the key issues that is being addressed by the strategic focus is the resourcing of infrastructure renewal. As a result, the City Administration is proposing an increase its tax-funded investment in infrastructure by 22%.

During 2013, the City of Regina will be developing a strategic plan for the 2014-2017 period. The scope of this plan will incorporate the strategic focus of 2012 and 2013 but will be broadened to more fully respond to the Vision and the Community Priorities that were identified as part of the Design Regina process.

## Business Planning

As part of the strategy development targets were cascaded throughout City of Regina divisions and departments. Divisional and departmental business planning used the corporate targets as a basis for planning. In addition to this “top-down” approach, Divisions also incorporated their knowledge of customer and citizen priorities, facility and infrastructure requirements, and their daily analysis of risks and opportunities resulting from ongoing operations – a more “bottom-up” approach. The two approaches working together ensure that the corporate strategic approach will integrate into Divisional and departmental business plans that are both strategic and responsive.

As planning cascades through the organization, the level of engagement and detail will become increasingly refined. Participants in the planning sessions are cross functional to ensure an integrated approach and a ‘de-siloing’ of the organization.

Some areas within the City of Regina have undertaken business planning in the past. What is new for these groups is that they now have a longer term corporate Vision, Mission, Values and Strategic Directions to provide better context for their planning efforts.

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year’s budget process involves the establishment of priorities. Many Canadian cities, Regina among them, have developed multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2012 budget was developed based on priorities established through City Council’s Vision for Regina, the Corporate Strategic Plan *Accelerating Excellence* and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2013 Budget focused on first on containing ongoing costs to the Municipal Price Index (MPI). The MPI, based on a “basket of goods” relevant to municipalities, is now being measured across Canada. For Regina, in 2011, the MPI was 3.4%, more than 50% higher than the Consumer Price Index of 2.2%. The City of Regina’s “basket of goods” combined with inflation information obtained from the Conference Board of Canada results in an MPI of 4.0% for 2013.

Divisions identified where increased funding was required for ongoing programs and services due to cost escalations beyond their control, and a limited number of new or one-time initiatives. These were stringently evaluated based on need and connection to the long-term objectives of the City.

## 2013 General Operating Expenditures

In development of the 2013 operating budget the challenges and pressures of unprecedented growth continue as a challenge. A growing population with a larger infrastructure results in more winter road maintenance, increased garbage collection and more citizens to serve on a daily basis. We need to make budget decisions to address these pressures while minimizing the burden to taxpayers. To this end, any new operating expenditure included in the 2013 City of Regina Budget must fulfill the following requirements;

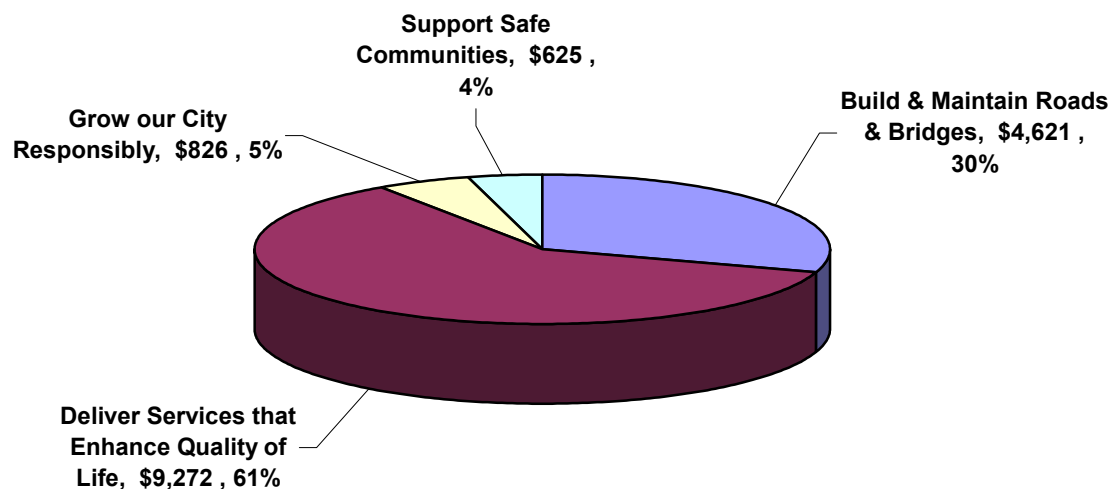
- The investment maintains existing services,
- We invest to expand those services to new areas of Regina,
- We continue to tackle the challenges of an aging infrastructure, and
- We accomplish the above while minimizing the burden on our tax-payers

Using the above investment criteria has allowed the City to prioritize and invest in those areas that address the needs of the community. Any increases in expenditures have been categorized into four broad service provision themes.

- Support safe communities,
- Build and maintain roads and bridges,
- Deliver services that enhance the citizens quality of life, and
- Grow our city responsibly

New ongoing and one-time funding increases total \$15.3 million in 2013. The allocation between the four service themes are shown in the chart below.

### New 2013 General Operating Expenditures by theme - (000\$)



Approximately 61% of the new expenditures are directed to delivering services that enhance the quality of life with a further 30% of the total allocated to building and maintaining roads and bridges. Significant program initiatives include Waste Plan Regina that includes provision of property-site recycling, bulky waste pick up and yard and leaf waste collection to 65 thousand residences. The City is continuing to invest in a partnership with the Regina Exhibition Association Ltd to provide six thousand hours of ice time in 2013 to youth user groups. The City is increasing capital funding sourced from operations by \$4.4 million that is primarily directed to road and bridge projects. Winter road maintenance spending is increasing by \$371 thousand in 2013. Regina Revitalization Initiative includes a plan to redevelop two large areas of land in Regina's inner-city in addition to the eventual replacement of Mosaic Stadium.

## Delivering Services that Enhance the Quality of Citizen's lives

The City provides many services that make Regina a great place to live. These services include operating public transit, maintaining city parks, managing waste and providing sports, culture and recreation facilities.

The 2013 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Delivering Services that Enhance the Quality of Citizen's lives.

| Description   | 2013 Cost | 2013 Full Time       |                  |
|---|-----------|----------------------|------------------|
|   |           | Equivalent Permanent | Positions Casual |
| Waste Plan Regina Programs                            | 2,813,000 | 2.5                  | 4.7              |
| Increase in Contribution to Capital Re: RRI           | 715,400   |                      |                  |
| Parking enforcement contracted services               | 538,000   |                      |                  |
| Measuring Customer Service Level Expectations         | 400,000   |                      |                  |
| City Square Plaza - programming and maintenance costs | 251,640   | 1.0                  | 0.7              |
| Revenue Generation through funded programs            | 230,000   |                      |                  |
| Parking Service FTEs                                  | 210,000   | 3.0                  |                  |
| Scale improvements FTE                                | 120,000   | 1.0                  | 1.4              |
| Email Virtualization                                  | 100,000   |                      |                  |
| Preventative Maintenance Coordinator                  | 99,200    |                      |                  |
| Transit Service on Statutory Holidays                 | 73,850    |                      |                  |
| 2016 Elections  | 69,800    |                      |                  |
| Funding for Organizations Operating City Owned Assets | 65,000    |                      |                  |
| 2016 Reassessment                                     | 54,500    |                      |                  |
| Provincial Court admin fees                           | 50,000    |                      |                  |
| 2016 Board of Revision Assessment Appeals             | 36,300    |                      |                  |
| Collection agency service charges                     | 30,000    |                      |                  |
| Online payment option for parking tickets             | 21,000    |                      |                  |
| Telephones for new space                              | 11,600    |                      |                  |
| Paperless support systems (Sire)                      | 11,000    |                      |                  |
| 1500 4th Ave Facility Operations Funding              | 10,600    |                      |                  |
| Accessibility and Youth Advisory Committee Forums     | 10,000    |                      |                  |
| Commission for amusement tax                          | 5,000     |                      |                  |
| Banking service charges                               | 5,000     |                      |                  |
|   | 5,930,890 | 7.5                  | 6.8              |

The 2013 General Operating Budget includes additional funding for the following items on a one-time basis, related to Delivering Services that Enhance the Quality of Citizen's lives.

| Description  | 2013 Cost | 2013 Full Time       |                  |
|--|-----------|----------------------|------------------|
|  |           | Equivalent Permanent | Positions Casual |
| Partnership with REAL - Co-operators arena                                 | 1,350,000 |                      |                  |
| Communications expenses related to the implementation of Waste Plan Regina | 350,000   |                      |                  |
| 2014 North American Indigenous Games                                       | 330,000   |                      | 1.0              |
| RRI Operating Costs for 2013   | 288,000   |                      |                  |
| Increasing Public Awareness of the Gap                                     | 250,000   |                      | 0.5              |
| Contribution to Capital re: Mosaic Stadium Studies                         | 245,000   |                      |                  |
| 2013 Juno Awards Sponsorship - Second and Final Instalment                 | 175,000   |                      |                  |
| Board of Revision - Reassessment Appeals                                   | 125,000   |                      | 1.0              |
| Employee Survey  | 65,000    |                      |                  |
| Final Payment re: WCA's Comprehensive Review                               | 60,000    |                      |                  |
| e-Council - SIRE Technologies Implementation                               | 53,000    |                      |                  |
| Waste Plan Regina Utility Billing Clerical Staff                           | 25,500    |                      | 0.5              |
| External Labour Relations Consultant Support                               | 25,000    |                      |                  |
|  | 3,341,500 | -                    | 3.0              |

### Build and Maintain Roads & Bridges

Regina is a growing city with aging roads and bridges. The City remains committed to repairing existing roads and responding to city growth with infrastructure maintenance.

The 2013 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Building and Maintaining Roads & Bridges.

| Description   | 2013 Cost | 2013 Full Time       |                  |
|---|-----------|----------------------|------------------|
|   |           | Equivalent Permanent | Positions Casual |
| Increase in current Operating Contribution to General Capital | 4,422,400 |                      |                  |
| Operation Maintenance costs for City owned Pedestrian Bridges | 56,000    |                      |                  |
| Asphalt cost  | 50,000    |                      |                  |
|   | 4,528,400 | -                    | -                |

The 2013 General Operating Budget includes additional funding for the following items on a one-time basis, related to Building and Maintaining Roads & Bridges.

| Description                             | 2013 Cost | 2013 Full Time       |                  |
|---|-----------|----------------------|------------------|
|   |           | Equivalent Permanent | Positions Casual |
| Provincial Bridge Funding re: Recycling | 80,000    |                      |                  |
| Snow Dump Soil Testing Costs            | 13,000    |                      |                  |
|   | 93,000    | -                    | -                |

### Grow our City Responsibly

With a strong economy and high quality of life, Regina is attracting thousands of new residents and growing rapidly. Along with providing additional streets and expanding our services to new areas, we are also managing our growth through careful planning and extensive development.

The 2013 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Growing our City Responsibly.

| Description  | 2013 Cost | 2013 Full Time       |                  |
|--|-----------|----------------------|------------------|
|  |           | Equivalent Permanent | Positions Casual |
| Growth in winter road maintenance                    | 371,800   |                      |                  |
| New Open Space due to growth                         | 204,050   |                      | 3.2              |
| New Drafting Co-ordinator position                   | 92,000    | 1.0                  |                  |
| Increased Landfill Costs due to growth               | 77,000    |                      |                  |
| Increase of City Owned Sidewalk Inventory            | 31,500    |                      |                  |
| Asphalt Maintenance Increase Due to Growth           | 25,000    |                      |                  |
| Growth in street sweeping                            | 10,000    |                      |                  |
| Growth in sidewalk maintenance                       | 7,970     |                      |                  |
| Harbour Landing Sub Depot operations and Maintenance | 6,200     |                      |                  |
|  | 825,520   | 1.0                  | 3.2              |



## Supporting Safe Communities

The City of Regina is invested in keeping our communities safe and protected through investment in training, security and environmental initiatives.

The 2013 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Supporting Safe Communities.

| Description  | 2013 Cost | 2013 Full Time       |                  |
|--|-----------|----------------------|------------------|
|  |           | Equivalent Permanent | Positions Casual |
| Landfill leachate hauling                          | 150,000   |                      |                  |
| Additional Landfill site control                   | 90,000    | 1.0                  | 0.8              |
| Corporate Facilities Security Coordinator - FTE    | 88,000    | 1.0                  |                  |
| Service Regina City Hall Security Additional Staff | 72,000    | 2.0                  |                  |
| E-learning Initiative                              | 56,000    |                      |                  |
| Medical Examinations and Vaccinations (Fire)       | 50,000    |                      |                  |
| Commissionaire coverage at City Hall               | 42,000    |                      |                  |
|  | 548,000   | 4.0                  | 0.8              |

The 2013 General Operating Budget includes additional funding for the following items on a one-time basis, related to Supporting Safe Communities.

| Description   | 2013 Cost | 2013 Full Time       |                  |
|---|-----------|----------------------|------------------|
|   |           | Equivalent Permanent | Positions Casual |
| Joint Emergency Communications Centre Consultant    | 35,000    |                      |                  |
| Emergency Operations Centre Training Budget         | 20,000    |                      |                  |
| Additional Security for Massey Pool                 | 11,650    |                      |                  |
| Canadian Association of Fire Chiefs 2013 conference | 10,000    |                      |                  |
|   | 76,650    | -                    | -                |

## Municipal Revenues

Regina saw a significant improvement toward stabilizing its revenue streams in 2010, with the establishment of the Municipal Operating Grant program from the Provincial government. This program was developed in consultation with both urban and rural municipalities, and reflects a more predictable and sustainable revenue stream that is linked to the economic growth of the Province. This program is based on municipalities receiving a grant equivalent to 1/5 of provincial PST revenues, and increasing or decreasing based on annual changes in this source of provincial revenue. Of the total municipal pool, cities receive a 46% share, which is at the low end of the negotiated range of between 46% and 50% of the pool of funding. Currently, Saskatchewan cities represent approximately 55% of the total provincial population and continue to see growth from provincial in-migration.

## Reliance on Property Taxes

While the change in provincial funding in 2010 represents a very positive step forward for the City of Regina and other Saskatchewan municipalities, a significant reliance on property taxes still limits the ability to deal with a growing community and address the ever-widening infrastructure gap.

*“Whether one lives in a large metropolitan centre, a medium-sized city, a small town, or even the rural countryside, property taxes are often one of the hottest local issues of the day. On one side of the street stand residents and business owners who complain that property taxes are too high and the property tax burden is growing too rapidly. On the other side of the street stands the municipal administration responsible for delivering local services. They understand that property tax revenue does not always grow alongside the broader economy and incremental increases are sometimes required to cover the costs of inflation, accommodate a growing population, and simply maintain service levels never mind increasing overall revenue in real terms.”*

Problematic Property Tax, Canada West Foundation, November 2008

There has been a significant amount of research on different taxing options, and through this research and analysis one fact remains clear: Property taxes are an inelastic source of revenue that does not generally grow with the economy. Furthermore, additions to the property tax base because of growth do not cover the incremental cost of delivering the services that come with that growth. In addition, this revenue source does little to capture the cost of providing services to those living outside the community who make use of City infrastructure and services. Cities are becoming more advanced in their approaches to governance and remain the most transparent and accessible form of government. With this in mind, Cities should be allowed to undertake taxing policy innovations that will assist in addressing these issues more directly; however, the legislative authority does not currently exist to allow for this innovation to take place. As Regina continues to grow, and replacement of aging infrastructure continues to require a larger allocation of revenue, dialogue with the Provincial and Federal governments will continue to be required. It is important that all levels of government work together in addressing the needs of cities, as they continue to be the growth engines of both the provincial and federal economy.

## Competitiveness of Regina's Municipal Taxes

Regina has made significant strides in increasing the competitiveness of its municipal tax bill for both residential and commercial properties.

Despite this progress, the City continues to face challenges with respect to perceptions about the level of property taxes in Regina as compared to other cities, as well as the relative share of education funding on the property tax base. Each year the City of Edmonton conducts a property tax survey. The survey compares the property taxes on a sample property, and also collects information on the total property and business taxes collected.

- For municipal and other property taxes (excluding school taxes) for the sample home, Regina ranked 7th out of 21 cities.

### 2010 Tax Level on Sample Home<sup>1</sup> – Total Municipal Tax Levy

| City                     | Province            | Total 2010 Tax Levy |                      |              | Rank     |
|--------------------------|---------------------|---------------------|----------------------|--------------|----------|
|                          |                     | Municipal           | Other <sup>(3)</sup> | Total        |          |
| Calgary                  | Alberta             | 1,129               | 0                    | 1,129        | 1        |
| Medicine Hat             | Alberta             | 1,153               | 49                   | 1,202        | 2        |
| Winnipeg <sup>[5]</sup>  | Manitoba            | 1,363               | 0                    | 1,363        | 3        |
| Surrey                   | British Columbia    | 1,129               | 236                  | 1,365        | 4        |
| Red Deer                 | Alberta             | 1,422               | 5                    | 1,427        | 5        |
| Saskatoon                | Saskatchewan        | 1,294               | 146                  | 1,440        | 6        |
| <b>Regina</b>            | <b>Saskatchewan</b> | <b>1,301</b>        | <b>143</b>           | <b>1,444</b> | <b>7</b> |
| Edmonton <sup>[5]</sup>  | Alberta             | 1,523               | 19                   | 1,542        | 8        |
| Lethbridge               | Alberta             | 1,590               | 31                   | 1,621        | 9        |
| Halifax <sup>[4]</sup>   | Nova Scotia         | 1,556               | 150                  | 1,706        | 10       |
| Saint John               | New Brunswick       | 1,818               | 0                    | 1,818        | 11       |
| St. John's               | Newfoundland        | 1,818               | 0                    | 1,818        | 12       |
| Vancouver <sup>[2]</sup> | British Columbia    | 1,678               | 402                  | 2,080        | 13       |
| Grande Prairie           | Alberta             | 2,095               | 11                   | 2,106        | 14       |
| Toronto <sup>[5]</sup>   | Ontario             | 2,129               | 0                    | 2,129        | 15       |
| Burnaby <sup>[2]</sup>   | British Columbia    | 1,813               | 361                  | 2,174        | 16       |
| Victoria                 | British Columbia    | 1,859               | 437                  | 2,296        | 17       |
| Laval                    | Quebec              | 2,312               | 0                    | 2,312        | 18       |
| London                   | Ontario             | 2,415               | 67                   | 2,482        | 19       |
| Montreal                 | Quebec              | 2,532               | 0                    | 2,532        | 20       |
| Fredericton              | New Brunswick       | 2,790               | 0                    | 2,790        | 21       |
| <b>Average</b>           |                     |                     |                      | <b>1,846</b> |          |

Note:

1. The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.
2. Based on the averaged value of single-family houses, which may not correspond to the sample house described above.
3. Other includes regional and other tax levies.
4. Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.
5. Based on the median value of single detached houses; which may not correspond to the sample house described above.

- **For the total tax levy per capita, Regina is 10th out of 21 cities.** For this calculation, the total tax levy includes property, education and business tax. Several of the cities (St. John's, Edmonton, Calgary and Winnipeg) levy a business tax.

### **2010 Tax Level on Sample Home<sup>1</sup> – Total Tax Levy**

| Total 2010 Tax Levy      |                     |              |              |                      |              |                    |                  |           |
|--------------------------|---------------------|--------------|--------------|----------------------|--------------|--------------------|------------------|-----------|
| City                     | Province            | Municipal    | School       | Other <sup>(4)</sup> | Total        | Grants /Credits    | Net Property Tax | Rank      |
| Edmonton <sup>[5]</sup>  | Alberta             | 1,523        | 824          | 19                   | 2,366        | 0                  | 2,366            | 9         |
| Calgary                  | Alberta             | 1,129        | 985          | 0                    | 2,114        | 0                  | 2,114            | 6         |
| Red Deer                 | Alberta             | 1,422        | 636          | 5                    | 2,063        | 0                  | 2,063            | 4         |
| Medicine Hat             | Alberta             | 1,153        | 604          | 49                   | 1,806        | 0                  | 1,806            | 3         |
| Grande Prairie           | Alberta             | 2,095        | 677          | 11                   | 2,783        | 0                  | 2,783            | 15        |
| Lethbridge               | Alberta             | 1,590        | 605          | 31                   | 2,226        | 0                  | 2,226            | 7         |
| Burnaby <sup>[3]</sup>   | British Columbia    | 1,813        | 1,264        | 361                  | 3,438        | 570 <sup>[2]</sup> | 2,868            | 17        |
| Surrey                   | British Columbia    | 1,129        | 887          | 236                  | 2,252        | 570 <sup>[2]</sup> | 1,682            | 2         |
| Vancouver <sup>[3]</sup> | British Columbia    | 1,678        | 1,211        | 402                  | 3,291        | 570 <sup>[2]</sup> | 2,721            | 14        |
| Victoria                 | British Columbia    | 1,895        | 934          | 437                  | 3,266        | 570 <sup>[2]</sup> | 2,696            | 12        |
| <b>Regina</b>            | <b>Saskatchewan</b> | <b>1,301</b> | <b>1,041</b> | <b>143</b>           | <b>2,485</b> | <b>0</b>           | <b>2,485</b>     | <b>10</b> |
| Saskatoon                | Saskatchewan        | 1,294        | 1,244        | 146                  | 2,684        | 0                  | 2,684            | 11        |
| Winnipeg <sup>[6]</sup>  | Manitoba            | 1,363        | 1,365        | 0                    | 2,728        | 650 <sup>[5]</sup> | 2,078            | 5         |
| Montreal                 | Quebec              | 2,532        | 551          | 0                    | 3,083        | 0                  | 3,083            | 20        |
| Laval                    | Quebec              | 2,312        | 849          | 0                    | 3,161        | 0                  | 3,161            | 21        |
| Toronto <sup>[6]</sup>   | Ontario             | 2,129        | 870          | 0                    | 2,999        | 0                  | 2,999            | 19        |
| London                   | Ontario             | 2,415        | 473          | 67                   | 2,955        | 0                  | 2,955            | 18        |
| Halifax <sup>[6]</sup>   | Nova Scotia         | 1,556        | 626          | 150                  | 2,332        | 0                  | 2,332            | 8         |
| Saint John               | New Brunswick       | 2,701        | 0            | 0                    | 2,701        | 0                  | 2,701            | 13        |
| Fredericton              | New Brunswick       | 2,790        | 0            | 0                    | 2,790        | 0                  | 2,790            | 16        |
| St. John's               | Newfoundland        | 1,818        | 0            | 0                    | 1,818        | 396 <sup>[7]</sup> | 1,422            | 1         |
| <b>Average</b>           |                     |              |              |                      |              |                    | <b>2,477</b>     |           |

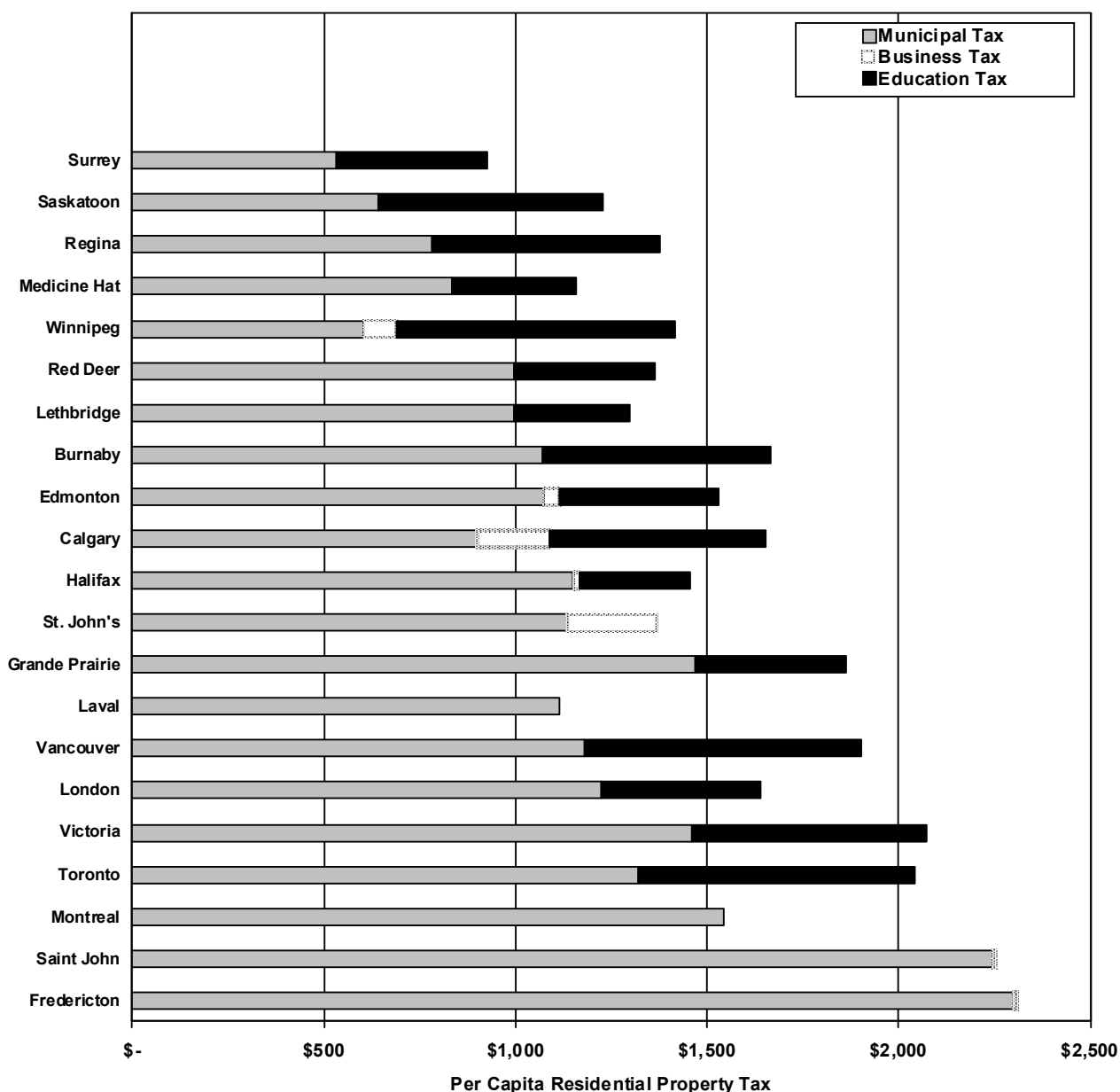
- **Regina's per capita taxes are lower than the average of the 21 cities for all per capita tax measurers other than education taxes per capita.**

Note:

1. The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.
2. Grant is \$570 for school levy for homeowners with age 64 years or under and \$845 for senior citizens or handicapped.
3. Based on the averaged value of single-family houses, which may not correspond to the sample house described above.
4. Other includes regional and other tax levies.
5. Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.
6. Based on the median value of single detached houses; which may not correspond to the sample house described above.
7. Grant is 15% of property taxes.

The next graph provides information on the per capita residential property taxes (municipal, business and education) for the cities that participated in the 2010 City of Edmonton Tax Survey

**Per Capita Property Tax**  
(Data from 2010 City of Edmonton Tax Survey)



- **Regina's per capita taxes are lower than the average of the 21 cities for all per capita tax measures other than education taxes per capita.**

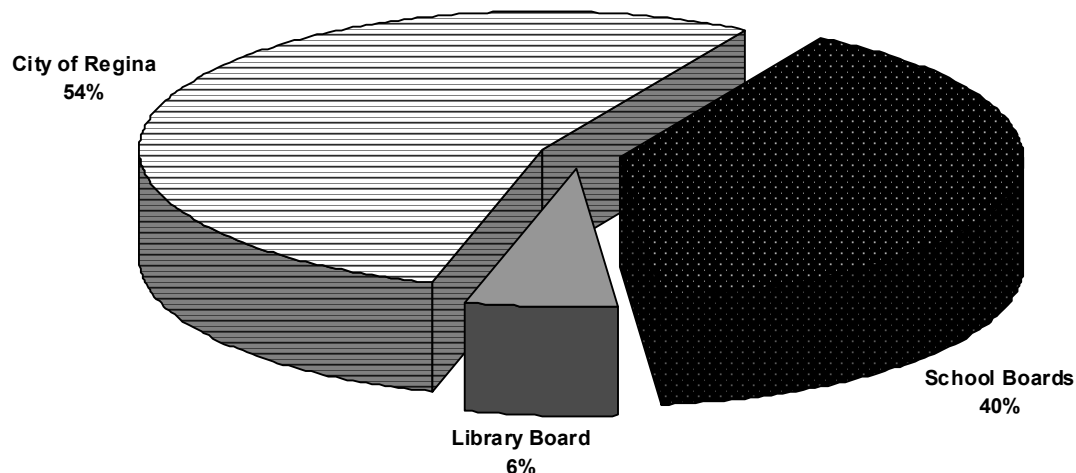
Historically, one challenge for the City has been the relatively high levels of education tax in Saskatchewan compared to other provinces, as well as the lack of understanding regarding the portion of the property tax

bill levied by the City of Regina. **For education property taxes per capita, Regina ranked 17th out of 21 cities, with Saskatoon at 15th according to the Edmonton Tax Survey.**

In 2009, the province announced a change in the way education is funded. There was some reduction of the education share of property taxes with the intention of further reductions. In Saskatchewan, the education share of property taxes in 2009 was still higher than other provinces, creating added pressure on property tax levels. The portion of local taxes (property tax and for some cities a business tax) used to fund education costs varies significantly from city to city. The graph above also provides comparative information about the education portion of business and property taxes in various cities. The changes in the Provincial education funding model and the commitment for further reductions should assist in improving this comparison in the future.

The next graph shows the distribution of property taxes in Regina for 2012.

#### **Distribution of Property Taxes – 2012**



#### **Electrical and Natural Gas Revenues**

External revenues such as gas and electrical revenues account for about 10.7% of total revenues. The City has no control over these revenues as the Province also sets gas and electrical rates. These rates are the major determinant in the level of gas and electrical revenues received by the City. While recent rate increases have added to City revenues, the markets are extremely volatile, and rate increases increase the costs for residents and businesses in Regina. For 2013, electrical and natural gas revenues are projected to increase by about \$1,000,000

#### **Licences and Levies**

Under the provisions of The Cities Act, the City is limited to charging licence fees only to the extent that the fees cover costs. Licence fee increases, such as those approved for business licences in 2007 and animal control effective December 1, 2010 have been important in providing revenues to cover the costs of administering the licence regime. But these revenues are not available to be used for other sources.

Similarly, certain service and user fees are limited only to the cost of providing those services.

Tax penalties have also decreased in recent years as the City has made strides in reducing tax arrears through improved tax enforcement processes. Tax arrears as a percentage of the total tax levy dropped from 2.6% in 2005 to 1.7% at the end of 2011.

## Provincial and Federal Operating Grants

Operating grants from the Provincial and Federal Governments account for 12.6% of 2013 revenues. Efforts of organizations such as the Federation of Canadian Municipalities, the Conference Board of Canada and the Canada West Foundation have helped to inform and advance recognition of the need for strategic investment in cities so they can fulfil their potential as engines of sustainable national growth. Federal capital programs such as the gas tax funding are providing much needed assistance to the City in addressing infrastructure requirements.

This year, the Municipal Operating Grant is expected to provide \$40.8 million in funding for operating costs for the City of Regina. This is an increase of \$4.2 million over the 2012 funding levels.

For 2013 Capital Program the City will receive \$11 million from the Federal Government as a share of Gas Tax revenues.

## Expenditure Challenges

Each year, City Council must consider the level of expenditures to fund programs and services, including the capital requirements related to those programs and services. Expenditure challenges include:

- **Growth in the Community.** While it is generally perceived that any increase in expense resulting from the physical growth of the city would be covered by additional tax revenues, that is not the case. There are required increases in the budgeted operating expenditures for areas such as waste collection and additional open space. But the most significant impact on the budget from growth is in the area of capital requirements for road network improvements.
- **Increases in salary and benefit costs.** The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada. These pressures will be reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general.
- **Education and Training Costs.** The City has experienced significant turnover for the past three years in all areas and levels of the organization. This equates to additional training and development requirements to ensure staff are able to perform required duties of their new position. To align with the Corporate Strategic Plan, the City has developed a Corporate Customer Service Strategy and training designed for all employees.
- **Increases in the price of fuel, asphalt, electricity and construction and engineering services** have exceeded the general inflation rate.
- There are also cost pressures as a result of **changing community interests, regulatory requirements, standards and expectations.**
- **Many local arts, cultural, sporting, community and charitable organizations are faced with fiscal pressures.** There has been an increase in the number of organizations seeking support through tax exemptions or capital or operating grants.
- **There continues to be a significant “infrastructure gap”.** As outlined in the 2013 – 2017 General Capital Investment Program document, the City has identified a significant funding shortfall in its

infrastructure requirements over the next ten years. Continuing delays in addressing the infrastructure gap will cause that gap to continue to grow.

- **The City has significant unfunded liabilities for vested sick leave, accumulated vacation credits, service pay and banked overtime.** At the end of 2011, the liabilities for these costs were estimated at \$32 million (no change from the end of 2010). As a growing proportion of the City's workforce reaches retirement age, the cash flows required to pay off this liability will grow. Demographic trends indicate there will be a significant cash flow impact over the next few years. Divisions are required to absorb these costs in their existing budgets.
- **The City has significant unfunded liabilities for pension and benefit plans.** The City is not required pursuant to accounting standards to account for a liability with respect to multiple employer pension and benefit plans such as the Civic Pension Plan and the Long Term Disability Plan, however, the liability is significant. The employers' contribution was increased in 2010 to meet existing liabilities following a significant drop in financial markets since 2008. These rates remain relatively high and contribute to pressures both in terms of contribution costs and in the recruitment and retention of employees.
- **Overall, the community supports the level of most City services and has a high rating for the services provided. (2011 citizen satisfaction survey) Regardless of these ratings, there are two realities the City faces:**
  - On those occasions when the City considers the elimination or a reduction in an existing service level, there is typically a segment of the community opposed to the change.
  - Some in the community are of the view that expenditures can be reduced. However, most individuals or groups do not support the resulting reductions in service levels. All those in the community do not use every service provided by the City, but all services are used by a segment of the community.

## Budget Options

Faced with a gap in revenues and expenditures, there are limited long-term options for City Council. These include:

- **Increase the revenue generated.** The increase can be for existing revenue sources, external contributions from senior governments or other sources, or through the authority for new alternative sources of revenue.
- **Decrease expenditures** through one or more of the following approaches:
  - Eliminate a service or reduce the level of service provided.
  - Reduce the cost of providing the service, either through reducing the costs of wages, goods and services to deliver the service, or through considering alternative service delivery, including contracting with external parties to provide the service.
  - Reduce the current contribution to capital, using debt for capital projects with long-term benefits so that the benefit and cost is shared over the long term.

Over the past number of years, the City of Regina, along with the other cities in the province, has requested authority for alternative revenue sources. Potential new revenue sources are a local fuel tax, a local vehicle registration surcharge, a land transfer tax, a hotel tax and a local sales tax. Cities in other provinces have pursued new revenue sources. Implementation of such authority would require legislative change.



City Council has limited choices, other than through an increase in the mill rate to generate additional revenue. For many revenue sources, City Council has no control over the revenue generated.

City Council does have a choice to reduce expenditures. There are, however, certain realities to consider:

- A reduction in expenditures will result in either a reduction in direct services to the public, or a reduction in activities that support the provision of services to the public.
- A reduction in expenditures will in most instances lead to a reduction in staff. Salaries and benefits are the largest portion of the operating and capital budgets.

If there are significant expenditure reductions to be made, it will take time (and some cost) to implement the reductions. There is likely a period of 6 to 12 months before the full benefit of expenditure reductions would be achieved.

- Since 2005, the Core Services Review has identified \$8.6 million in savings. It is expected that efforts in 2012 to narrow the gap between expected service levels and our ability to deliver will result in further savings in 2013 and beyond.

## Budget Risks

**It is important that budget choices are sustainable.** From a fiscal perspective, the key consideration for City Council is the extent that the budgets are funding ongoing expenditures with ongoing revenues, and matching one-time or limited term expenditures with one-time revenues or funding sources. To the extent that budgets do not fully fund planned expenditures, or ongoing expenditures are being funded with one-time revenues, Council is shifting the budget burden to future years.

There are budget risks for 2013. These include:

- Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2013 due to these factors.
- There is some risk that assessment appeals will reduce actual tax revenue during 2013.
- Inflationary pressures for municipalities vary considerably from what Canadians think of as the traditional inflation rate (changes to the Consumer Price Index). A large proportion of municipal expenditures are for trades and construction work. Because of the economic strength both in Saskatchewan and the rest of Western Canada, these costs are rising considerably faster than the traditional inflation rate. Many municipalities are now working to develop a systematic way to assess and quantify the inflationary pressures they face. The Municipal Price Index (MPI), based on a "basket of goods" relevant to municipalities, is now being measured across Canada. For Regina, in 2012, the MPI was 4.0%, more than 50% higher than the average Consumer Price Index of 2.2%. The difference in these two rates of inflation may undermine the spending power in the City's budget.
- The City has significant unfunded liabilities for sick leave and vacation which are payable upon termination of an employee. These amounts are not budgeted for and are typically covered through savings from staffing vacancies.

## Financial Policies and Performance Measures

Municipal governments do not exist to make a profit, but to provide services to citizens. However, budgets should be evaluated to a certain extent with regard to the impact they have on the government's financial condition.

Specific financial performance measures for governments have not yet been fully developed. However, the Public Sector Accounting Board has begun to develop guidelines that citizens can use to evaluate their government's financial position. The following information reflects the Statement of Recommended Practices. These measures are reported in the City's annual consolidated financial statements.

For governments, financial condition can be evaluated based on three factors:

### Sustainability

Sustainability is the degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the relative debt or **tax burden** on the economy within which it operates.

Measures of sustainability include ratios such as:

- assets to liabilities
- financial assets-to-liabilities
- net debt to total annual revenue

Municipalities typically address strategies regarding sustainability through debt policy, including maximum ratios for debt servicing costs as a percentage of operating revenues and per capita debt levels.

### Flexibility

Flexibility is the degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

Measures of flexibility include the following ratios such as:

- Debt charges-to-revenues
- Net book value of capital assets-to-cost of capital assets
- Own source revenues to taxable assessment

General-purpose reserves – that is, those not linked to specific future needs – are the primary tool that municipalities use to be prepared for unforeseen circumstances and to take advantage of opportunities.

## **Vulnerability**

Vulnerability is the degree to which a government is dependent on sources of funding outside its control or influence or is exposed to risks that could impair its ability to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

One measure of vulnerability is the ratio of revenues from other orders of government to a City's own-source revenues. Others would take into consideration significant operating revenues from single sources, such as one taxpayer that makes up a significant portion of a municipality's revenues.

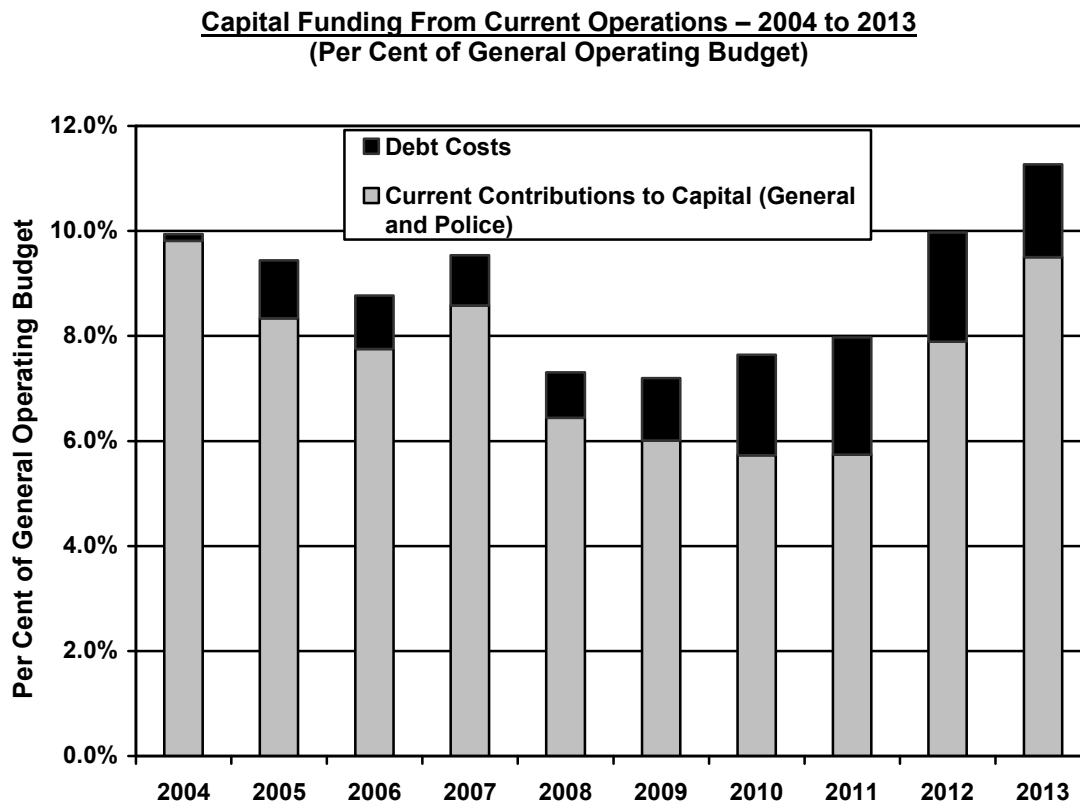
A strategy to reduce vulnerability would be the diversification of revenue sources. While municipalities can do this to a certain extent by attempting to draw diverse businesses, the current limitations on alternative sources of revenue reduce the viability of such a strategy and have the impact of increasing the dependency on revenues from other orders of government and property taxes.

## Long Term Financial Planning

During 2013, the Administration will continue to develop, for consideration by City Council, future financial plans which will assist in identifying specific areas of concern, best practices, and recommended policies, particularly those relating to the financial performance measures described above. Although work on all aspects of these plans are not yet complete, there are three areas for which some analysis is available:

### Capital Requirements

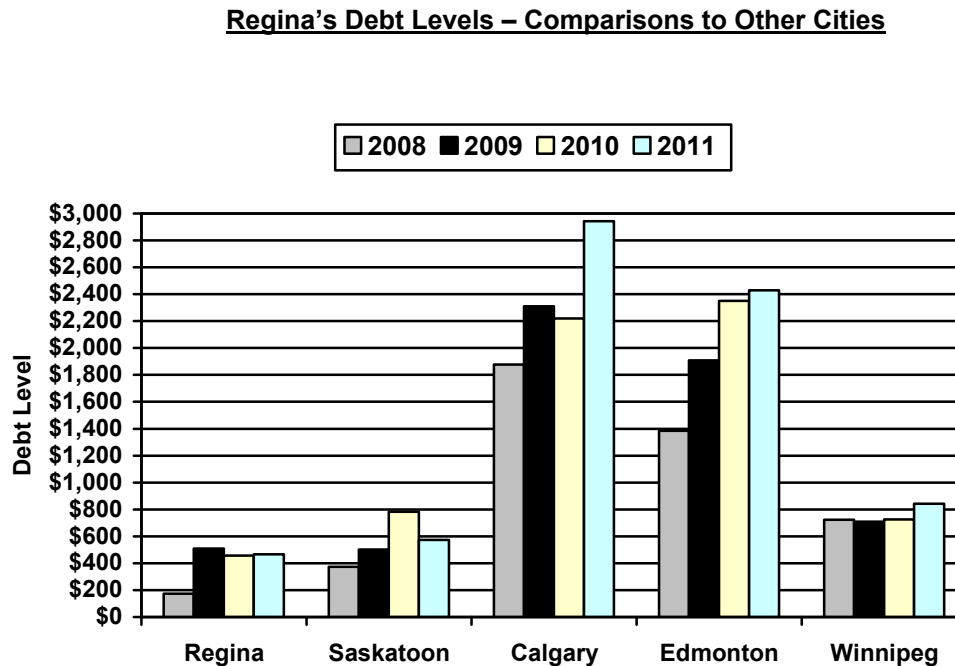
The following graph shows the annual contribution to capital from the operating budget since 2004. It is clear that the challenge of providing capital from operating revenues has been difficult and will continue to be difficult.



## Debt Levels

Low debt levels provide flexibility and reduce vulnerability for a municipality. However, a municipality limited to strictly pay as you go financing for capital projects will be challenged to maintain sustainability, as it is difficult to raise sufficient funds in advance of requirements for infrastructure. The use of debt, like a mortgage, can allow a municipality to spread out the cost of capital investments over the period of benefit. Regina has relatively low levels of debt compared to other cities. With relatively low interest rates, more municipalities are increasing the use of debt as a method of financing infrastructure requirements.

The following chart shows the per capita debt comparisons to other Cities for the years 2008, 2009, 2010 and 2011.



## Reserve Levels

The City does not have extensive reserves. The projected 2013 ending balance in the General Fund Reserve is \$22.3 million, the City's overall level of reserves is relatively low compared to other Western Canadian cities.

The next table is a summary of the City's reserve balances for the last five years.

### Reserve Balances (\$000's)

|                                   | 2009   | 2010    | 2011    | Forecast<br>2012 | Budget<br>2013 |
|-----------------------------------|--------|---------|---------|------------------|----------------|
| <b>General Reserves:</b>          |        |         |         |                  |                |
| General Fund Reserve              | 32,618 | 31,753  | 35,946  | 30,450           | 22,342         |
| General Utility Reserve           | 22,439 | 61,907  | 49,292  | 51,296           | 49,841         |
| Subtotal                          | 55,057 | 93,660  | 85,238  | 81,746           | 72,183         |
| <b>Specific Purpose Reserves:</b> |        |         |         |                  |                |
| Land Development Reserve          | -      | -       | 8,363   | 5,285            | 2,575          |
| Landfill Reserve                  | 18,198 | 17,102  | 10,751  | 16,458           | 15,488         |
| Winter Road Maintenance Reserve   | 3,426  | 3,426   | 3,523   | 3,523            | 3,523          |
| Other Reserves                    | 9,043  | 9,556   | 16,402  | 15,999           | 17,809         |
| Subtotal                          | 30,667 | 30,084  | 39,039  | 41,265           | 39,395         |
| Reserve Totals                    | 85,724 | 123,744 | 124,277 | 123,011          | 111,578        |

The growth and draw in the Utility and Landfill reserves in the past three years, reflects the planned approach to providing for future capital requirements. The 2013 – 2017 General Capital Budget reflects significant capital funding to be provided from reserves to fund required infrastructure investment.

## Conclusion

The 2013 General Operating Budget provides the funding for significant progress towards achieving City Council's Vision:

**Canada's most vibrant, inclusive, attractive, sustainable  
community, where people live in harmony and thrive in  
opportunity.**

While Regina is in the midst of an exciting period of growth, it is also facing increasing financial pressure as a consequence of that growth. The 2013 budget attempts to find the right balance between addressing the needs of a growing city, continuing to prioritize the City's long-term needs, and minimizing the tax burden on residents. Building the proposed budget, the City of Regina took into account:

- Regina continues to experience growth – and responsible growth requires investment;
- The cost of many supplies continues to increase above the rate of inflation;
- An increase in Provincial funding is anticipated in 2013; and
- Citizens hold us accountable for making progress toward a brighter future, captured in our vision, while making efficient use of resources.

To continue to deliver programs and services through this growth period, while making progress on our vision, the City of Regina is implementing a 4.45% increase in the mill rate.

## General Operating Revenues



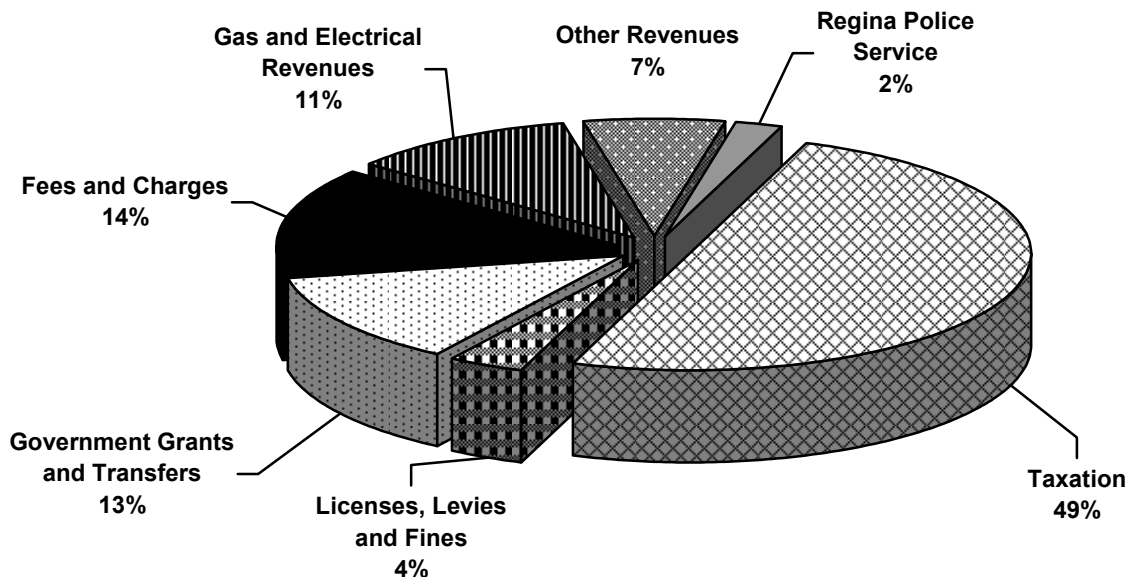
## General Operating Revenues

### Operating Revenue Summary (\$000's)

| Revenue Category                | 2012 Budget      | 2012 Actual <sup>1</sup> | 2013 Budget             | Budget Change   |                 |
|---------------------------------|------------------|--------------------------|-------------------------|-----------------|-----------------|
|                                 |                  |                          |                         | Dollar Change   | Per Cent Change |
| Taxation                        | 157,172.2        | -                        | <b>170,211.0</b>        | 13,038.8        | 8.3             |
| Government Grants and Transfers | 38,697.2         | -                        | <b>42,756.3</b>         | 4,059.1         | 10.5            |
| Licenses, Levies and Fines      | 10,650.8         | -                        | <b>12,494.8</b>         | 1,844.0         | 17.3            |
| Fees and Charges                | 40,670.0         | -                        | <b>47,729.6</b>         | 7,059.6         | 17.4            |
| Other Revenue                   | 58,031.1         | -                        | <b>58,471.2</b>         | 440.1           | 0.8             |
| Civic Total                     | 305,221.3        | -                        | <b>331,662.9</b>        | 26,441.6        | 8.7             |
| Regina Police Service           | 7,356.4          | -                        | <b>7,811.9</b>          | 455.5           | 6.2             |
| Total General Operating Revenue | <u>312,577.7</u> | <u>-</u>                 | <u><b>339,474.8</b></u> | <u>26,897.1</u> | <u>8.6</u>      |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### 2013 Operating Revenues



Highlights with respect to the 2013 revenue budget are:

- The mill rate increase for 2013 is 4.45%, which equates to about \$7.1 million.
- The 2013 Budget has been prepared including the Municipal Operating Grant Pool (former Revenue Sharing Grant) of \$40.8 million, an increase of \$4.2 million from funding provided in the 2012 Budget.

- **The transfer from the General Fund Reserve to the Operating Budget in 2012 is \$1,039,100.** The 2012 Budget included a \$1,783,600 Transfer from the General Fund Reserve.
- **The utility surplus transfer for 2013 is \$7,380,900 an increase of \$499,700 over 2012.** The budget retains a transfer of \$675,000 from the Water and Sewer Utility related to the additional GST rebate implemented by the Federal Government in 2005.
- **Gas and electrical revenues are projected to increase by \$1.0 million.** This increase is partially due to an increase in electrical rates and partially due to increased consumption. In addition, the natural gas market is extremely volatile so significant variances may occur.

The following table is a detailed list of 2013 revenue sources for the General Operating Budget. The table outlines the amount of revenue, along with an analysis of the factors that determine the revenue generated from those sources. For some revenue sources City Council controls one or more of the factors that determine the revenue generated, although there may be some restrictions in legislation or regulations. For some revenue sources (gas revenues, electrical revenues, interest earnings and government grants), City Council has no control over the revenue generated.

| General Operating Revenues  |  |                        |             |                   |                       |
|---|--|------------------------|-------------|-------------------|-----------------------|
| Revenue Source  | Factors Determining the Amount of Revenue                    | Does the City Control? | 2013 Budget | Per Cent of Total | Cumulative Percentage |
| Property Taxes (including supplementary taxes)                    | Assessment Growth<br>Mill Rates                              | No<br>Yes              | 156,996,800 | 46.2%             | 46.2%                 |
| Electrical Revenues   | Formula for Transfers<br>Electrical Rates<br>Consumption     | No<br>No<br>No         | 29,636,300  | 8.7%              | 55.0%                 |
| Government Grants and Transfers (includes Police & Lotteries)     | Government Policy  | No                     | 51,004,800  | 15.0%             | 70.0%                 |
| Gas Revenues  | Payment In Lieu Rate<br>Natural Gas Rates<br>Consumption     | No<br>No<br>No         | 6,700,000   | 2.0%              | 72.0%                 |
| Grants-In-Lieu of Property Taxes                                  | Assessment Growth<br>Mill Rates<br>Government Policy         | No<br>Yes<br>No        | 11,079,200  | 3.3%              | 75.2%                 |
| Community and Leisure User Fees                                   | Amount of Fee<br>Amount of Use                               | Yes<br>No              | 9,888,800   | 2.9%              | 78.2%                 |
| Waste Collection and Disposal Fees                                | Amount of Fee<br>Amount of Use                               | Yes<br>No              | 14,901,200  | 4.4%              | 82.5%                 |
| Transit and Paratransit User Fees                                 | Amount of Fee<br>Amount of Use                               | Yes<br>No              | 7,845,100   | 2.3%              | 84.9%                 |
| Utility Surplus Transfer  | Transfer Rate<br>Calculation Base                            | Yes<br>Yes             | 7,380,900   | 2.2%              | 87.0%                 |
| Interest Earnings   | Interest Rates<br>Cash Balances                              | No<br>No               | 7,713,000   | 2.3%              | 89.3%                 |
| Fines   | Fine Amount<br>Number of Infractions<br>Level of Enforcement | Yes<br>No<br>Yes       | 6,003,575   | 1.8%              | 91.1%                 |
| Recovery of Administrative Costs (Utility, Pension Plans & BPWAB) | City Council Policy  | Yes                    | 4,740,900   | 1.4%              | 92.5%                 |

| General Operating Revenues                                    |   |                        |             |                   |                       |
|---|---|------------------------|-------------|-------------------|-----------------------|
| Revenue Source  | Factors Determining the Amount of Revenue           | Does the City Control? | 2013 Budget | Per Cent of Total | Cumulative Percentage |
| Paved and Gravel Alley Special Tax                            | Levy Rates<br>Alley Lengths                         | Yes<br>No              | 4,244,300   | 1.3%              | 93.7%                 |
| Other Revenue or Fees   | Amount of Fee<br>Amount of Use                      | Yes<br>No              | 2,402,225   | 0.7%              | 94.4%                 |
| Recovery From Other Taxing Authorities (net of cancellations) | Transfer Rate<br>Calculation Base                   | No<br>No               | 2,175,000   | 0.6%              | 95.1%                 |
| Parking Meter and Permit Fees                                 | Amount of Fee<br>Number of Meters<br>Amount of Use  | Yes<br>Yes<br>No       | 1,400,000   | 0.4%              | 95.5%                 |
| Penalties on Taxes  | Penalty Rates<br>Outstanding Taxes                  | Yes<br>No              | 1,050,000   | 0.3%              | 95.8%                 |
| Building Permit & Inspection Fees                             | Amount of Fee<br>Number & Value of Permits          | Yes<br>No              | 3,313,100   | 1.0%              | 96.8%                 |
| Cemetery Fees   | Amount of Fee<br>Amount of Use                      | Yes<br>No              | 994,100     | 0.3%              | 97.1%                 |
| Business and Taxi Licenses                                    | License Fee<br>Number of Licenses                   | Yes<br>No              | 830,000     | 0.2%              | 97.3%                 |
| Amusement Tax   | Tax Rate<br>Ticket Prices<br>Number of Tickets Sold | Yes<br>No<br>No        | 7,485,600   | 2.2%              | 99.5%                 |
| Planning and Development Fees                                 | Amount of Fee<br>Number of Applications             | Yes<br>No              | 1,204,900   | 0.4%              | 99.9%                 |
| Animal Control and Impoundment                                | Amount of Fee<br>Number of Applications             | Yes<br>No              | 485,000     | 0.1%              | 100.0%                |
| 2013 General Operating Revenue                                |   |                        | 339,474,800 | 100.0%            |                       |

Each budget process involves choices with respect to costs (services provided, service costs and the method of service delivery), and the revenues available to fund the costs. Revenue choices include:

- 1. Seek additional funding from the senior governments, or seek authority for new sources of revenue.** There are limits to the authority of City Council with respect to revenue options. The taxation authority for the City is limited to that provided in *The Cities Act*. The City's authority for taxes is essentially property tax, amusement tax and special taxes.

The City is continuing to review its options around developing alternative revenue resources to meet the increasing operating and capital funding needs as the city continues to experience more significant growth. The Federal Government now provides municipalities 1.5 cents per litre of the Federal fuel tax starting in 2005, increasing to 5 cents per litre in 2009. In Alberta, Calgary and Edmonton each receive 5 cents per litre for every litre of gasoline sold in the city.

- 2. Increase the mill rate.** The mill rate is the primary determinant for property tax revenue and grants or payments in lieu of property tax. The revenue from property tax does not increase in the same way that Federal and/or Provincial Government taxes increase. Taking the PST as an example, the revenue from PST is influenced by three factors:

- Tax rate (currently 5% in Saskatchewan);

- Growth in the tax base resulting from more goods and services being sold – essentially growth through an increase in the “volume” or the tax base; and,
- Growth in the tax base as the cost of goods and services increases – essentially growth in the tax base through increases in “value or price”.

For property taxes, while the assessment base has growth each year due to the construction or renovation of buildings that generates new property taxes, there is no increase in property taxes from growth in the assessed value of properties based on market appreciation.

**3. New or increased user fees and charges, fines and license fees.** Significant rate decisions made in recent years that are reflected in the 2012 budget projections include:

- A fee schedule (Bylaw CR10-43) for Arena Ice Fees and Charges for 2010 to 2013
- A Golf Course Fee Schedule (Bylaw CR12-183) for 2013 to 2015
- A Cemetery Fee Schedule (Bylaw CR11-149) for 2012 to 2013.
- Increased landfill rates (Bylaw CR10-110) for 2011 to 2013.

**4. Pursue alternative revenue options provided for in *The Cities Act* that are not currently used by the City of Regina.** Revenue options include:

- The definition of a public utility [Section 2(cc)] includes waste management and street lighting services. During the 2002 budget process, the Executive Committee (Report EX02-15) considered the concept of a Waste Management Utility. The decision was made not to proceed with a utility. If a utility was implemented for waste management or street lighting, the cost of the services could be funded through a special charge rather than through general revenues.
- There are a number of municipalities that pay for waste collection and disposal through specific fees. The fee structures are typically either a flat fee irrespective of the amount of waste disposed, or use of a system such as the “tag a bag” system. The “tag a bag” concept could not be implemented in Regina for those portions of the city served by rear lane collection.
- Section 8(3) of *The Cities Act* provides the authority for fees for licenses, inspections, permits or approvals. Section 8(4) of the legislation limits the license fees to the cost to the City for administering and regulating the activity and collecting the fees. While the City has many fees and charges, there may be opportunity for additional fees and charges. The total revenue increase available through new fees is likely minimal.
- Section 264 of *The Cities Act* allows the establishment of service fees in connection with any service provided by the City. The difficulty with the legislation is that to enforce collection of the fee, the only option is to discontinue the service. For some services, discontinuance may be an option, but for many services this is not an option.
- Section 275 of *The Cities Act* authorizes a council to pass a special tax bylaw to raise revenue to pay for any specific service or purpose to be completed within the current year. The special tax could apply to the entire city or a portion of the city. The tax rate can be applied based on the property assessment, the frontage of a property, the area of a property or to each parcel of property. The only special tax currently levied by the City is for costs related to the reconstruction and maintenance of alleys and lanes.

- Section 279 of The Cities Act authorizes an amusement tax. While the City currently has an amusement tax, the City has chosen to limit the tax to those attending a commercial movie theatre. The tax base could be expanded to other forms of entertainment where an entrance fee or admission is charged.

If new taxes or fees are implemented, there will be increased administrative costs. The cost may be modest if existing billing and collection processes can be used. If not, the administrative cost of a new fee or tax could be substantial.

## Taxation

### Operating Revenue Summary (\$000's)

| Revenue Source                         | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget      | Budget Change |                 |
|--|-------------|--------------------------|------------------|---------------|-----------------|
|  |             |                          |                  | Dollar Change | Per Cent Change |
| Municipal Property Tax                 | 144,729.1   | -                        | <b>154,996.8</b> | 10,267.7      | 7.1             |
| Payments and Grants in Lieu of Tax     | 9,608.1     | -                        | <b>11,079.2</b>  | 1,471.1       | 15.3            |
| Total Property Tax                     | 154,337.2   | -                        | <b>166,076.0</b> | 11,738.8      | 7.6             |
| Supplementary Property Tax             | 900.0       | -                        | <b>2,000.0</b>   | 1,100.0       | 122.2           |
| Recovery from Other Taxing Authorities | 2,135.0     | -                        | <b>2,175.0</b>   | 40.0          | 1.9             |
| Tax Cancellations                      | (200.0)     | -                        | <b>(40.0)</b>    | 160.0         | (80.0)          |
| Total                                  | 157,172.2   | -                        | <b>170,211.0</b> | 13,038.8      | 8.3             |

*Note:*

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

The 2013 budget for property taxes and grants in lieu of property taxes is about \$166 million, an increase of about \$11.7 million over the 2012 budget. This amount consists of the following: increase in the municipal mill rate, \$7.1 million; increase in tax revenue from growth, \$4.6 million.

The key assumptions or factors that impact the budget are:

**The increase in the municipal mill rate for 2013 is 4.45%.** The mill rate for 2012 was 15.1059 compared to 8.4404 for 2013. The restated revenue neutral mill rate for 2013 is 8.1616 with no mill rate increase, tax revenues would increase by about \$4.6 million. With the mill rate increase, tax revenues will increase by about \$7.075 million.

In previous years the property tax revenue shown in this document reflected a reduction of the budgeted levy amount by the projected appeal risk. Starting in 2010, there has been no provision to fund appeal risk in the General Operating Budget therefore, the 2013 property tax projection is not adjusted for potential appeal risk.

The 2013 preliminary tax assessment roll is \$19,618,300. The final date to file an appeal for 2013 is February 4, 2013. The assessment roll will be reviewed for potential risk due to corrections and assessment appeals using preliminary information obtained from appeals filed for 2013. Based upon the review of appeals received, there may be a risk of reduction in the assessment roll. If the reduction in tax revenues due to assessment appeals causes a deficit in the 2013 fiscal year, then that deficit must be eliminated by a transfer from the General Fund Reserve to the General Operations Fund.

The following table details the property tax and grants in lieu of tax revenue (budget and actual) for the last five years. The property tax revenue includes supplementary taxes.

| <b>Tax Revenue (\$000's)</b>           | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--|-------------|-------------|-------------|-------------|-------------|
| <b>Property Tax:</b>                   |             |             |             |             |             |
| Budget                                 | 118,208.6   | 128,300.6   | 136,205.3   | 144,729.1   | 156,996.8   |
| Actual                                 | 122,114.6   | 127,519.4   | 136,130.0   | -           | -           |
| Variance                               | 3,906.0     | (781.2)     | (75.3)      | -           | -           |
| <b>Grants In Lieu of Property Tax:</b> |             |             |             |             |             |
| Budget                                 | 8,725.0     | 9,196.2     | 9,608.1     | 9,608.1     | 11,079.2    |
| Actual                                 | 8,403.9     | 8,604.2     | 9,415.1     | -           | -           |
| Variance                               | (321.1)     | (592.0)     | (193.0)     | -           | -           |

As a result of assessment appeal decisions within the year and allowances for outstanding assessment appeals at the end of each year, there can be significant volatility in actual tax revenue as compared to budgeted revenues.

## Mill Rates and Mill Rate Factors

Mill rates and mill rate factors serve different purposes. The mill rate, applied to the taxable assessment (including the assessment of grant in lieu properties), determines the total tax generated. Mill rate factors determine the distribution of the taxes between groups of properties. The following table is the history of mill rates, including the mill rates for the Schools and Library, over the last ten years. There have been reassessments in 1997, 2001, 2005, 2009 and 2013. Whenever a reassessment occurs, the mill rate is recalculated such that there is no change in the total taxes levied as a result of the reassessment. The annual per cent change for 2005, 2009 and 2013 in the following table is based on the mill rate for the year in comparison to the restated mill rate for the prior year.

| <b><u>Mill Rate History</u></b> |                  |                        |                  |                        |                  |                        |                  |                        |
|---------------------------------|------------------|------------------------|------------------|------------------------|------------------|------------------------|------------------|------------------------|
| <b>Year</b>                     | <b>Municipal</b> |                        | <b>Schools</b>   |                        | <b>Library</b>   |                        | <b>Total</b>     |                        |
|                                 | <b>Mill Rate</b> | <b>Per Cent Change</b> | <b>Mill Rate</b> | <b>Per Cent Change</b> | <b>Mill Rate</b> | <b>Per Cent Change</b> | <b>Mill Rate</b> | <b>Per Cent Change</b> |
| 2002                            | 18.4194          | 4.33%                  | 19.7247          | 1.00%                  | 1.9077           | 1.50%                  | 40.052           | 2.53%                  |
| 2003                            | 18.6212          | 1.10%                  | 19.7247          | -                      | 1.9745           | 3.50%                  | 40.320           | 0.67%                  |
| 2004                            | 18.6212          | -                      | 19.7427          | -                      | 1.9745           | -                      | 40.338           | -                      |
| 2005                            | 17.6987          | 4.00%                  | 18.0264          | -                      | 1.8045           | 3.00%                  | 37.5296          | 1.99%                  |
| 2006                            | 17.6987          | -                      | 18.5528          | 2.92%                  | 1.9320           | 2.92%                  | 38.1835          | 1.74%                  |
| 2007                            | 18.3907          | 3.91%                  | 19.0166          | 2.44%                  | 2.0267           | 4.90%                  | 39.4340          | 3.17%                  |
| 2008                            | 18.9130          | 2.84%                  | 19.7393          | 3.80%                  | 2.1059           | 3.91%                  | 40.7582          | 3.36%                  |
| 2009                            | 13.4420          | -                      | See Note 1       | -                      | 1.4967           | -                      | -                | n/a                    |
| 2010                            | 13.9797          | 4.00%                  | See Note 1       | -                      | 1.5401           | 2.90%                  | -                | n/a                    |
| 2011                            | 14.5389          | 4.00%                  | See Note 1       | -                      | 1.5919           | 3.36%                  | -                | n/a                    |
| 2012                            | 15.1059          | 3.90%                  | See Note 1       | -                      | 1.6221           | 1.90%                  | -                | n/a                    |
| 2013                            | 8.4404           | 4.45%                  | See Note 1       | -                      | -                | -                      | -                | n/a                    |

Note:

- The Provincial Government has changed the way education costs are funded by the province and to the way that education property taxes are calculated.
  - The province now sets province wide mill rates to calculate the education tax for properties.
  - The province has changed the level of direct funding for school boards.
  - The Province wide mill rates for 2013 will be established at the time the provincial budget is announced.

Mill rate factors can be established by City Council for each property class or subclass. The factors change the distribution of the total tax levied but do not increase or decrease the total tax collected. The following table shows the mill rate factors since 2008.

| <b><u>Mill Rate Factors</u></b>      |             |             |             |             |             |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Property Class/Subclass</b>       | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
| Residential (including condominiums) | 0.89783     | 0.90059     | 0.90059     | 0.90059     | 0.87880     |
| Multiple Family Residential          | 0.93390     | 0.90059     | 0.90059     | 0.90059     | 0.87880     |
| Commercial and Industrial            | 1.22945     | 1.22945     | 1.22945     | 1.22945     | 1.32901     |
| Exterior Hotels                      | n/a         | n/a         | n/a         | n/a         | n/a         |
| Golf Courses                         | 0.92187     | 0.92187     | 0.92187     | 0.92187     | 0.99647     |
| Agriculture                          | 1.22945     | 1.22945     | 1.22945     | 1.22945     | 1.32901     |

The Province announced that for 2009 there are changes to the funding of education and changes to the way property tax is calculated for the education levy. Province wide education levy mill rates are now set by property class with mill rate factors no longer applied to calculate the education portion of property taxes. Mill rate factors can still be applied to calculate the municipal and library property tax levies. The following table shows the education mill rates as set by the Province.

| <b>Property Class</b>  | <b>2012</b> | <b>2013</b> |
|--|-------------|-------------|
| Residential (including condominiums)                                     | 9.51        | n/a         |
| Multiple Family Residential  | 9.51        | n/a         |
| Agriculture  | 3.91        | n/a         |
| Commercial and Industrial (Taxable Assessment less than 499,999)         | 12.25       | n/a         |
| Commercial and Industrial (Taxable Assessment is 500,000 to 5,999,000)   | 14.75       | n/a         |
| Commercial and Industrial (Taxable Assessment is greater than 6,000,000) | 18.55       | n/a         |

*Note:*

*The Province wide mill rates for 2013 are not known at this time. They will be announced with the Provincial Budget.*

## Property Assessment

Taxable assessment for a property is the fair value assessment determined in accordance with legislation and the Saskatchewan Assessment Manual multiplied by the provincial percentage set by the Province. For 2013, the provincial percentages are:

- 70% for all residential property, including condominiums and multi-unit residential property.
- 40% for non-arable land and 55% for other agricultural property.
- 100% for elevators, rail right of ways and pipelines; and,
- 100% for all other commercial and industrial property.

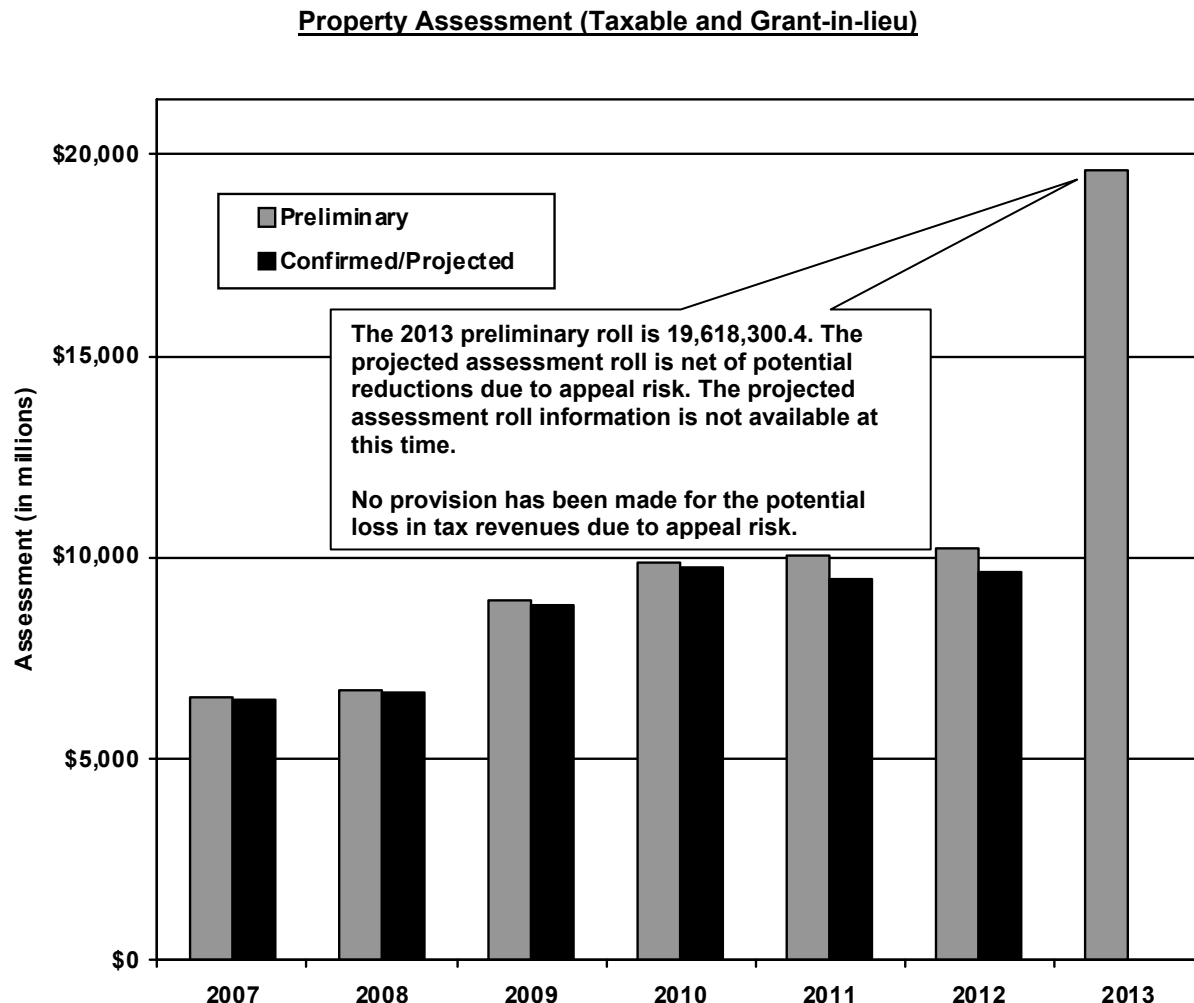
Each year an assessment roll is prepared. Every four years there is a province wide reassessment that updates assessments to a new base year. 2013 is a revaluation year that reflects a base date of Jan 1, 2011. Within 60 days from the “opening” of the assessment roll, property owners have the right to file an assessment appeal. The first step of the assessment appeal process is an appeal to the Board of Revision. If any party to the assessment appeal is of the view that the Board of Revision erred in their decision, the party can appeal to the Saskatchewan Municipal Board Assessment Appeal Committee (SMB AAC). Once



the SMBAAC renders a decision, parties to an appeal have the right to seek leave to appeal to the Court of Appeal with respect to a question of law.

Each year, there are changes to the assessment roll. This includes changes due to assessment appeal decisions of the Board of Revision and/or SMBAAC; additions to the assessment roll resulting from new construction or major renovations of property, the subdivision of property and zoning changes; and, deletions to the assessment roll, typically resulting from demolitions of property.

**The total taxable assessment (including the assessment of grant in lieu properties) can be subject to significant change and uncertainty due to assessment appeals.** The following graph highlights the variability between the preliminary assessment roll and confirmed assessment roll totals since 2006.



*Note:*

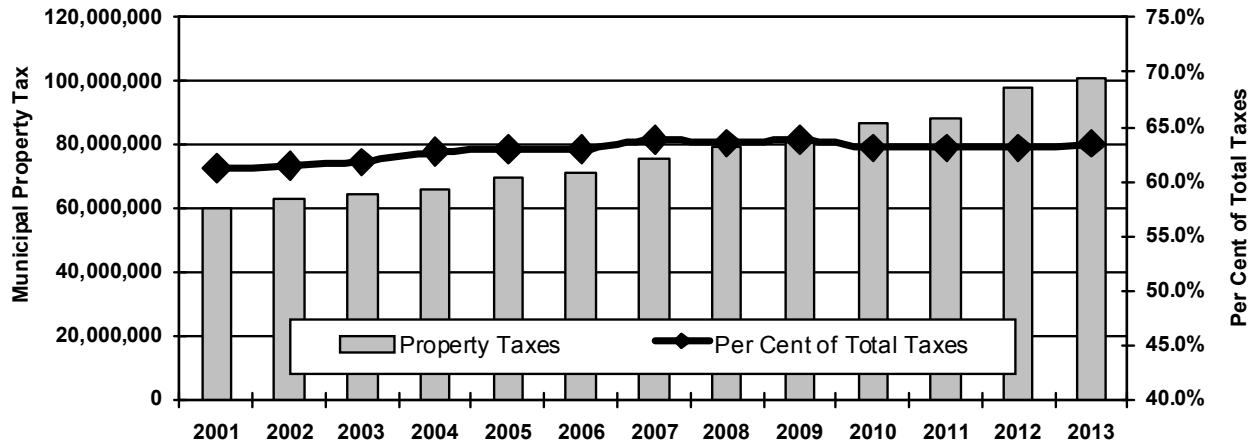
*The 2005 – 2008 assessments are valued with a base year of 2002. The 2009-2010 assessment is valued with a base year of 2006 while the 2013 assessment is valued with a base year of 2011.*

Often in recent years, due to the impact of assessment appeals and other assessment changes, the confirmed assessment roll is less than the preliminary assessment roll. The contingent liability for assessment appeals outstanding at November 30, 2012 was approximately \$2.9 million. The risk is with respect to appeals for the years 2009, 2010, 2011 and 2012.

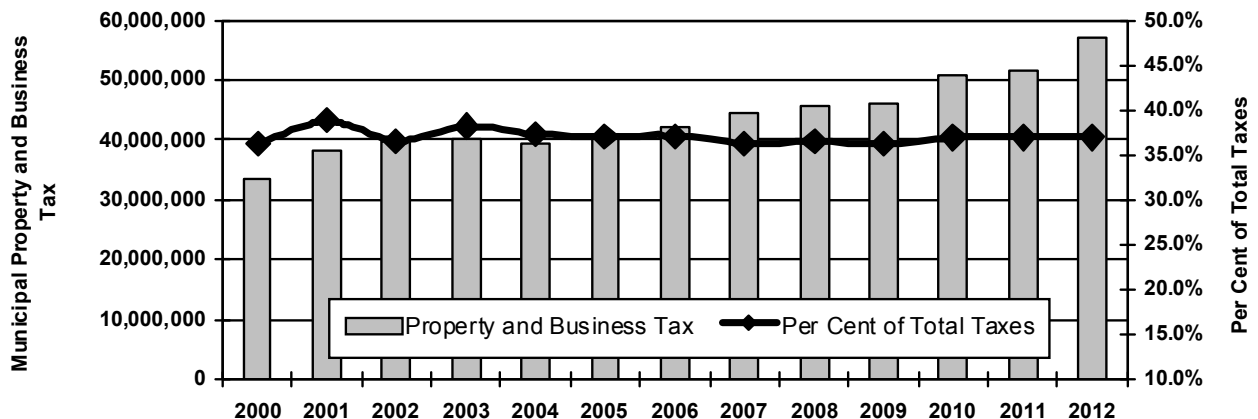
## Tax Distribution

The next two graphs provide information on the changes in the distribution of taxes in Regina since 2001. The taxes are based on the confirmed assessment roll each year, net of phase-in adjustments and do not reflect allowances established at the end of the year for appeals, nor subsequent appeal decisions. The taxes for 2013 are based on the projected assessment. The graphs show the total taxes and percentage of total taxes since 2001.

**Municipal Property Tax – Residential Properties**



**Municipal Property Tax – Commercial, Industrial and Other Properties**



This graph includes grants-in-lieu of government and crown-owned properties. The trend has been a decrease in the proportion of total municipal taxes paid by commercial, industrial and other properties.

## Government Grants and Transfers

### Operating Revenue Summary (\$000's)

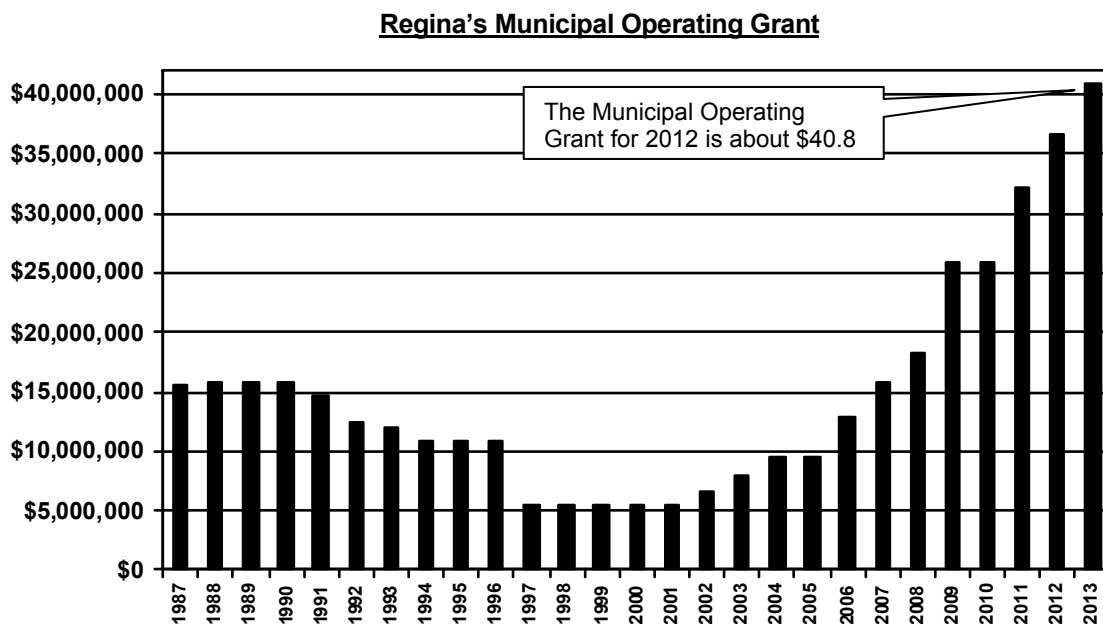
| Revenue Source                      | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change  |                 |
|-------------------------------------|-----------------|--------------------------|-----------------|----------------|-----------------|
|                                     |                 |                          |                 | Dollar Change  | Per Cent Change |
| Municipal Operating Grant           | 36,624.2        | -                        | <b>40,790.3</b> | 4,166.1        | 11.4            |
| Paratransit Grant                   | 1,130.0         | -                        | <b>980.0</b>    | (150.0)        | (13.3)          |
| Other Grants:                       |                 |                          |                 |                |                 |
| Discount Transit Pass Grant         | 520.0           | -                        | <b>520.0</b>    | -              | -               |
| Urban Aboriginal Leadership Program | 35.0            | -                        | -               | (35.0)         | (100.0)         |
| Crime Prevention Week               | 2.0             | -                        | -               | (2.0)          | (100.0)         |
| Recycling Grant                     | -               | -                        | <b>80.0</b>     | 80.0           | 100.0           |
| Urban Highway Connector Program     | 386.0           | -                        | <b>386.0</b>    | -              | -               |
| <b>Total</b>                        | <b>38,697.2</b> | <b>-</b>                 | <b>42,756.3</b> | <b>4,059.1</b> | <b>10.5</b>     |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### Municipal Operating Grant (former Revenue Sharing Grant)

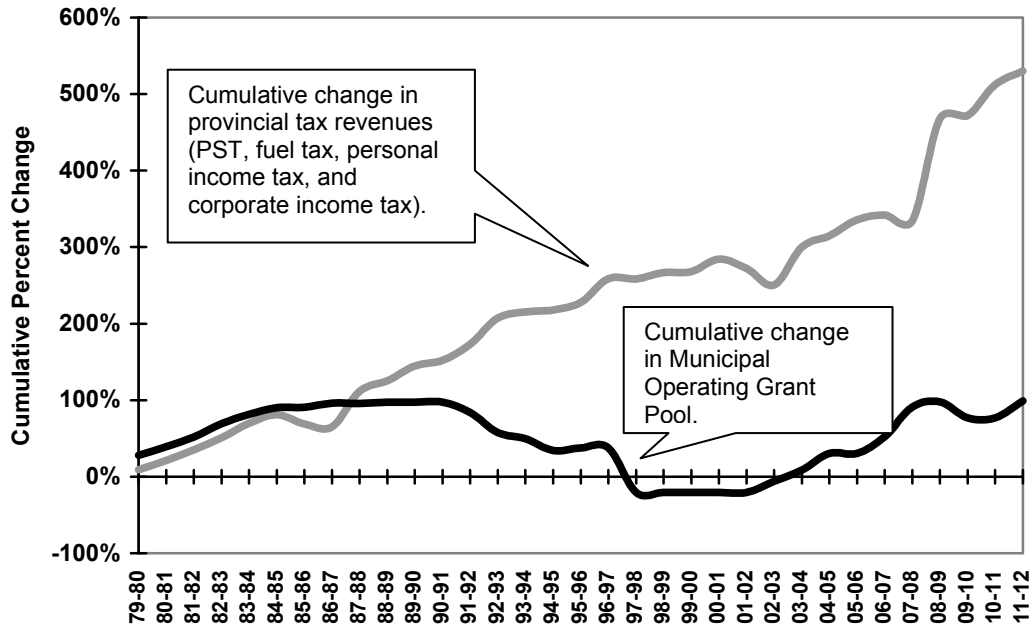
For 2013, funding for Regina from the Municipal Operating Grant is approximately \$40.8 million. This is an increase of \$4.2 million from 2012 funding levels.

The following graph shows the annual Municipal Operating Grant received by Regina since 1987:



Initially, the amount of funding in the Municipal Operating Grant Pool was linked to four provincial tax bases (retail sales, fuel, personal income and corporate income), with the size of the pool increasing or decreasing with the change in the tax base (not tax revenue). The following graph shows the increase in the Municipal Operating Grant Pool since the inception of the grant program, in comparison to the increase in tax revenue from the four provincial taxes initially linked to the Municipal Operating Grant Pool.

### Provincial Tax Revenue and Municipal Operating Grant Pool



In 1990, the Municipal Operating Grant accounted for 11.1% of the total general operating revenue budget. In 2013, the grant accounts for 12.0% of the total general operating revenue.

In 2012-13, the Provincial Government will provide a total of \$237.4 million dollars in Revenue Sharing grants to urban, rural and northern communities. This is based on 2010-11 PST Revenue of \$1.2 billion.

The following table shows the estimated distribution of the Municipal Operating Grant for urban and rural municipalities for 2012.

### Distribution of Municipal Operating Grant

|                                | 2012       |                   |
|--------------------------------|------------|-------------------|
|                                | \$ Million | Per Cent of Total |
| <b>Urban Municipalities</b>    |            |                   |
| Regina                         | 36.72      | 15%               |
| Saskatoon                      | 41.46      | 17%               |
| All Other Urban Municipalities | 73.76      | 31%               |
| Urban Municipalities Subtotal  | 151.94     | 64%               |
| <b>Rural Municipalities</b>    | 68.85      | 29%               |
| <b>Northern Communities</b>    | 16.62      | 7%                |
|                                | 237.40     | 100%              |

## Paratransit Grant

For 2013, the Paratransit Grant is projected to be \$980,000. Payments are received quarterly and the total 2013 grant is not final and could change as a result of the final calculation by the Province.

Paratransit receives operating and capital grants from the Province's Municipal Transit Assistance for People with Disabilities program. When the grant program was first implemented, the program funded up to 50% of the net operating cost of the Paratransit program and up to 75% of the capital cost. The operating grant has been converted to a performance-based grant with the level of funding linked to the number of trips.

The Paratransit grant has not kept pace with service needs and costs. The following table provides information on the operating grants since 2008.

| <b>Paratransit Service (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Provincial Operating Grant           | 949.8       | 1,062.9     | 1,002.9     | 1,045.0     | 1,151.0     | 980.00      |
| City's Operating Contribution        | 2,075.7     | 2,572.4     | 2,418.3     | 2,458.7     | 2,723.0     | 2,930.0     |
| Total Contributions                  | 3,025.5     | 3,635.3     | 3,421.2     | 3,503.7     | 3,874.0     | 3,910.0     |
| Provincial Operating Grant           | 31.4%       | 26.3%       | 29.3%       | 29.8%       | 29.7%       | 25.1%       |
| City's Operating Contribution        | 68.6%       | 73.7%       | 70.7%       | 70.2%       | 70.3%       | 74.9%       |
| Total Contributions                  | 100.0%      | 100.0%      | 100.0%      | 100.0%      | 100.0%      | 100.0%      |

The Province's contribution has dropped from the initial target of 50% to approximately 25% of the net operating cost of the program. Based on 2013 funding, it is projected that the Province's contribution will be approximately 25.4%. The City supported the move to a performance-based system for providing the operating grants. The concern is that the level of provincial funding, as a portion of the net cost of the program, is declining and not keeping pace with escalating costs.

## Other Grants

The total for other grants for 2013 is \$986,000. The Province also provides transfers to the Regina Police Service. The transfers received by the Regina Police Service are included in the Fees and Charges section for Police. Other grants are conditional grants linked to specific projects or initiatives. Most of the grants are one-time grants that will not be received from year to year. Some of the grants, such as those for the Discounted Transit Pass Grant are programs that could continue for several years, although there is no specific commitment from the Province with respect to the timeframe for the grants.

## Licenses, Levies and Fines

### Operating Revenue Summary (\$000's)

| Revenue Source                     | 2012 Budget     | 2012 Actual | 2013 Budget     | Budget Change  |                 |
|------------------------------------|-----------------|-------------|-----------------|----------------|-----------------|
|                                    |                 |             |                 | Dollar Change  | Per Cent Change |
| <b>Licenses</b>                    |                 |             |                 |                |                 |
| Business Licenses                  | 730.0           | -           | <b>730.0</b>    | -              | -               |
| Animal Control and Impoundment     | 485.0           | -           | <b>485.0</b>    | -              | -               |
| Taxi Licenses                      | 100.0           | -           | <b>100.0</b>    | -              | -               |
| <b>Levies and Other Taxes</b>      |                 |             |                 |                |                 |
| Paved and Gravel Alley Special Tax | 3,686.9         | -           | <b>4,244.3</b>  | 557.4          | 15.1            |
| Amusement Tax                      | 650.0           | -           | <b>700.0</b>    | 50.0           | 7.7             |
| <b>Fines</b>                       |                 |             |                 |                |                 |
| Court Fines                        | 3,100.0         | -           | <b>3,300.0</b>  | 200.0          | 6.5             |
| Animal Fines                       | 103.9           | -           | <b>181.9</b>    | 78.0           | 75.1            |
| Impound Fees                       | 20.0            | -           | <b>20.0</b>     | -              | -               |
| Parking Tickets                    | 1,750.0         | -           | <b>2,703.6</b>  | 953.6          | 54.5            |
| Fire Bylaw Violations              | 25.0            | -           | <b>30.0</b>     | 5.0            | -               |
| <b>Total</b>                       | <b>10,650.8</b> | <b>-</b>    | <b>12,494.8</b> | <b>1,844.0</b> | <b>17.3</b>     |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### Business Licenses

The authority for licenses is Section 8 of *The Cities Act*. The majority of the licenses issued by the City are pursuant to *The Licensing Bylaw, 2007*.

**The 2013 budget for business licenses is \$730,000, no change over 2012.** City Council (Report CR06-88) approved a simplified structure for license fees effective January 1, 2007. The new structure established two license categories with a fee of \$225 for a Resident Business License and \$450 for a Non-Resident Business License. On an annual basis, about 3,400 licenses are issued.

The following table details the business license revenue (budget and actual) since 2008.

| Business License Revenue (\$000's) | 2008  | 2009   | 2010  | 2011  | 2012  | 2013  |
|------------------------------------|-------|--------|-------|-------|-------|-------|
| Budget                             | 700.0 | 700.0  | 700.0 | 700.0 | 730.0 | 730.0 |
| Actual                             | 702.4 | 684.3  | 733.0 | 816.3 | -     | -     |
| Variance                           | 2.4   | (15.7) | 33.0  | 116.3 | -     | -     |

### Animal Control

**The 2012 budget for this program is \$686,900**, an increase of \$78,000 over 2012. City Council (Report CR07-163) approved an amendment of the Cat Control Bylaw, later repealed and consolidated as part of *The Regina Animal Bylaw, 2009*, to state that all cats must be licensed and an increase in animal fines, effective January 1, 2008. The revenue from animal licensing and animal fines is a source of funding for animal control and impoundment, with services provided under contract by the Regina Humane Society. The following table details the animal control revenue (budget and actual) since 2008.

| <b>Animal Control Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                                  | 438.9       | 438.9       | 438.9       | 608.9       | 608.9       | 686.9       |
| Actual                                  | 346.5       | 405.2       | 399.0       | 485.3       | -           | -           |
| Variance                                | (92.4)      | (33.7)      | (39.9)      | (123.6)     | -           | -           |

## Paved and Gravel Alley Special Tax

Funding for maintenance and reconstruction of alleys is through a **Paved and Gravel Alley Special Tax** levied pursuant to Section 275 of *The Cities Act*. The special tax is levied against all properties that abut an alley and is billed in conjunction with property taxes.

**The 2013 budget of \$4,244,300 is an increase of \$557,400 over the 2012 budget.** The 2013 budget reflects an increase in labour, equipment and materials, along with a 22% administrative corporate overhead to be phased in over the next 3 years (2012 – 7%, 2013 – 7%, 2014 – 8%). As a result, 7% corporate overhead has been incorporated into the 2013 alley special tax rates. There is also deferred revenue collected in prior years that will be expended in 2013.

Full costs have not been charged to the program. Therefore, in order for the alley program to be fully funded by the property owners, additional costs will be identified and brought forward for consideration.

Since 2003, the revenue was collected through the special tax provisions of *The Cities Act*. Prior to 2003, the levy was assessed pursuant to provisions of *The Urban Municipality Act, 1984*. The following table details rates for alleys and lanes since 2007.

| <b>Assessable Rates</b>   | <b>2007</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Paved and Upgraded Alleys | \$2.28/ft.  | \$2.40/ft.  | \$2.64/ft.  | \$2.72/ft.  | \$2.88/ft.  | \$3.09/ft.  | \$3.56/ft.  |
| Gravel Alleys             | \$1.48/ft.  | \$1.55/ft.  | \$1.66/ft.  | \$1.71/ft.  | \$1.81/ft.  | \$2.04/ft.  | \$2.33/ft.  |

The rate increase for 2013 is consistent with the direction adopted by City Council to enhance the maintenance of alleys. In 1996, an initiative was undertaken to evaluate the entire alley system. From the review, it was proposed that a 30-year reconstruction cycle be adopted for paved alleys and a 40-year reconstruction cycle for gravel alleys.

In order to implement this proposal the number of paved alleys reconstructed each year would be increased incrementally by four until 2005. The program would provide for reconstruction of approximately 45 paved alleys.

For gravel alleys, increased investment levels between 1996 and 2001, resulted in all alleys requiring completion of full block reconstruction. The 2001 evaluation confirmed the objectives of the strategy were met, however, adjustments to the maintenance program were warranted. The approved maintenance program involved blading four to five times during the construction season, spot gravelling, cleaning of catch basins, minor reconstruction, minor drainage improvements, and a systematic program of gravel refreshment. Continuation of the investment strategy ensured ten additional alleys/year would be refreshed until 2006 when a ten-year refreshment cycle was reached on a City wide basis. As well, minor reconstruction of alleys was reduced to the equivalent of approximately five locations/year.

If the special tax levy is not fully expended in the year levied for the intended purpose, the unspent amount of the levy is recognized as deferred revenue and taken into revenue only when it is expended on the intended purpose in the following year.

## Amusement Tax

The authority for **amusement tax** is Section 279 of *The Cities Act*. Bylaw 2003-102, the Amusement Tax Bylaw, establishes the amusement tax rate and defines the nature of entertainment subject to the tax. Amusement tax is applicable to the sale of tickets for commercial movie theatres. The amusement tax is 10%, with one-tenth of the amount to be retained by the theatre as an administrative fee or commission for collecting the tax.

**For 2013, the projected revenue from amusement tax is \$700,000, an increase of \$50,000 over the 2012 budget.**

The administrative fee or commission for 2013 is \$60,400.

The following table details the amusement tax revenue (budget and actual) since 2008.

| <b>Amusement Tax Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                                 | 600.0       | 600.0       | 600.0       | 600.0       | 650.0       | 700.0       |
| Actual                                 | 611.9       | 730.3       | 733.1       | 728.0       | -           | -           |
| Variance                               | 11.9        | 130.3       | 133.1       | 128.0       | -           | -           |

## Court Fines

**The projected revenue from court fines for 2013 is \$3,300,000, an increase of \$200,000 over the 2012 budget.**

Court fines are received either through the Municipal Court or through traffic violations that result in payment through the provincial court system. The Regina Police Service issues tickets for infractions of *The Provincial Vehicles Act* and the City of Regina Traffic Bylaw.

The next table provides a summary of the budgeted and actual revenue from court fines since 2008 along with history on the number of traffic tickets issued and paid.

| <b>Court Fines Information</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Fine Revenue (\$000's):</b> |             |             |             |             |             |             |
| Budget                         | 2,750.0     | 2,750.0     | 3,100.0     | 3,100.0     | 3,100.0     | 3,300.0     |
| Actual                         | 3,364.1     | 3,187.4     | 3,256.5     | 3,462       | -           | -           |
| Variance                       | 614.1       | 437.4       | 156.5       | 362.2       | -           | -           |
| <b>Traffic Tickets:</b>        |             |             |             |             |             |             |
| Tickets Issued                 | 32,723      | 33,879      | 36,444      | 32,866      | -           | -           |
| Tickets Paid                   | 19,742      | 27,554      | 25,338      | 26,971      |             |             |

While the Province administers and enforces the collection of tickets, they deduct from the fine revenue remitted to the City the following charges:

- A court security fee of \$320,000 per year.
- An administration fee of 25% of the value of the tickets collected, plus the costs for credit and debit cards and collection agency fees. The total projected fine administration fee for 2013 is \$825,000. Banking and collection agency fees for 2013 is \$95,500.



## Parking Fines

The projected revenue from parking fines for 2013 is \$2,703,600, an increase of \$953,600 over the 2012 budget.

The next table provides a summary of the parking fine revenue since 2008 along with information on the tickets issued and paid, and other related information. The introduction of an on-line payment option in April/2009 has been well received with a steady increase in the tickets collected via this method. As of August 2011, 40% of all parking fines were collected through this payment method.

| <b>Parking Ticket Information</b>      | <b>2008</b>   | <b>2009</b>   | <b>2010</b>   | <b>2011</b>   | <b>2012</b> | <b>2013</b> |
|--|---------------|---------------|---------------|---------------|-------------|-------------|
| <b>Parking Ticket Fines (\$000's):</b> |               |               |               |               |             |             |
| Budget                                 | 1,525.0       | 1,525.0       | 1,625.0       | 1,625.0       | 1,750.0     | 2,703.6     |
| Actual                                 | 1,315.1       | 1,606.5       | 1,445.1       | 1,564.9       | -           | -           |
| Variance                               | (209.9)       | 81.5          | (179.9)       | (60.1)        | (1,750.0)   | (2,703.6)   |
| <b>Parking Tickets:</b>                |               |               |               |               |             |             |
| Tickets Issued - City                  | 60,783        | 68,239        | 68,482        | 65,526        | -           | -           |
| Tickets Issued - Wascana/University    | 18,042        | 20,565        | 20,541        | 22,904        | -           | -           |
|  | <u>78,825</u> | <u>88,804</u> | <u>89,023</u> | <u>88,430</u> | <u>-</u>    | <u>-</u>    |
| Tickets Paid                           | 66,741        | 76,669        | 75,707        | 75,278        | -           | -           |

Fire Bylaw Code Violations/Fines – Amendments to the Regina Fire Bylaw 2005-18 in 2010 provide for enhanced enforcement powers that permit the issuing of fines for failing to comply with regulatory requirements. The revenue for 2013 is projected to be \$30,000.

## Fees and Charges

### Operating Revenue Summary (\$000's)

| Revenue Source (\$000's)         | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change  |                 |
|----------------------------------|-----------------|--------------------------|-----------------|----------------|-----------------|
|                                  |                 |                          |                 | Dollar Change  | Per Cent Change |
| City Operations                  | 26,873.9        | -                        | <b>33,053.1</b> | 6,179.2        | 23.0            |
| Community Planning & Development | 11,276.8        | -                        | <b>12,276.8</b> | 1,000.0        | 8.9             |
| Other Fees and Charges           | 2,519.3         | -                        | <b>2,399.9</b>  | (119.4)        | (4.7)           |
| <b>Total</b>                     | <b>40,670.0</b> | <b>-</b>                 | <b>47,729.8</b> | <b>7,059.8</b> | <b>17.4</b>     |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### City Operations Fees and Charges

| Revenue Source (\$000's)                   | 2012 Budget     | 2012 Actual | 2013 Budget     | Budget Change  |                 |
|--|-----------------|-------------|-----------------|----------------|-----------------|
|  |                 |             |                 | Dollar Change  | Per Cent Change |
| Solid Waste Collection                     | 230.0           | -           | <b>0.0</b>      | (230.0)        | (100.0)         |
| Landfill Fees                              | 8,635.0         | -           | <b>11,490.0</b> | 2,855.0        | 33.1            |
| Allocated Landfill Charges                 | 3,932.5         | -           | <b>4,363.6</b>  | 431.1          | 11.0            |
| Recycling Revenues                         | 215.0           | -           | <b>3,366.2</b>  | 3,151.2        | 1,465.7         |
| Use/Encroachment Fees                      | 45.0            | -           | <b>45.0</b>     | -              | -               |
| Parking Fees                               | 1,400.0         | -           | <b>1,400.0</b>  | -              | -               |
| Other Public Works Revenues                | 431.1           | -           | <b>357.8</b>    | (73.3)         | (17.0)          |
| Golf Courses                               | 3,490.1         | -           | <b>2,878.3</b>  | (611.8)        | (17.5)          |
| Cemeteries                                 | 933.2           | -           | <b>994.1</b>    | 60.9           | 6.5             |
| Tree Planting and Maintenance              | 10.0            | -           | <b>16.0</b>     | 6.0            | 60.0            |
| Other Parks and Open Space Revenue         | 4.0             | -           | <b>27.0</b>     | 23.0           | 575.0           |
| Fire Suppression Fees                      | 216.1           | -           | <b>250.0</b>    | 33.9           | 15.7            |
| Other Fire and Protective Services Revenue | 5.0             | -           | <b>20.0</b>     | 15.0           | 300.0           |
| Transit Operations                         | 6,920.3         | -           | <b>7,213.5</b>  | 293.2          | 4.2             |
| Paratransit Services                       | 406.6           | -           | <b>631.6</b>    | 225.0          | 55.3            |
| <b>Total</b>                               | <b>26,873.9</b> | <b>-</b>    | <b>33,053.1</b> | <b>6,179.2</b> | <b>23.0</b>     |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### Landfill Fees

**The 2013 budget for landfill fees is \$11,490,000, an increase of \$2,855,000 over 2012.** This is due to an increase in the tipping fee at the scale as well as an expected increase in unit volumes.

In 2010, City Council (Report CR10-110) approved landfill rates per tonne for 2011 to 2013. The rates for 2011, 2012 and 2013 are \$45.00, \$55.00 and \$65.00 respectively.

In 2003, City Council adopted a funding policy for the calculation of the transfer to the landfill reserve. The landfill and recycling revenues net of landfill and recycling operating costs are transferred to the Landfill Reserve to fund landfill capital costs. The landfill revenues used in the calculation of the transfer include the revenues from external customers. A financial model has been developed for the landfill operations, taking into account operating and capital costs for the landfill and recycling. Rates are established based on funding requirements for operating costs along with current and projected capital requirements. For 2012, this revenue increases to \$8,635,000.

The following table details landfill revenue (budget and actual) since 2008:

| <b>Landfill Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                            | 5,775.3     | 4,980.3     | 5,368.0     | 6,478.0     | 8,635.0     | 11,490.0    |
| Actual                            | 5,176.3     | 5,352.8     | 6,037.5     | 7,806.1     | -           | -           |
| Variance                          | (599.0)     | 372.5       | 669.5       | 1,328.1     | -           | -           |

The solid waste residential collection program pay tipping fees as is done by other internal City clients via an internal allocation. This allocation is done at the tipping fee unit price that is the same as for all other users, internal and external.

### **Parking Meter Fees**

**The 2013 budget for parking meter revenues is \$1,400,000, no change from the 2012 budget.** In 2003, City Council (CR03-113) approved, effective July 1, 2003, an increase in parking meter rates from \$0.75 to \$1.00 per hour. The increase was for regular meters. Loading zone meters are 50 cents for 15 minutes.

The following table details parking meter revenue (budget and actual) since 2008.

| <b>Parking Meter Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                                 | 1,340.0     | 1,340.0     | 1,400.0     | 1,400.0     | 1,400.0     | 1,400.0     |
| Actual                                 | 1,406.0     | 1,447.4     | 1,388.4     | 1,353.8     | -           | -           |
| Variance                               | 66.0        | 107.4       | (11.6)      | (46.2)      | -           | -           |

### **Golf Course Revenue**

**The 2013 budget for golf course revenue is \$2,878,300, a decrease of \$611,800 from the 2012 budget.** The 2013 budget is consistent with the actual revenue received since 2009.

Western Golf Management (WGM) has a three-year contract to operate the Joanne Goulet and Lakeview Golf Courses. This contract, approved by City Council in February, 2010, is in effect from 2010 through 2012. In addition to the annual base fee of \$382,000, the City will receive 40% of all green fees collected.

WGM also has a 20-year contract (2002 – 2021) to operate the Murray and TorHill Golf Courses. The City receives an annual base fee along with 50% of all green fees collected. A three-year fee schedule for 2010-2012 was approved by City Council in February, 2010.

The following table details golf course revenue (budget and actual) since 2008.

| <b>Golf Course Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                               | 2,473.6     | 2,590.6     | 2,664.7     | 2,709.3     | 3,490.1     | 2,878.3     |
| Actual                               | 2,590.8     | 2,717.5     | 2,819.8     | 2,763.6     | -           | -           |
| Variance                             | 117.2       | 126.9       | 155.1       | 54.3        | -           | -           |

## **Cemetery Revenue**

**The 2013 budget for Cemetery revenue is \$994,100, an increase of \$60,900 over the 2012 budget.**

A proposed two-year fee schedule, effective January 1, 2012, and January 1, 2013 will incorporate fee increases of 7% in each of the two years. The proposed fee schedule is in line with fees charged by other municipally-operated cemeteries in Saskatchewan and Western Canada. New columbaria installed in 2010 and 2011 have attracted higher than normal sales of niches. Sales volumes of other products and services are expected to remain similar to 2011. Cemeteries are operated on a cost-recovery basis.

The following table details cemetery revenue (budget and actual) since 2008.

| <b>Cemetery Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                            | 722.9       | 797.5       | 829.4       | 880.6       | 933.2       | 994.1       |
| Actual                            | 900.2       | 844.7       | 1,007.1     | 911.4       | -           | -           |
| Variance                          | 177.3       | 47.2        | 177.7       | 30.8        | -           | -           |

## **Fire Suppression Service Fees**

The majority of the revenue is for fees pursuant to service agreements with the Rural Municipality of Sherwood and the Rural Municipality of Lumsden. The fees have two components:

- **Retainer Fee** – For each of the servicing agreements, an annual retainer fee is paid. The retainer fees were established when the initial agreements were negotiated. The fees increase each year by the greater of the percentage increase in the Consumer Price Index for the prior year or the capital and operating budgets. The following table has information on the historic fees charged and the projected retainer fees for 2012.

| <b>Fire Service Agreements Retainer Fee (\$)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> |
|--|-------------|-------------|-------------|-------------|-------------|
| Rural Municipality of Sherwood                   | 76,899.0    | 80,283.0    | 82,771.0    | 84,179.0    | 87,041.0    |
| Rural Municipality of Lumsden                    | 10,333.0    | 10,787.0    | 11,122.0    | 11,311.0    | 11,695.0    |
| Sakimay First Nation                             | 552.0       | 577.0       | 594.0       | 605.0       | 625.0       |

- **Service Call Fee** – In addition to the retainer fee, a per incident charge is billed to the rural municipality. Revenues vary based on the number of service calls, the resources required, and the length of time for a call. The estimated revenue from service call fees in 2012 is \$76,700.

Other Fire suppression service fees are received from Saskatchewan Government Insurance for motor vehicle accidents and fires. The estimated revenue for 2012 is \$40,000. Prior to 2009, the department also received payments from the Municipal Rescue Services Fund administered by SUMA for performing emergency services at vehicle accidents outside of the department's jurisdiction. The process changed in 2009 and all vehicle accident billings are processed directly through Saskatchewan Government Insurance.

## Transit Fees and Charges

| Revenue Source (\$000's)    | 2012 Budget    | 2012 Actual <sup>1</sup> | 2013 Budget    | Budget Change |                 |
|-----------------------------|----------------|--------------------------|----------------|---------------|-----------------|
|                             |                |                          |                | Dollar Change | Per Cent Change |
| <b>Transit Operations</b>   |                |                          |                |               |                 |
| Cash Fares                  | 1,610.0        |                          | <b>1,615.0</b> | 5.0           | 0.3             |
| Ticket Sales                | 1,190.0        |                          | <b>1,190.0</b> | -             | -               |
| Pass Sales                  | 3,255.4        |                          | <b>3,543.6</b> | 288.2         | 8.9             |
| Senior Citizens Pass Sales  | 180.0          |                          | <b>180.0</b>   | -             | -               |
| Advertising                 | 475.2          |                          | <b>475.2</b>   | -             | -               |
| Other Revenue               | 209.7          |                          | <b>209.7</b>   | -             | -               |
| <b>Paratransit Services</b> |                |                          |                |               |                 |
| Cash, Ticket and Pass Sales | 277.0          |                          | <b>277.0</b>   | -             | -               |
| Other Revenue               | 129.6          |                          | <b>354.6</b>   | 225.0         | 173.6           |
| <b>Total</b>                | <b>7,326.9</b> | <b>-</b>                 | <b>7,845.1</b> | <b>518.2</b>  | <b>7.1</b>      |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

The 2013 budget for Transit revenues is \$7,845,100, an increase of \$518,200 as compared to the 2012 budget. There is a grant from the Province of \$520,000 for the discounted pass program, as well as a Paratransit grant of \$980,000. These grants are shown in the Government Grants section.

The following table details transit revenues (budget and actual) since 2008.

| Transit Revenues and Fares (\$000's)                  | 2008    | 2009    | 2010    | 2011    | 2012    | 2013    |
|---|---------|---------|---------|---------|---------|---------|
| <b>Transit Operations Revenue:</b>                    |         |         |         |         |         |         |
| Budget  | 5,375.3 | 5,713.6 | 6,476.4 | 6,798.3 | 6,920.3 | 7,213.5 |
| Actual  | 5,972.0 | 6,424.8 | 6,827.6 | 7,419.5 | -       | -       |
| Variance  | 596.7   | 711.2   | 351.2   | 621.2   | -       | -       |
| <b>Paratransit Services Revenue:</b>                  |         |         |         |         |         |         |
| Budget  | 393.9   | 373.7   | 406.6   | 406.6   | 406.6   | 631.6   |
| Actual  | 405.1   | 412.4   | 412.8   | 441.2   | -       | -       |
| Variance  | 11.2    | 38.7    | 6.2     | 34.6    | -       | -       |
| <b>Transit Operations Rates (Effective Jan. 1):</b>   |         |         |         |         |         |         |
| Cash Fares:   |         |         |         |         |         |         |
| Adult   | 2.10    | 2.25    | 2.50    | 2.50    | 2.50    | 2.50    |
| Youth   | 1.60    | 1.75    | 2.00    | 2.00    | 2.00    | 2.00    |
| Tickets (10 tickets):                                 |         |         |         |         |         |         |
| Adult   | 17.00   | 18.00   | 20.00   | 20.00   | 20.00   | 20.00   |
| Youth   | 12.50   | 13.50   | 15.00   | 15.00   | 15.00   | 15.00   |
| Bus Pass:   |         |         |         |         |         |         |
| Adult (monthly)                                       | 57.00   | 59.00   | 62.00   | 62.00   | 62.00   | 62.00   |
| Post Secondary (monthly)                              | 48.00   | 50.00   | 53.00   | 53.00   | 53.00   | 53.00   |
| Youth (monthly)                                       | 42.00   | 44.00   | 47.00   | 47.00   | 47.00   | 47.00   |
| Senior (semi-annual)                                  | 93.00   | 96.00   | 101.00  | 101.00  | 101.00  | 101.00  |
| Senior (annual)                                       | 185.00  | 192.00  | 202.00  | 202.00  | 202.00  | 202.00  |
| Discounted Pass (monthly)                             | 15.00   | 20.00   | 20.00   | 20.00   | 20.00   | 20.00   |
| <b>Paratransit Services Rates (Effective July 1):</b> |         |         |         |         |         |         |
| Cash Fares  | 2.10    | 2.25    | 2.50    | 2.50    | 2.50    | 2.50    |
| Tickets (10 Tickets)                                  | 21.00   | 18.00   | 20.00   | 20.00   | 20.00   | 20.00   |
| Punch Pass (40 uses)                                  | 84.00   | 90.00   | 100.00  | 100.00  | 100.00  | 100.00  |

# Community Planning & Development Fees and Charges

| Revenue Source (\$000's)                                    | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change |                 |
|---|-----------------|--------------------------|-----------------|---------------|-----------------|
|   |                 |                          |                 | Dollar Change | Per Cent Change |
| <b>Planning &amp; Sustainability</b>                        |                 |                          |                 |               |                 |
| Building Branch   |                 |                          |                 |               |                 |
| Building Permit Fees  | 3,313.1         |                          | 3,313.1         | -             | -               |
| Reports, Inspections, Certificates, Grade Fees              | 22.3            |                          | 22.3            | -             | -               |
| Other Revenue   | 18.0            |                          | 18.0            | -             | -               |
| Application Fees  | 600.0           |                          | 600.0           | -             | -               |
| Development Charges - Parks                                 | 64.4            |                          | 64.4            | -             | 100.0           |
| Sign Permit Fees  | 33.0            |                          | 33.0            | -             | -               |
| Sale of Promotional Items, Maps, etc.                       | 0.6             |                          | 0.6             | -             | -               |
|   | 4,051.4         | -                        | 4,051.4         | -             | 100.0           |
| <b>Development Engineering</b>                              |                 |                          |                 |               |                 |
| Sale of Promotional Items, Maps, etc.                       | 4.0             |                          | 4.0             | -             | -               |
| Develop Fees/Levies   | 500.0           |                          | 500.0           | -             | -               |
| SAF - Administration Fees                                   | 195.1           |                          | 195.1           | -             | 100.0           |
| Allocated Surveying Costs                                   | (204.6)         |                          | (204.6)         | -             | -               |
| Municipal Access Fee  | 7.5             |                          | 7.5             | -             | -               |
| Licensing and Municipal Fines                               | 6.6             |                          | 6.6             | -             | -               |
| Allocated Radio Repair Costs                                | (3.0)           | -                        | (3.0)           | -             | 100.0           |
|   | 505.6           | -                        | 505.6           | -             | 100.0           |
| <b>Assessment &amp; Property Taxation</b>                   |                 |                          |                 |               |                 |
| Tax Certificate and Search Fees                             | 140.0           |                          | 140.0           | -             | -               |
| Administration Charges                                      | 27.0            |                          | 33.0            | 6.0           | 22.2            |
| NSF Service Charge  | 16.0            |                          | 16.0            | -             | -               |
| Miscellaneous Revenue                                       | 35.0            |                          | 45.0            | 10.0          | 28.6            |
|   | 218.0           | -                        | 234.0           | 16.0          | 7.3             |
| <b>Community Development, Recreation and Parks Services</b> |                 |                          |                 |               |                 |
| Northwest Leisure Centre                                    | 453.0           |                          | 503.6           | 50.6          | 11.2            |
| Sandra Schmirler Leisure Centre                             | 862.3           |                          | 976.6           | 114.3         | 13.3            |
| Lawson Aquatic Centre                                       | 1,062.0         |                          | 1,139.1         | 77.1          | 7.3             |
| Fieldhouse  | 892.9           |                          | 975.5           | 82.6          | 9.3             |
| Outdoor Pools   | 126.1           |                          | 149.4           | 23.3          | 18.5            |
| Neil Balkwill Civic Arts Centre                             | 202.7           |                          | 202.7           | -             | -               |
| Speed skating Oval  | 2.0             |                          | 2.0             | -             | -               |
| Outdoor ice   | 1.0             |                          | 2.0             | 1.0           | 100.0           |
| Athletic Fields   | 194.3           |                          | 185.3           | (9.0)         | (4.6)           |
| Mosaic Stadium  | 238.1           |                          | 510.1           | 272.0         | 114.2           |
| Leslie Lawn Bowling Greens                                  | 17.5            |                          | 17.5            | -             | -               |
| Tennis Courts   | 0.8             |                          | 0.8             | -             | -               |
| Douglas Park  | 5.0             |                          | 5.0             | -             | -               |
| Indoor Arenas   | 2,096.6         |                          | 2,370.5         | 273.9         | 13.1            |
| Rambler Park  | 49.0            |                          | 49.0            | -             | -               |
| Facility & Program Delivery Administration                  | -               |                          | 64.1            | 64.1          | 100.0           |
| Bylaw Enforcement   | 83.0            |                          | 83.0            | -             | -               |
| RRAP Inspection Fees  | 40.0            |                          | 40.0            | -             | -               |
| Other Revenue   | 10.0            |                          | 10.0            | -             | -               |
| Community & Social Development Services                     |                 |                          |                 |               |                 |
| Facility Rentals  | 126.5           |                          | 126.5           | -             | -               |
| Parks & Open Space  | 39.0            | -                        | 72.9            | 33.9          | 86.9            |
|   | 6,501.8         | -                        | 7,485.6         | 983.8         | 15.1            |
| <b>Total</b>  | <b>11,276.8</b> | <b>-</b>                 | <b>12,276.6</b> | <b>999.8</b>  | <b>8.9</b>      |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Building Permit Fees

**The 2013 budget for building permit fees is \$3,313,100, no change from the 2012 budget.** The 2013 budget for development application fees collected by the Planning and Sustainability Department are projected to be \$600,000, no change from the 2012 budget. In 2011, the Planning and Sustainability Department completed a program and service review with BMA Management Consulting. In collaboration with industry stakeholders, the recommendations related service delivery, operating practices, and building permit and development planning fees were accepted. As part of the Planning and Sustainability Department Renewal Strategy, this review of fee-for-service activities was undertaken to ensure department operating practices and fees were aligned with customer service targets and full-cost accounting principles. Building permit and development application fees are now based on the principle of 100% cost recovery for all fee-for-service activities. Movement to full cost recovery supports the principle of growth paying for itself and will reduce the required amount of taxpayer dollars to fund the Planning and Sustainability Department. A risk to this approach is the natural fluctuation in the level of development activity and the potential to collect lower fee revenue than necessary to cover direct expenses. This will be mitigated by the establishment of a stabilization reserve in which surplus dollars will be directed when fee revenues exceed expenses and drawn from when fees do not fully cover expenses. The fee rates will be reviewed regularly to ensure that the fee revenue and level of service provided are appropriately matched.

## Assessment and Taxation Fees

**The 2013 budget for assessment and tax fees is \$234,000 in total.** The estimated revenue from tax certificates and search fees is \$140,000. The fee for a tax certificate is \$25. Included in the 2013 budget is an estimated \$45,000 in fees paid by mortgage companies for taxation services. A variety of other miscellaneous fees account for the balance of the assessment and taxation fee revenue. Fees are established in Schedule B of Bylaw 2003-69.

## Community Development, Recreation and Parks Services Revenue

The following table details Community Development, Recreation & Parks revenue (budget and actual) since 2008. The revenue includes the fees and charges for the Community Development, Recreation and Parks Department, not including Indoor Arenas.

| <b>Community Services Revenues (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                                       | 3,613.4     | 3,392.7     | 3,833.4     | 3,966.8     | 4,405.2     | 5,115.1     |
| Actual                                       | 4,144.3     | 4,117.0     | 4,228.5     | 4,601.3     | -           | -           |
| Variance                                     | 530.9       | 724.3       | 395.1       | 634.5       | -           | -           |

Fees and charges are developed through a process that determines cost-recovery levels that aim to establish an acceptable balance between user fees and taxpayer subsidy. Where the community at large benefits from an individual's use of a program or service (for example, where a recreation activity is aimed at children and youth and focuses on water safety), a higher level of tax subsidy is deemed to be appropriate than when it is primarily the individual who benefits from the use of the program or service (for example, where the activity is aimed at adults developing specialized skills). This is referred to as a benefits-based approach to establishing cost recovery levels.

To reflect this approach, cost recovery levels at the City of Regina for services that are less specialized and targeted mostly at children and youth – including outdoor pools, athletic fields, and neighbourhood centres – are established between 20 to 25%, with the community as a whole sharing between 75 to 80% of the cost through tax subsidies. Cost recovery levels for services that are more specialized – such as fitness and aquatic facilities, arenas, and the Neil Balkwill Civic Arts Centre are established at between 50 to 60%, with the community as a whole subsidizing between 40 to 50% of the cost through tax subsidies. Where other service providers exist in Regina, as for fitness and aquatics services, rates reflect the market value for

those services. This ensures that the City's provision of services at subsidized rates does not discourage other organizations from providing similar services in the marketplace.

The City also offers an Affordable Fun Program, which provides further subsidies for citizens who experience financial barriers to participation. Through this program, individuals who meet established criteria are able to purchase leisure passes and register in programs at a subsidized rate.

The fees and charges strategy for sport, culture and recreation facilities is currently being reviewed and recommendations will be presented to committee and Council in 2013

## **Arena Revenue**

**The 2013 budget for arena revenue is \$2,370,500, an increase of \$273,900 over the 2012 budget.**

The following table details arena revenue (budget and actual) since 2008.

| <b>Arena Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                         | 1,306.8     | 1,306.8     | 1,611.7     | 2,001.5     | 2,096.6     | 2,370.5     |
| Actual                         | 1,380.5     | 1,381.3     | 2,234.2     | 2,923.5     | -           | -           |
| Variance                       | 73.7        | 74.5        | 622.5       | 922.0       | -           | -           |



## Other Fees and Charges

| Revenue Source (\$000's)            | 2012 Budget    | 2012 Actual <sup>1</sup> | 2013 Budget           | Budget Change  |                 |
|-------------------------------------|----------------|--------------------------|-----------------------|----------------|-----------------|
|                                     |                |                          |                       | Dollar Change  | Per Cent Change |
| <b>Council and Committees</b>       |                |                          |                       |                |                 |
| Board of Revision Fees              | 30.0           | -                        | <b>40.0</b>           | 10.0           | 33.3            |
| Development Appeals Fees            | 3.5            | -                        | <b>3.5</b>            | -              | -               |
|                                     | <u>33.5</u>    | <u>-</u>                 | <u><b>43.5</b></u>    | <u>10.0</u>    | <u>29.9</u>     |
| <b>Governance and Strategy</b>      |                |                          |                       |                |                 |
| Communications                      | 4.0            | -                        | <b>9.0</b>            | 5.0            | 125.0           |
| City Clerk                          | 279.8          | -                        | <b>0.4</b>            | (279.4)        | 100.0           |
|                                     | <u>283.8</u>   | <u>-</u>                 | <u><b>9.4</b></u>     | <u>(274.4)</u> | <u>100.0</u>    |
| <b>Corporate Services</b>           |                |                          |                       |                |                 |
| Auction and Salvage                 | 36.5           | -                        | <b>36.5</b>           | -              | -               |
| Towing & Vehicle Storage            | 422.5          | -                        | <b>422.5</b>          | -              | -               |
| Employee Parking                    | 434.8          | -                        | <b>489.8</b>          | 55.0           | 12.6            |
| Facility Operating Agreements       | 9.0            | -                        | <b>9.0</b>            | -              | -               |
| Facility Charges - Sunset Library   | 92.4           | -                        | <b>118.3</b>          | 25.9           | 28.0            |
| False Alarm Fees                    | 57.9           | -                        | <b>50.3</b>           | (7.6)          | (13.1)          |
| Claims Revenue re: Vandalism        | 5.0            | -                        | <b>5.0</b>            | -              | -               |
| Corporate Overhead Charge           | 658.1          | -                        | <b>727.3</b>          | 69.2           | 10.5            |
| Other Revenue                       | 49.2           | -                        | <b>51.7</b>           | 2.5            | 5.1             |
|                                     | <u>1,765.4</u> | <u>-</u>                 | <u><b>1,910.4</b></u> | <u>145.0</u>   | <u>8.2</u>      |
| <b>Saskatchewan Lotteries Grant</b> | 236.6          | -                        | <b>236.6</b>          | -              | -               |
| <b>Urban Aboriginal Grant</b>       | 200.0          | -                        | <b>200.0</b>          | -              | 100.0           |
|                                     | <u>436.6</u>   | <u>-</u>                 | <u><b>436.6</b></u>   | <u>-</u>       | <u>-</u>        |
| <b>Total</b>                        | <u>2,519.3</u> | <u>-</u>                 | <u><b>2,399.9</b></u> | <u>(119.4)</u> | <u>(4.7)</u>    |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### Board of Revision Fees

The Board hears appeals and makes decisions with respect to local improvements and property assessment appeals in accordance with *The Local Improvements Act, 1993* and *The Cities Act*. There are nine citizen members on the Board. The fees established by City Council in Bylaw 2003-69, pursuant to the authority in Section 196 of *The Cities Act*, are:

- \$30.00 for each single family residential property.
- \$30.00 per condominium unit.
- For all other properties, \$150.00 for properties with a fair value assessment of up to \$499,999. For properties with a fair value assessment of \$500,000 to \$1,000,000, the fee is \$500.00 and for properties with a fair value assessment over \$1,000,000, the fee is \$750.00.

Fees are refundable if the appeal is successful. There are typically a substantial number of appeals in a reassessment year, with fewer appeals in the years following a reassessment. 2013 is a reassessment year.

### **Development Appeals Fees**

The Development Appeals Board hears and considers appeals to zoning regulations. It carries the duties and powers as set forth in Bylaw 9250 and section 92 of *The Planning and Development Act, 2007*. There are five citizen members on the Board. The appeal fee is \$50.00.

### **False Alarm Fees**

Based on a recommendation from The Board of Police Commissioners, City Council passed Bylaw 2004-24, providing for false alarm fees of \$75 for the third and fourth false alarm within a one year period. The Regina Police Service administers the alarm bylaw, but the fees are billed through the Financial Services Department.

## Other Revenues

### Operating Revenue Summary (\$000's)

| Revenue Source                      | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change |                 |
|-------------------------------------|-----------------|--------------------------|-----------------|---------------|-----------------|
|                                     |                 |                          |                 | Dollar Change | Per Cent Change |
| Electrical Distribution             | 28,500.0        | -                        | <b>29,636.3</b> | 1,136.3       | 4.0             |
| Gas Distribution                    | 6,800.0         | -                        | <b>6,700.0</b>  | (100.0)       | (1.5)           |
| Interest                            | 8,319.0         | -                        | <b>7,713.0</b>  | (606.0)       | (7.3)           |
| Gain on Sale of Bonds               | -               | -                        | -               | -             | -               |
| Tax Penalties                       | 975.0           | -                        | <b>1,050.0</b>  | 75.0          | 7.7             |
| Local Improvement Interest          | 75.0            | -                        | <b>75.0</b>     | -             | -               |
| Land Sales                          | -               | -                        | -               | -             | -               |
| Sask Housing                        | -               | -                        | -               | -             | -               |
| <b>Interfund Transfers</b>          |                 |                          |                 |               |                 |
| Utility Access Fee                  | 6,881.2         | -                        | <b>7,380.9</b>  | 499.7         | 7.3             |
| Utility Administration              | 4,350.3         | -                        | <b>4,708.3</b>  | 358.0         | 8.2             |
| Pension and Benefits Administration | 73.9            | -                        | -               | (73.9)        | (100.0)         |
| Buffalo Pound Water Admin. Board    | 29.1            | -                        | <b>32.6</b>     | 3.5           | 12.0            |
| <b>Transfers from Reserves</b>      |                 |                          |                 |               |                 |
| General Fund Reserve                | 1,783.6         | -                        | <b>1,039.1</b>  | (744.5)       | (41.7)          |
| Landfill Reserve                    | 200.0           | -                        | -               | (200.0)       | 100.0           |
| Employee Provided Parking Reserve   | 44.0            | -                        | <b>44.0</b>     | -             | 100.0           |
| Roadways SAF                        | -               | -                        | <b>92.0</b>     | 92.0          | -               |
| Social Development Reserve          | -               | -                        | -               | -             | -               |
| <b>Total</b>                        | <b>58,031.1</b> | <b>-</b>                 | <b>58,471.2</b> | <b>440.1</b>  | <b>88.7</b>     |

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### Electrical Distribution Revenue

The City receives from SaskPower a 10% municipal surcharge that is added to a customer's bill, and 5% of the SaskPower revenues within the city limits (called a payment in lieu of taxes).

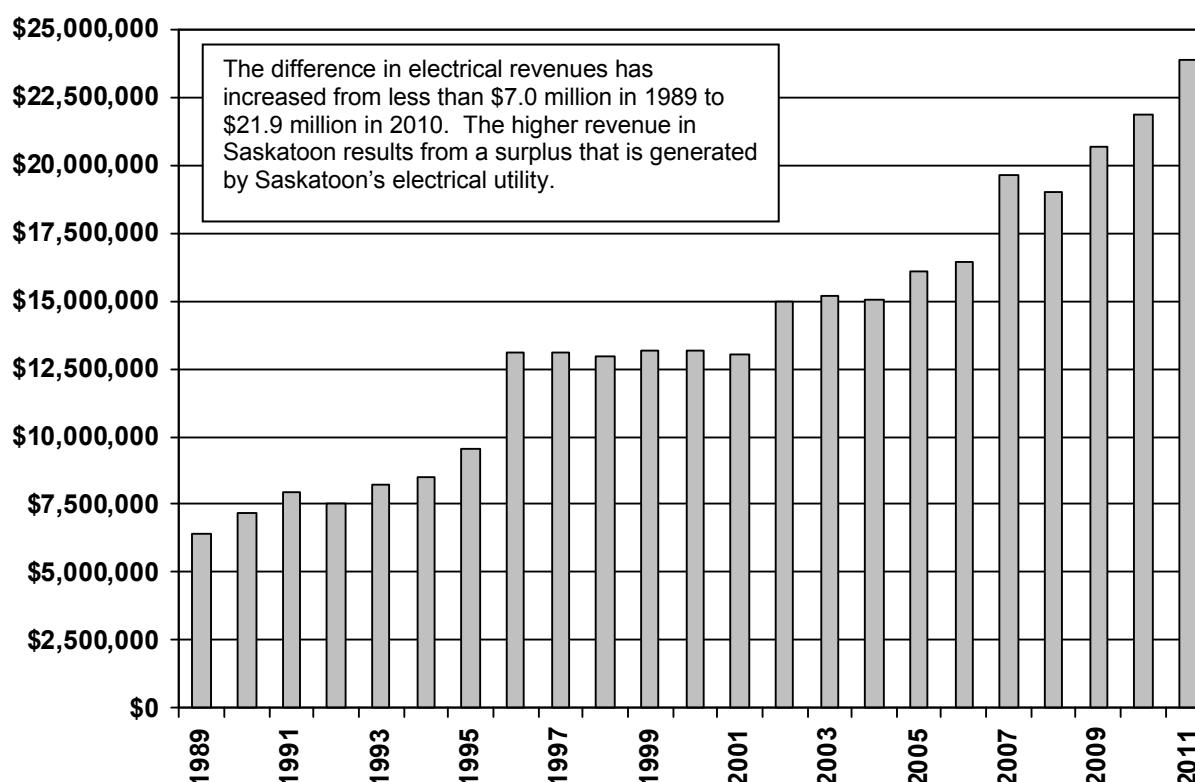
**The projected revenue for 2013 is \$29,636,300, an increase of \$1,136,300 or 3.99% over the 2012 budget.** The 2013 revenue budget is based on a five-year average of the revenue received from SaskPower, after adjusting for rate changes over the five-year period.

The following table details the electrical revenue (budget and actual) since 2008.

| Electrical Revenue (\$000's) | 2008     | 2009     | 2010     | 2011     | 2012     | 2013     |
|------------------------------|----------|----------|----------|----------|----------|----------|
| Budget                       | 24,600.0 | 26,103.5 | 28,261.5 | 29,556.6 | 28,500.0 | 29,636.3 |
| Actual                       | 25,428.9 | 27,110.3 | 28,632.9 | 30,060.8 | -        | -        |
| Variance                     | 828.9    | 1,006.8  | 371.4    | 504.2    | -        | -        |

Electrical revenue is the major difference in the revenue available to Regina and Saskatoon. The next graph highlights the **difference** in electrical revenues in the two cities since 1989.

Difference in Electrical Revenues – Regina and Saskatoon



## Natural Gas Distribution Revenue

The City receives revenues from SaskEnergy and its subsidiary TransGas on the consumption of natural gas. For SaskEnergy, there is a 5% surcharge (payment in lieu of taxes) that is added to a customer's bill. For customers who do not purchase natural gas from SaskEnergy, but purchase from another supplier, TransGas delivers the natural gas and bills for the transportation cost. TransGas also collects a 5% payment in lieu of tax that is paid to the City. The amount is calculated on the costs of transportation, plus a deemed cost of gas calculated in accordance with regulations. In calculating the deemed cost of gas, the average cost of gas as determined by Saskatchewan Industry and Resources is used.

The TransGas payments with respect to the consumption by Consumers' Co-operative Refineries Limited (CCRL) and Newgrade Energy Inc. (NEI) are subject to an agreement dated October 3, 2000. The agreement was linked to the expansion of the refinery. Prior to the agreement taking effect, the payments from CCRL and NEI for direct purchases of natural gas was calculated on the total amount of natural gas purchased. The companies use natural gas for fuel (fuel stock) and in the production process (feedstock). The agreement provided that once the expansion was operational, natural gas used as feedstock would be eliminated from the calculation of the amount paid to the City, subject to a base amount. The payment to the City will be the greater of an average annual amount of \$1,162,050 or the amount due on natural gas used as fuel.

**The projected revenue for 2013 is \$6,700,000, a decrease of \$100,000 or 1.5% over the 2012 budget. Assumptions used to generate the 2013 revenue budget are:**

- The projected revenue from SaskEnergy is based on a five-year average, with the revenues over the five years adjusted for rate changes.
- The TransGas payment with respect to the consumption of natural gas by Consumers' Co-operative Refineries Limited and Newgrade Energy Inc. is based on the terms of the agreement, projected natural gas volumes provided by the two companies, and the average deemed cost of gas. Changes in the volume of fuel stock and/or the deemed cost of gas will affect the actual revenue received, subject to the base amount in the agreement.

The following table details the gas revenue (budget and actual) since 2008.

| <b>Gas Revenue (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Budget                       | 8,401.4     | 10,013.5    | 8,655.0     | 5,398.5     | 6,800.0     | 6,700.0     |
| Actual                       | 9,316.0     | 8,532.1     | 6,875.1     | 6,644.6     | -           | -           |
| Variance                     | 914.6       | (1,481.4)   | (1,779.9)   | 1,246.1     | -           | -           |

There have been substantial variances between the revenue budget and actual revenue. The variances are for the most part related to the payments for direct purchase customers. Variability in the deemed cost of gas is the major factor. CCRL gas rates decreased over 50% from last year's pricing.

The following table details the deemed cost of gas since 2006 used in the calculation of the payments in lieu of taxes for direct purchase customers. In addition to the deemed cost of gas, there is an amount added to the deemed cost pursuant to regulations. The amount for 2008 was 13.3 cents per GJ from January to August and 13.0 cents per GJ from September to December.

| <b>Deemed Cost of Gas (\$ per GJ)</b> | <b>2006</b> | <b>2007</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| January                               | 10.853      | 7.086       | 6.278       | 6.258       | 4.671       | 3.539       |
| February                              | 9.658       | 6.627       | 6.678       | 5.737       | 5.186       | 3.652       |
| March                                 | 7.340       | 6.814       | 7.189       | 4.812       | 5.041       | 3.619       |
| April                                 | 6.340       | 7.130       | 7.728       | 4.028       | 4.259       | 3.366       |
| May                                   | 6.092       | 6.732       | 8.495       | 3.395       | 3.724       | 3.460       |
| June                                  | 5.704       | 6.299       | 9.168       | 3.114       | 3.488       | 3.482       |
| July                                  | 5.356       | 6.015       | 9.400       | 3.102       | 3.546       | 3.670       |
| August                                | 5.413       | 5.159       | 9.940       | 2.967       | 3.606       | 3.578       |
| September                             | 5.778       | 5.778       | 7.662       | 2.740       | 3.340       | 3.431       |
| October                               | 5.108       | 5.108       | 6.548       | 2.471       | 3.174       | 3.401       |
| November                              | 4.782       | 4.782       | 5.916       | 3.094       | 3.282       | 3.259       |
| December                              | 6.747       | 6.747       | 6.328       | 4.082       | 3.238       | 3.215       |

## Interest

Interest earnings are a combination of earnings on daily bank balances, short-term investments in a money market fund, and revenue from funds held in a long-term bond fund. The projected interest revenue is subject to change due to changes in cash balances and/or interest rates. It also includes earnings in the form of gains on the sale of bonds which, due to their nature, cannot be forecast in advance. **The 2013 budget for interest earnings is \$7,713,000, a decrease of \$606,000 over the 2012 budget.**

The following table details the interest revenue (budget and actual) since 2008.

| Interest Revenue (\$000's) | 2008    | 2009    | 2010     | 2011    | 2012    | 2013    |
|----------------------------|---------|---------|----------|---------|---------|---------|
| Budget                     | 4,532.3 | 3,066.1 | 5,066.1  | 5,066.1 | 8,319.0 | 7,713.0 |
| Actual                     | 5,869.8 | 7,680.9 | 10,948.2 | 6,907.2 | -       | -       |
| Variance                   | 1,337.5 | 4,614.8 | 5,882.1  | 1,841.1 | -       | -       |

## Tax Penalties

Tax penalties are applicable to current taxes that are not paid by June 30 each year and tax arrears. The exception for current taxes is where a property owner is paying taxes through the TIPPS program. The penalty rate for current taxes is 1.25% per month, with a rate of 1.5% per month for tax arrears.

**The 2013 budget for tax penalties is \$1,050,000, an increase of \$75,000 over the same as the 2012 budget.** Penalties for current taxes have decreased in recent years as more customers (both residential and non-residential) make use of the monthly tax payment program (TIPPS) and as tax arrears decline. The following table details the tax penalty revenue (budget and actual) since 2008.

| Tax Penalty Revenue (\$000's) | 2008    | 2009    | 2010  | 2011    | 2012  | 2013    |
|-------------------------------|---------|---------|-------|---------|-------|---------|
| Budget                        | 1,265.0 | 1,165.0 | 975.0 | 975.0   | 975.0 | 1,050.0 |
| Actual                        | 977.2   | 962.0   | 991.9 | 1,010.8 | -     | -       |
| Variance                      | (287.8) | (203.0) | 16.9  | 35.8    | -     | -       |

## Water and Sewer Utility Transfers

Transfers from the Water and Sewer Utility include:

- An Access Fee paid to the General Operating Fund, and
- A Utility Administration Charge.

The **Access Fee** is calculated based on 7.5% of the previous years budgeted revenues from billed water consumption, wastewater charges and drainage infrastructure levy and the amount of \$675,000, estimated to be 3/7ths of the GST rebate received by the Utility. This amount is the additional rebate provided by the Federal Government starting in 2004.

The **Utility Administration Charge** is calculated as 5% of the budgeted utility revenues for the prior year. Most corporate functions (City Council, Committees, City Manager, Human Resources, City Solicitor's Office, City Clerk's Office, Accounting, Budgeting, and Purchasing) are involved in issues or activity

related to the Water and Sewer Utility. The percentage transfer is used in lieu of a more detailed cost allocation process. A more detailed process would still involve arbitrary decisions, and would significantly increase the effort and hence cost required as compared to the current policy. The amount of the charge is intended to be an approximate measure of the extent that these corporate costs are attributable to the utility.

**For 2013, the utility transfers are \$12,089,200, an increase of \$857,700 over the transfers in 2012.**

The next table provides details on the utility transfers since 2008.

| <b>Water &amp; Sewer Utility Transfers (\$000's)</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Access Fee paid to the General Operating Fund        |             |             |             |             |             |             |
| Base Access Fee                                      | 4,355.4     | 4,761.3     | 5,198.9     | 5,701.9     | 6,206.2     | 6,705.9     |
| GST Rebate Transfer                                  | 675.0       | 675.0       | 675.0       | 675.0       | 675.0       | 675.0       |
| Total Access Fee paid to the General Operating Fund  | 5,030.4     | 5,436.3     | 5,873.9     | 6,376.9     | 6,881.2     | 7,380.9     |
| Utility Administration Charge Transfer               | 3,231.8     | 3,519.5     | 3,519.5     | 3,853.4     | 4,350.3     | 4,708.3     |
| Total Transfers                                      | 8,262.2     | 8,955.8     | 9,393.4     | 10,230.3    | 11,231.5    | 12,089.2    |

## Transfers from Reserves

**At 2013 year end, the General Fund Reserve has a budgeted balance of \$22.3 million.**

The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus and unexpended capital funds that are returned to the reserve. Future inflows to the General Fund Reserve may be reduced by transferring operating surpluses to the Asset Revitalization Reserve and by using previous year's surplus to fund current year one-time operating expenditures. A General Fund Reserve balance of \$12.5 million to \$25 million representing 5% to 10% of budgeted revenues is the suggested preferred minimum balance.

The following table provides a projection for the General Fund Reserve.

| <b><u>General Fund Reserve (\$000's)</u></b>     |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|
|  | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
| <b>Reserve Balance - Start of Year</b>           | 30,450      | 22,342      | 22,342      | 22,342      | 22,342      |
| <b>CP Lands - Balance of Purchase Price</b>      | (6,750)     | -           | -           | -           | -           |
| <b>General Operating Budget:</b>                 |             |             |             |             |             |
| 2013 One-Time Operating Requirements             |             |             |             |             |             |
| North American Indigenous Games                  | (330)       | -           | -           | -           | -           |
| Juno Awards                                      | (175)       | -           | -           | -           | -           |
| Communications re: Public Awareness              | (250)       | -           | -           | -           | -           |
| Reassessment Appeals                             | (125)       | -           | -           | -           | -           |
| <b>Completion of 2012 Innovation Initiatives</b> | (159)       | -           | -           | -           | -           |
| <b>Funding Required for Capital Program:</b>     |             |             |             |             |             |
| Victoria Avenue E (Fleet Street to City Limits)  | (319)       | -           | -           | -           | -           |
| <b>Reserve Balance - End of Year</b>             | 22,342      | 22,342      | 22,342      | 22,342      | 22,342      |
| Assessment Appeal Risk <sup>1</sup>              | -           | -           | -           | -           | -           |
| <b>Adjusted Reserve Balance</b>                  | 22,342      | 22,342      | 22,342      | 22,342      | 22,342      |

*Note:*

1. *Assessment Appeal Risk -No provision has been made in the 2013 General Operating Budget for the cost of lost assessment appeals arising from the 2013 Assessment Roll. If the cost of lost assessment appeals causes a deficit in the 2013 fiscal year, then that deficit must be eliminated by a transfer from the General Fund Reserve to the General Operations Fund. The contingent liability for assessment appeals outstanding at November 30, 2012 was approximately \$2.9 million.*



## General Operating Expenditures

## General Operating Expenditures

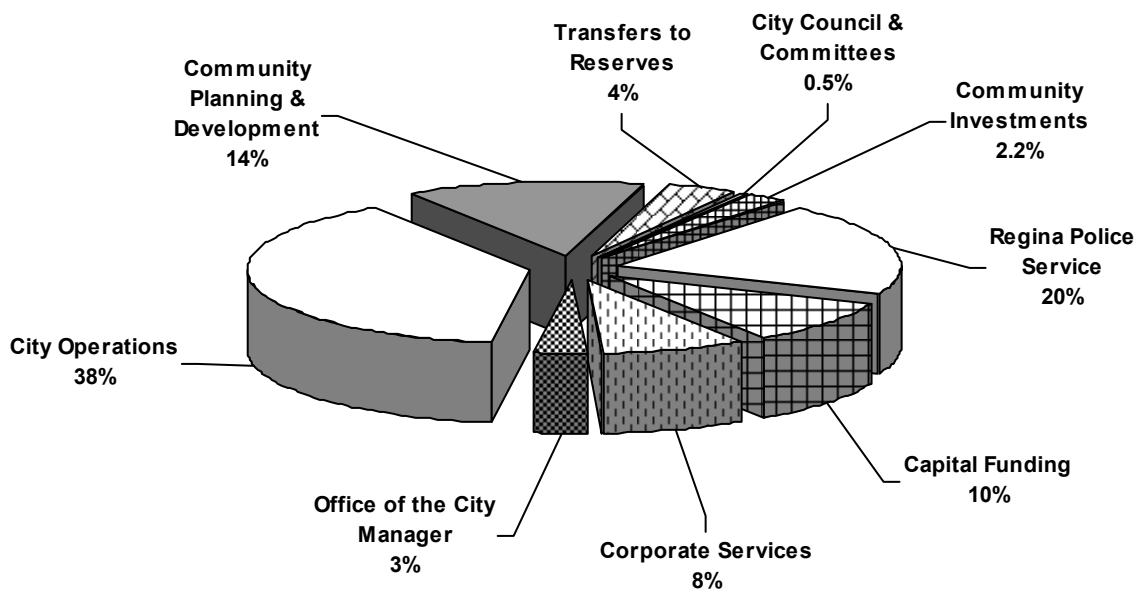
### Operating Expenditure Summary (\$000's)

| Expenditures                         | 2012<br>Budget          | 2012<br>Actual <sup>1</sup> | 2013<br>Budget          | Budget Change          |                       |
|--------------------------------------|-------------------------|-----------------------------|-------------------------|------------------------|-----------------------|
|                                      |                         |                             |                         | Dollar<br>Change       | Per<br>Cent<br>Change |
| City Council and Committees          | 1,520.4                 | -                           | <b>1,670.4</b>          | 150.0                  | 9.9                   |
| Office of the City Manager           | 11,018.1                | -                           | <b>11,060.4</b>         | 42.3                   | 0.4                   |
| City Operations                      | 118,773.5               | -                           | <b>130,759.5</b>        | 11,986.0               | 10.1                  |
| Corporate Services                   | 25,607.8                | -                           | <b>27,514.0</b>         | 1,906.2                | 7.4                   |
| Community Planning & Development     | 43,978.1                | -                           | <b>46,484.6</b>         | 2,506.5                | 5.7                   |
| Civic Operating Expenditures         | <u>200,897.9</u>        | <u>-</u>                    | <u><b>217,488.9</b></u> | <u>16,591.0</u>        | <u>8.3</u>            |
| Community Investments                | 7,831.0                 | -                           | <b>7,581.9</b>          | (249.1)                | (3.2)                 |
| Capital Funding                      | 26,570.3                | -                           | <b>32,303.5</b>         | 5,733.2                | 21.6                  |
| Transfers to Reserves                | 11,544.9                | -                           | <b>12,895.0</b>         | 1,350.1                | 11.7                  |
| Civic Other Expenditures             | <u>45,946.2</u>         | <u>-</u>                    | <u><b>52,780.4</b></u>  | <u>6,834.2</u>         | <u>30.1</u>           |
| Total Civic Expenditures             | <u>246,844.1</u>        | <u>-</u>                    | <u><b>270,269.3</b></u> | <u>23,425.2</u>        | <u>9.5</u>            |
| Regina Police Service                | <u>65,733.6</u>         | <u>-</u>                    | <u><b>69,205.5</b></u>  | <u>3,471.9</u>         | <u>5.3</u>            |
| Total General Operating Expenditures | <u><b>312,577.7</b></u> | <u><b>-</b></u>             | <u><b>339,474.8</b></u> | <u><b>26,897.1</b></u> | <u><b>8.6</b></u>     |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### 2013 Operating Expenditures



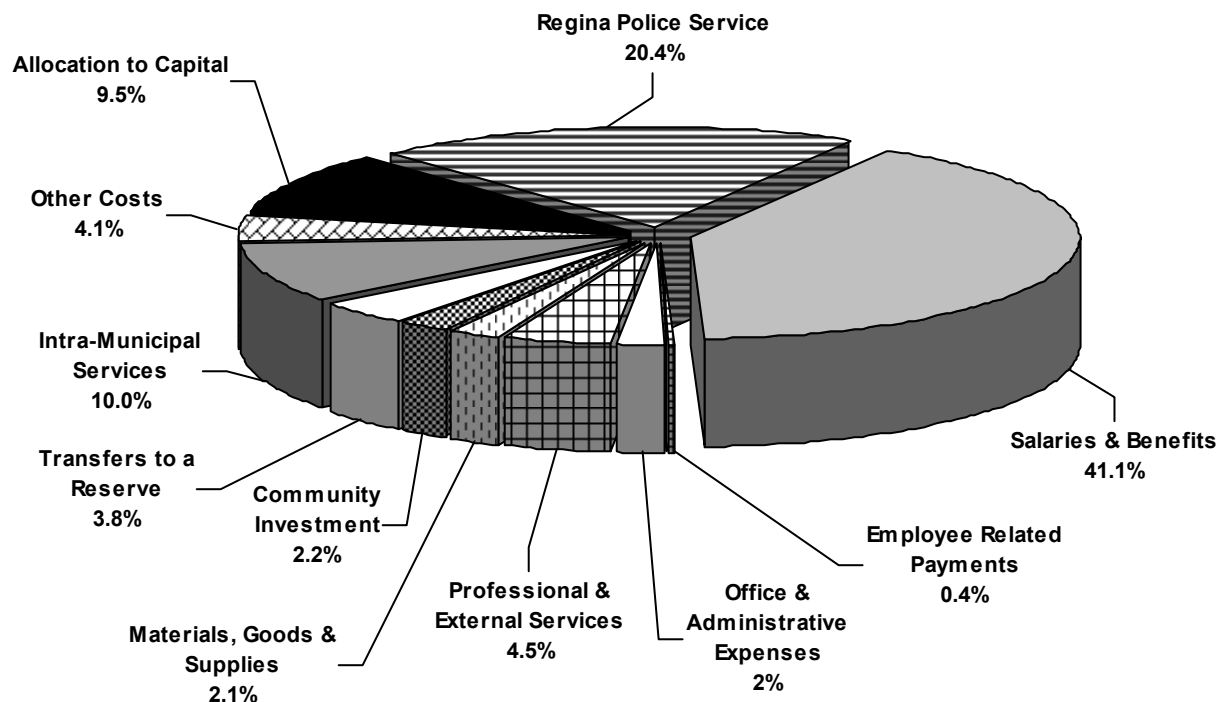
## Operating Expenditure Summary (\$000's) by Type of Expenditure

| Expenditures                         | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget      | Budget Change |                 |
|--------------------------------------|-------------|--------------------------|------------------|---------------|-----------------|
|                                      |             |                          |                  | Dollar Change | Per Cent Change |
| Salaries & Benefits                  | 133,093.0   | -                        | <b>139,511.4</b> | 6,418.4       | 4.8             |
| Employee Related Payments            | 1,257.7     | -                        | <b>1,261.6</b>   | 3.9           | 0.3             |
| Office & Administrative Expenses     | 5,733.7     | -                        | <b>6,677.3</b>   | 943.6         | 16.5            |
| Professional & External Services     | 12,449.2    | -                        | <b>15,165.6</b>  | 2,716.4       | 21.8            |
| Materials, Goods & Supplies          | 6,022.7     | -                        | <b>6,956.3</b>   | 933.6         | 15.5            |
| Utilities and Other Costs            | 12,699.5    | -                        | <b>14,159.4</b>  | 1,459.9       | 11.5            |
| Intra-Municipal Services             | 29,642.1    | -                        | <b>33,757.3</b>  | 4,115.2       | 13.9            |
| Civic Operating Costs                | 200,897.9   | -                        | <b>217,488.9</b> | 16,591.0      | 8.3             |
| Community Investment                 | 7,831.0     | -                        | <b>7,581.9</b>   | (249.1)       | (3.2)           |
| Allocation to Capital                | 26,570.3    | -                        | <b>32,303.5</b>  | 5,733.2       | 21.6            |
| Transfers to Reserves                | 11,544.9    | -                        | <b>12,895.0</b>  | 1,350.1       | 11.7            |
| Civic Other Expenditures             | 45,946.2    | -                        | <b>52,780.4</b>  | 6,834.2       | 14.9            |
| Total Civic Expenditures             | 246,844.1   | -                        | <b>270,269.3</b> | 23,425.2      | 9.5             |
| Regina Police Service                | 65,733.6    | -                        | <b>69,205.5</b>  | 3,471.9       | 5.3             |
| Total General Operating Expenditures | 312,577.7   | -                        | <b>339,474.8</b> | 26,897.1      | 8.6             |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### 2013 Operating Expenditures (thousands of dollars)



General Operating Expenditures

## Why Have Expenditures Increased?

The increase in expenditures (2013 budget to 2012 budget) is about \$26.9 million, or an increase of 8.6%. Details of the increase are provided in the next table and the discussion that follows.

### Summary of Expenditure Increases – 2012 to 2013

|  | <u>Amount of Increase</u> | <u>Per Cent Increase</u> |
|--|---------------------------|--------------------------|
| <b>Salaries and Benefits:</b>                |                           |                          |
| City Council                                 | 25,500                    |                          |
| Office of the City Manager                   | 239,300                   |                          |
| Corporate Services                           | 919,400                   |                          |
| City Operations                              | 2,377,100                 |                          |
| Planning & Development                       | 1,213,600                 |                          |
| Subtotal                                     | <b>4,774,900</b>          | <b>2.4%</b>              |
| <b>Operating Expenditure Changes:</b>        |                           |                          |
| Employee Related Payments                    | 1,700                     |                          |
| Office & Administrative Expenses             | 277,400                   |                          |
| Professional & External Services             | (196,300)                 |                          |
| Materials, Goods & Supplies                  | 139,900                   |                          |
| Other Costs                                  | 182,500                   |                          |
| Intra-Municipal Services                     | 2,498,600                 |                          |
| Subtotal                                     | <b>2,903,800</b>          | <b>1.4%</b>              |
| <b>Uncontrollable Price Increases</b>        | <b>3,129,600</b>          | <b>1.6%</b>              |
| <b>One-time and Ongoing</b>                  |                           |                          |
| 2013 One-time and Ongoing                    | 6,126,800                 |                          |
| Delete 2011 One-time Investments             | (3,532,600)               |                          |
| Subtotal                                     | <b>2,594,200</b>          | <b>1.3%</b>              |
| <b>Waste Plan Regina Implementation</b>      | <b>3,188,500</b>          | <b>1.6%</b>              |
| <b>Civic Operating Increase</b>              | <b>16,591,000</b>         | <b>8.3%</b>              |
| <b>Community Investment</b>                  | <b>(249,100)</b>          | <b>(3.2%)</b>            |
| <b>Allocation to Capital</b>                 |                           |                          |
| Current Contribution to Capital              | 6,216,200                 |                          |
| Debt Costs                                   | (483,000)                 |                          |
| Subtotal                                     | <b>5,733,200</b>          | <b>21.6%</b>             |
| <b>Transfers to Reserves</b>                 | <b>1,350,100</b>          | <b>11.7%</b>             |
| <b>Total Civic Budget Increase</b>           | <b>23,425,200</b>         | <b>9.5%</b>              |
| <b>Regina Police Service Budget Increase</b> | <b>3,471,900</b>          | <b>5.3%</b>              |
| <b>Total Operating Budget Increase</b>       | <b>26,897,100</b>         | <b>8.6%</b>              |

In developing the budget, increases in expenditures must be substantiated.

## Salary and Benefits

The increase in the civic portion of the budget for salaries and benefits of about \$4.8 million is projected based on:

- The collective agreement for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and the Regina Professional Firefighters Association, Local no 181, International Association of Firefighters) expired at the end of 2012. In 2012, a new agreement was reached with the Civic Middle Management Association. Bargaining with all other civic unions will continue into 2013.
- The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada.
- Salary and benefit costs have increased in part due to merit increases provided in collective agreements and classification changes.

The next table provides a summary of the staff complement reflected in the General Operating Budget for 2012 and 2013.

The staff complement in the table does not include positions funded through other budgets, including the Water and Sewer Utility Budget, the Costing Fund Budget or the General Capital Budget.

### General Operating Budget Staff Complement (FTE's)

| Department                       | 2012      |        |                | 2013      |        |                | Change |
|----------------------------------|-----------|--------|----------------|-----------|--------|----------------|--------|
|                                  | Permanent | Casual | Total          | Permanent | Casual | Total          |        |
| <b>Civic Administration</b>      |           |        |                |           |        |                |        |
| City Council & Committee         | 6.0       | -      | <b>6.0</b>     | 6.0       | 1.0    | <b>7.0</b>     | 1.0    |
| Office of the City Manager       | 67.0      | 0.1    | <b>67.1</b>    | 67.0      | 0.6    | <b>67.6</b>    | 0.5    |
| Corporate Services               | 276.0     | 19.8   | <b>295.8</b>   | 277.0     | 20.3   | <b>297.3</b>   | 1.5    |
| Community Planning & Development | 266.4     | 130.9  | <b>397.3</b>   | 270.4     | 131.9  | <b>402.3</b>   | 5.0    |
| City Operations                  | 812.8     | 117.9  | <b>930.7</b>   | 821.3     | 128.7  | <b>950.0</b>   | 19.3   |
| Civic Total                      | 1,428.2   | 268.7  | <b>1,696.8</b> | 1,441.6   | 282.5  | <b>1,724.2</b> | 27.3   |
| <b>Regina Police Service</b>     | 538.0     | 21.5   | <b>559.5</b>   | 542.0     | 22.6   | <b>564.6</b>   | 5.1    |
| Total                            | 1,966.2   | 290.2  | <b>2,256.3</b> | 1,983.6   | 305.1  | <b>2,288.8</b> | 32.4   |

The changes in the staff complement for the Civic Administration include:

**In City Council and Committees**

- A temporary addition of a Clerk Typist IV (1.0 FTE). This position will support the Board of Revision during 2013. Reassessments are legislated to occur every four years and 2013 is a reassessment year. Part of the revaluation is a legislated appeal process. This process is required by The Cities Act to take place through the Board of Revision. The Board of Revision is a quasi-judicial Board of City Council and decisions of the Board are appealed to the Saskatchewan Municipal Board

**In the Office of the City Manager, the changes are as follows:**

- A temporary addition to the Communications Branch (0.50 FTE) in order to manage the work associated with implementing a program to increase citizens' understanding of the City of Regina's finances and the financial gap.

**In Corporate Services, the changes are as follows:**

- A temporary addition of a casual billing clerk for July to December of 2013 (0.50 FTE). Additional staffing support is required for the Utility Billing branch to manage the administration of billing for property-side recycling to 65,000 residences.
- An addition of a Corporate Facilities Security Coordinator (1.0 Permanent FTE). This position will provide for the development and coordination of the Facilities security program.

**In Community Planning & Development, the changes are as follows:**

- A temporary addition in order to backfill a staff secondment (1.0 FTE). This position will provide assistance with the organization of the 2014 North American Indigenous Games.
- An addition of a Drafting Coordinator (1.0 Permanent FTE). This position will co-ordinate work for both the Infrastructure Records and Drafting areas, and will be responsible for assigning and managing incoming work, standards, innovations, policies, etc. This new position will be fully funded through Servicing Agreement Fees (SAF).
- An addition of a Policy Analyst, a Collection Officer and a Senior Engineer for the Parking Services Branch (3.0 Permanent FTE). These new positions will provide the staff resources that are required to properly meet demand associated with requests for parking service, adequately enforce parking regulations, provide technical assessments related to safety and transportation demand management, increase parking revenues, develop standards around parking supply management, assist with the creation of neighbourhood parking policies and ensure that that parking revenues are sustainable.

**In City Operations the changes are as follows:**

- An addition of 1.80 FTE (1.0 Permanent FTE and 0.80 Casual FTE) in order to provide additional site control at the landfill. The volume of waste delivered to the landfill has been growing year over year. There is a need to have staff on site to maintain the proper flow of customer traffic and to ensure the safety of our employees and customers.
- An addition of 2.4 FTE (1.0 Permanent FTE and 1.4 Casual FTE) for landfill operations. The scales and traffic control at the landfill are being upgraded during 2013 to provide for: more efficient and safer traffic flow, electronic payment, and more options for weighing of vehicles. The new scale houses will require additional staff to serve the customer properly.
- An addition of 7.24 FTE (2.49 Permanent FTE and 4.75 Casual FTE) for the implementation of Waste Plan Regina which includes providing property-side recycling, bulky waste pick up and yard and leaf waste collection to 65,000 residences, conversion of back alley shared refuse containers to carts and House Hold Hazardous Waste disposal. Additional staffing and equipment is required to begin these programs in 2013.
- An addition of 1.73 FTE (1.0 Permanent FTE and 0.73 Casual FTE) for programming and maintaining City Square Plaza. Costs include surface and amenities maintenance, including snow clearing and removal, electrical and building maintenance, repair costs and programming costs.
- An addition of 3.16 Casual FTE for maintenance new parks and open space which will be added to the asset inventory in 2013, as a result of new subdivision development and park upgrades.

- An addition of two Customer Service Representative II positions (2.0 Permanent FTE). The City Hall Security Strategy requires two new staff members to be part of the first point of contact for any deliveries and business visitors requiring access to the office tower portion of City Hall. The positions will take on a 'greeter' function as well as receiving and distributing of information/packages as required.
- An addition of 1.0 Permanent FTE in the Transit Department. Transit has identified several changes that should be made in the Transit Supervisors office to enhance the safety of employees and customers as well as benefit operations. This initiative is cost neutral.

### **Ongoing and One-time Investments**

The net increase in the 2013 expenditure budget attributable to 2013 ongoing and one-time investments totals \$3,338,900. Ongoing investments refer to additions to the base budget that will also be required for future years. One-time investments refer to one-time requirements for the 2013 budget only. The ongoing and one-time investments are described in further detail in the divisional operating expenditure summaries in the following sections.

The total cost of ongoing investments is \$3,721,100, which is partially offset, by an increase in revenue of \$1,242,900. The cost of one-time investments is \$2,405,700, which is partially offset by an increase in revenue of \$1,545,000. These investments align with City Council's Vision.

One-time investments included in the budget funded entirely by external parties include:

- \$80,000 for Waste Plan Regina.

The total cost of this item is \$80,000 and corresponding revenue has been included in the 2013 budget.

### **Waste Plan Regina Implementation**

Also included in the 2013 expenditure budget are \$375,500 in one-time investments and an on-going investment of \$2,813,000 for implementing the new curbside recycling program.

Since 2008, the City of Regina has been listening to residents' opinions and researching the best options for an easy, cost-effective recycling service. The City of Regina is moving forward with its Waste Plan for a Greener Regina to reduce waste at the landfill and make our community more sustainable. Waste Plan Regina includes curbside recycling, which will begin in July 2013 for all residents that have City garbage collection. By 2016, Waste Plan Regina will also include programs for recycling for multi-family homes, leaf and yard waste, household hazardous waste and bulky waste.

# City Council and Committees

## Overview

City Council is responsible for the governance of the City of Regina, subject to Provincial legislation. Members of City Council are now elected every four years in a municipal election with the last election held on October 24, 2012. The Mayor is elected at large. The City of Regina uses a ward system for electing Councillors, with the city divided into ten wards and one Councillor elected in each ward. City Council establishes policies and budgets for the programs and services delivered by the City of Regina. City Council and Committees includes the budgets for:

- The Mayor's Office
- City Council, including the remuneration of the Councillors, the Councillors' travel and communication allowance, support services and other costs related to City Council
- Committees established by City Council
- Memberships in various organizations, including the Saskatchewan Urban Municipalities Association and the Federation of Canadian Municipalities

## Operating Expenditure Summary (\$000's)

| Expenditures                  | 2012 Budget | 2012 Actual <sup>2</sup> | 2013 Budget    | Budget Change |                 |
|-------------------------------|-------------|--------------------------|----------------|---------------|-----------------|
|                               |             |                          |                | Dollar Change | Per Cent Change |
| Mayor's Office <sup>(1)</sup> | 651.8       | -                        | <b>660.7</b>   | 8.9           | 1.4             |
| City Council <sup>(1)</sup>   | 565.5       | -                        | <b>581.6</b>   | 16.1          | 2.8             |
| Committees                    | 162.4       | -                        | <b>287.4</b>   | 125.0         | 77.0            |
| Corporate Memberships         | 120.0       | -                        | <b>120.0</b>   | -             | -               |
| Jinan Twinning                | 20.7        | -                        | <b>20.7</b>    | -             | -               |
| Total Operating Expenditures  | 1,520.4     | -                        | <b>1,670.4</b> | 150.0         | 9.9             |
| Transfers to a Reserve        | -           | -                        | <b>36.3</b>    | 36.3          | 100.0           |
| Total Expenditures            | 1,520.4     | -                        | <b>1,706.7</b> | 186.3         | 12.3            |

Note:

1. City Council adopted Bylaw 2001-108 that established, effective January 1, 2002, a formula for the remuneration of the members of City Council. The Mayor's remuneration is 77.3% of a Provincial Cabinet Minister's salary for the prior year. The remuneration for a Councillor is one-third the remuneration of the Mayor.
2. Actual results for 2012 will be reported in the final budget document once audited results are available.



## By Expense Object

| Expenditures (000's)             | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget    | Budget Change |                 |
|----------------------------------|-------------|--------------------------|----------------|---------------|-----------------|
|                                  |             |                          |                | Dollar Change | Per Cent Change |
| Salaries & Benefits              | 965.7       | -                        | <b>1,116.2</b> | 150.5         | 15.6            |
| Employee Related Payments        | 151.1       | -                        | <b>150.6</b>   | (0.5)         | (0.3)           |
| Office & Administrative Expenses | 263.4       | -                        | <b>263.4</b>   | -             | -               |
| Professional & External Services | 48.8        | -                        | <b>48.3</b>    | (0.5)         | (1.0)           |
| Materials, Goods & Supplies      | 16.3        | -                        | <b>16.8</b>    | 0.5           | 3.1             |
| Other Expenditures               | 27.8        | -                        | <b>27.8</b>    | -             | -               |
| Intra-Municipal Services         | 47.3        | -                        | <b>47.3</b>    | -             | -               |
| Total Operating Expenses         | 1,520.4     | -                        | <b>1,670.4</b> | 150.0         | 17.3            |
| Transfer to a Reserve            | -           | -                        | <b>36.3</b>    | 36.3          | 100.0           |
| Total Expenditures               | 1,520.4     | -                        | <b>1,706.7</b> | 186.3         | 12.3            |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Staff Complement

| Full Time Equivalents | 2011 | 2012 |
|-----------------------|------|------|
| Permanent             | 6.0  | 6.0  |
| Casual                | -    | -    |
| Total                 | 6.0  | 6.0  |

## Analysis of Operating Expenditure Budget Change

| Details  | (\$000's) |
|--|-----------|
| 2012 Budget  | 1,520.4   |
| 1. Remove 2012 One-Time Investments  | (10.0)    |
| 2. Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)  | (37.0)    |
| 3. Benefits expense related to overtime and premium pay, (Base)  | 4.6       |
| 4. Increase in Development Appeals Honorariums. (Base)   | 57.4      |
| 5. Accessibility and Youth Forums - Committees of Council. As part of the Committee Structure Review that was approved by City Council on January 26, 2009 (CR09-13), City Council requires both the Accessibility and Youth Advisory Committees to hold annual community/public forums related to each of their mandates. (One-Time)  | 10.0      |
| 6. Transfers to Operational Commitments Reserve - ( <i>Regina Administration Bylaw 2003-69</i> ) Reassessment funding is listed as one of the possible uses, these transfers will allow funding for the reassessment years. (On-going)   | 36.3      |
| 7. Reassessments are legislated to occur every four years as required by <i>The Cities Act</i> The Board of Revision is a quasi-judicial Board of City Council and decisions of the Board are appealed to the Saskatchewan Municipal Board. In a Reassessment year, the Board consists of four panels of three citizen members each. Each member is paid for their service during the hearings and also for decision writing. The program is based on 1,000 appeals being received. (One-Time) | 125.0     |
| 2013 Budget  | 1,706.7   |

Note:

Base request funding – represents an increase in cost necessary to maintain current service levels.

Ongoing request funding – represents expenditures that would be ongoing past the current budget year.

One-time funding – represents one-time expenditures for the current budget year.

# Community Investments

## Overview

Community investments are payments to individuals or organizations for a variety of purposes allocated through the following Committees:

- The Community Planning & Development Division, through delegated authority from the Community & Protective Services Committee, provides financial support to community associations and organizations that provide arts, cultural, recreation, and community services along with organizations that address social issues.
- The Finance and Administration Committee provides financial support for economic and promotional purposes.
- The Executive Committee provides financial support for special events. The Executive Committee also provides funding to the Regina Exhibition Association Limited for capital purposes, funding to the Regina Regional Opportunities Commission (RROC) and funding to Wascana Centre Authority. In 2009, Tourism Regina and Regina Regional Economic Development Authority amalgamated to form RROC.
- The City is currently implementing a new Community Investment Grants Program, which was approved by Council in 2012. The new program has been designed to better align grant investments with the vision and priorities of the City.

City Council determines the total allocation for the year, and the allocation to each Committee.

## Operating Expenditure Summary (\$000's)

| Expenditures  | 2012 Budget    | 2012 Actual <sup>2</sup> | 2013 Budget           | Budget Change  |                 |
|---|----------------|--------------------------|-----------------------|----------------|-----------------|
|   |                |                          |                       | Dollar Change  | Per Cent Change |
| Community & Protective Services Committee             | 3,391.1        | -                        | <b>3,391.1</b>        | 0.0            | -               |
| Finance and Administration Committee                  |                |                          |                       |                |                 |
| Henry Baker Scholarships                              | 19.0           | -                        | <b>19.0</b>           | -              | -               |
| Other Economic & Promotional Initiatives <sup>1</sup> | 255.0          | -                        | <b>255.0</b>          | -              | -               |
|   | <u>274.0</u>   | <u>-</u>                 | <u><b>274.0</b></u>   | <u>-</u>       | <u>-</u>        |
| Executive Committee                                   |                |                          |                       |                |                 |
| Evraz Place   | 400.0          | -                        | <b>400.0</b>          | -              | -               |
| Juno Awards   | 175.0          | -                        | <b>175.0</b>          | -              | 100.0           |
| North American Indigenous Games                       | -              | -                        | <b>250.0</b>          | 250.0          | 100.0           |
| Special Events  | 170.0          | -                        | <b>150.0</b>          | (20.0)         | (11.8)          |
| Corporate Sponsorship Program                         | 30.0           | -                        | <b>50.0</b>           | 20.0           | 66.7            |
| Regina Regional Opportunities Commission              | 922.9          | -                        | <b>922.9</b>          | -              | -               |
| Wascana Centre Authority                              | 2,468.0        | -                        | <b>1,968.9</b>        | (499.1)        | (20.2)          |
|   | <u>4,165.9</u> | <u>-</u>                 | <u><b>3,916.8</b></u> | <u>(249.1)</u> | <u>234.7</u>    |
| Total   | <u>7,831.0</u> | <u>-</u>                 | <u><b>7,581.9</b></u> | <u>(249.1)</u> | <u>(3.2)</u>    |

Note:

1. The 2012 Budget includes funding of \$5,000 for SUMA and \$5,000 for SARM.

2. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Capital Funding

### Overview

The City funds a portion of the General Capital Program through contributions from the operating budget. The operating budget also funds the repayment of debt costs for debt issued to fund capital projects. In accordance with Section 129(1) of *The Cities Act*, the budget is to include “**the amount to be transferred to the capital budget**”. In accordance with Section 129(1)(b) the budget is also to include “**the amount needed to pay all debt obligations with respect to borrowings of the city**”.

The contributions to capital include two components:

- The contribution to capital to fund the capital budget as submitted by the Board of Police Commissioners.
- The contributions to capital to fund the civic portion of the General Capital Program excluding the capital program for the Regina Police Service.

Further details of the 2012 General Capital Investment Program are summarized under each Division within this document, and detailed in the 2012 – 2016 General Capital Program document.

### Operating Expenditure Summary (\$000's)

| Expenditures                      | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget            | Budget Change  |                 |
|-----------------------------------|-----------------|--------------------------|------------------------|----------------|-----------------|
|                                   |                 |                          |                        | Dollar Change  | Per Cent Change |
| Contributions to Capital - Civic  | 19,904.3        | -                        | <b>26,077.2</b>        | 6,172.9        | 31.0            |
| Contributions to Capital - Police | 1,120.4         | -                        | <b>1,163.7</b>         | 43.3           | 3.9             |
| Debt Charges                      | 5,545.6         | -                        | <b>5,062.6</b>         | (483.0)        | (8.7)           |
| Total                             | <u>26,570.3</u> | <u>-</u>                 | <u><b>32,303.5</b></u> | <u>5,733.2</u> | <u>21.6</u>     |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

# **Office of the City Manager**

## **Mandate**

The Office of the City Manager is Council's link to the Administration. The Office provides executive direction, strategic guidance, and governance support to the Corporation and its officials. It facilitates in the areas of government relations, communications and strategy development and execution. The Office also provides advice and support on matters of municipal governance, strategy and protocol, and ensures the City operates according to its legislative requirements.

## **Overview**

The management of the civic administration of the City of Regina (excluding the Regina Police Service) is the responsibility of the City Manager. Appointed by City Council, the City Manager's authority is established by the City Manager's Bylaw 2003-70 and the Regina Administration Bylaw 2003-69.

Within the overall structure of the Office of the City Manager are the Legal Department and the Governance & Strategy Department as well as the Regina Revitalization Initiative Business Unit.

- The Legal Department provides legal services and protects the legal interests of the Corporation while advancing business and strategic objectives. The Legal Department includes the following branches reporting to the Executive Director, Legal:
  - The Prosecutions Branch prosecutes all bylaw offences and administers the Regina Municipal Division of Provincial Court.
  - The Risk Management Branch is responsible for the oversight of risk management and loss prevention measures for the City of Regina and Regina Police Service, investigation of all claims by and against the City and administering the placement of insurance coverage for the City of Regina.
- The Governance and Strategy Department includes the following branches reporting to the Executive Director, Governance & Strategy:
  - The Office of the City Clerk – ensures Council is advised of its legislative responsibilities, assuring the provision of public notice, the execution of corporate documents, attending all Council meetings, and maintaining minutes, safely maintaining all City bylaws; records related to the business of City Council and Committees. This office also provides legislative advice and support to all City Divisions, departments and branches concerning the public's right to access corporate information, the protection of privacy of individuals and the management and historical preservation of corporate records and information.
  - Communications – leads the development of communications and marketing programs and activities to help the corporation effectively communicate programs and services to the public as well as the City's partners and stakeholders. Communications is also responsible for establishing a new "Public Involvement" function, which will manage and coordinate the processes when the City needs to consult or involve the public or stakeholders in decisions.
  - Government Relations – provides a central point of contact for ongoing relationships with stakeholders, including the Provincial and Federal Government, surrounding municipalities, other

local governing bodies, Aboriginal organizations, SUMA, Federation of Canadian Municipalities, and “twinned” or partner municipalities.

- Strategy Management – The branch’s primary objective is to ensure that City Administration is set up for success in delivering on the City’s vision and strategy, ultimately contributing to value for citizens. The branch does this by:
  - Coordinating and facilitating the development, deployment, and performance reporting of corporate strategy
  - Providing management across the City with access to neutral, objective advice that is informed by a corporate perspective.
  - Sharing information about corporate initiatives, expectations and standards
  - Supporting project integration
  - Providing expertise in strategy, policy, critical thinking and change management
  - Providing Council with decision support

Strategy Management Branch also provides direct support to the City Manager in areas such as research and thought leadership.

- Regina Revitalization Initiative Business Unit – in 2012 the business unit continued work under the direction of the Executive Lead, the Deputy City Manager & CFO, on the RRI program that will deliver a new stadium, a new neighbourhood on the Taylor Field location and renewal of the purchased CP container yard land. Progress in 2012 included approved bylaw amendments to allow for a Private Public Partnership (P3) process for the new stadium, signing of a non-binding Memo of Understanding with the funding partners, approval to pursue a stadium operations and maintenance agreement with Regina Exhibition Association Limited (REAL), completion of a stadium Concept Design, launch of the RRI website, and purchase of 17.39 acres of CP land.

## Key Facts

- In 2012, the City of Regina’s use of on-line and interactive communications tools continued to grow:
  - The City of Regina website received more than 1.5 million visits (an increase of 100 thousand visits) and, according to the annual citizen survey, it remains the first choice of residents when seeking information about City programs and services;
    - Access by mobile devices (tablets or smartphones) increased 400 per cent and represents 20 per cent of Regina.ca’s traffic
  - The City Facebook page is approaching 22 thousand users, and continues to be the largest Facebook page of all Canadian municipalities;
    - Transit launched its Facebook page and Twitter feed and became the first City department to have their own social channels
  - City YouTube videos have now been viewed over 100 thousand times, representing an increase of over 65 thousand views when compared to 2011;
    - 2012 election videos were viewed 40 thousand times
  - The City has about 11 thousand Twitter followers, a significant increase from 5 thousand at the end of 2011;

- The CityApp mobile app has now been downloaded over 12 thousand times which is a 400 per cent increase from the end of 2011
- In February of 2012, the City launched its Open government initiative that includes an open data portal, an open information page and our social channels. Our efforts were recognized with the Culliton “Right to Know” Award from the Information and Privacy Commissioner of Saskatchewan.
- Administrative and procedural support was provided for City Council, three quasi-judicial boards and 16 committees.
- In 2012, 255 agendas were created and delivered to elected officials and citizen members of committees. Administrative support was provided for an average of 21 meetings per month, 213 meetings.
- The Office of the Executive Director, Legal provided legal support on a number of projects of strategic importance for the City.
- The Prosecutions Branch of the Legal Department conducted a training session with the Regina Police Service, Traffic Division with respect to issuing tickets under *The Regina Taxi Bylaw*.

## 2012 Highlights

### Operational Highlights

- The City of Regina launched a one-year strategic focus using the Balanced Scorecard methodology. Under the leadership of Strategy Management, the City Administration has successfully established and implemented processes and tools for performance monitoring and reporting.
- The 2012 strategic focus has provided the foundation for a 2013 focus while a long-term strategic plan is finalized.
- The Strategy Management Branch, with support from Human Resources, developed a comprehensive environmental scan to support the development of a long-term strategic plan.
- The Strategy Management coordinated the organization-wide process of strategic planning for the City of Regina. This work will continue into 2013 for a plan covering the period from 2014-17.
- The Strategy Management Branch established a new service by providing public policy support and advice to divisions and departments where required, particularly by assisting in the shaping of options and analysis for City Council.
- Communications developed and implemented communications strategies for major initiatives such as the Regina Revitalization Initiative (RRI), 2012 Regina Municipal/School Board Election, SnowFighters, Road Renewal 2012 and the Transportation Master Plan. Communications continued to work on Design Regina, the City's new Official Community Plan, and on Waste Plan Regina, the City's new plan for waste and recycling services. Communications also continued to increase the profile of the city and the corporation at events such as I Love Regina Day and the Home and Garden Show.
- Communications staff were the recipients of a Gold Medal from the prestigious Government Technology Awards in the category of “Next Generation Leadership”.

- The City of Regina is supportive of urban reserve creation and as such, looks forward to working with First Nation communities, through municipal service agreements, to advance and promote economic development that benefit our community as a whole.
- The new ward boundaries were implemented for the 2012 Municipal/School Board Election. The Election resulted in a 32% voter turn out, up over the 2009 turn out. As well, new to the election was an increased advance voting opportunities along with a new drive thru voting option which saw approximately 300 vehicles go through.
- The Office of the City Clerk implement technology to facilitate paperless (electronic) meetings, including live video streaming of City Council meetings. This has resulted in a reduction of staff follow up time by 3.5 hours per meeting.
- The Office of the City Clerk sent the Records Retention Bylaw and the Historical Information Fee Schedule forward to Council in 2012 and received approval.
- The number of corporate records being housed by the City at Crown Storage has represented a growing budget cost over the last number of years. In 2011, there were approximately 26,749 boxes of corporate records stored at the off-site storage facility, costing the City roughly \$150,000 per year. Due to process improvements as well a focussed clean-up initiative this number was reduced by more than 3,000 this year despite 1,173 new boxes being sent away in 2012. Savings was realized through variance reporting this year and a budget reduction is anticipated for 2014.
- The City launched the first Open Government program in Saskatchewan on February 27th, 2012. The program consists of three components that were fully implemented by June 17th: Open Data, Open Information and Open Dialogue. The City received the Cullinton Right to Know Award in September 2012 for this program for demonstrating leadership in providing access to information and commitment to transparent and accountable government practices. There are currently 28 data sets and 22 records, including Mayor and Councillor Expense Reports and Public Accounts, available on the Open Government website.
- Access to information requests through the Office of the City Clerk are tracked as "formal" and "informal" requests. As of December 18, 2012 City Clerk's office received and processed 42 Formal Requests, 103 Requests for Health Department Files and 36 Informal Requests. The volume of requests received and processed through this area has continued to increase year after year and more than doubled from last year (15 Formal Requests and 22 Informal).
- One-time Innovation Funding was received to initiate the conversion of the City Archive into a Virtual Archive, which will result in increased access to information for members of the public as well as an estimated cost savings of \$70,000 per year.
- To date, the Risk Management Branch of the Legal Department has investigated 1,087 incidents, settled 95 third party claims, and paid out a total of \$142,201 in 2012.
- The Prosecutions Branch of the Legal Department has had 494 charges in court with fines assessed of \$91,750 in 2012.

## Priorities

The Office of the City Manager will initiate projects and activities both corporately and divisionally to support City Council's Vision and achieve specific outcomes as a result of these efforts. The 2013 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

### Key Areas of Focus

#### Initiatives

- This Division is primarily focused on providing leadership and support for long-term asset and financial management strategies as they are developed primarily in other divisions.
- The Communications and Government Relations branches will play a significant role in communicating asset management requirements, including financing, to the public and to other orders of government.

#### Outcomes

- I. Effective financial management.
- II. A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest and landscapes.
- III. Reliable water, wastewater, storm and roadway infrastructure.
- IV. Revitalized facilities.
- V. Effective fleet management.
- VI. Appropriate and efficient information technology tools in a secure environment.

#### Initiatives

- Finalize implementation of a project management framework and processes for the City of Regina.
- Ensure employees have the professional development support to adapt to rapidly changing needs.

#### Outcomes

- I. Improved business plans and models.
- II. Effective performance measurement and performance management.
- III. Skilled, knowledgeable and engaged employees, supervisors and managers.
- IV. A representative workforce.

#### Initiatives

- This Division is also focused on providing leadership, support, and overall integration of the Community, Transportation, Infrastructure, Downtown, and Community Development Plans, being developed primarily in other divisions.

#### Outcomes

- I. A compact urban form and sufficient supply of land for future growth.
- II. Increased pedestrian, bicycle and public transit use.
- III. Optimization of existing infrastructure capacity.
- IV. Directed investment to enhance vibrancy of downtown.
- V. Targeted community development activities within inner city neighbourhoods.
- VI. A consolidated approach to providing community investments.
- VII. A safe living and working environment for the community.

#### Initiatives

- Launch the new Regina community brand
- Adopt and formally implement the draft Public Engagement Framework.
- Provide improved service to citizens related to Freedom of Information requests, including background work to facilitate a move to online self-serve options.



- Conduct a number of service reviews to identify improvements to customer service delivery, including hours of operation, payment methods, etc.

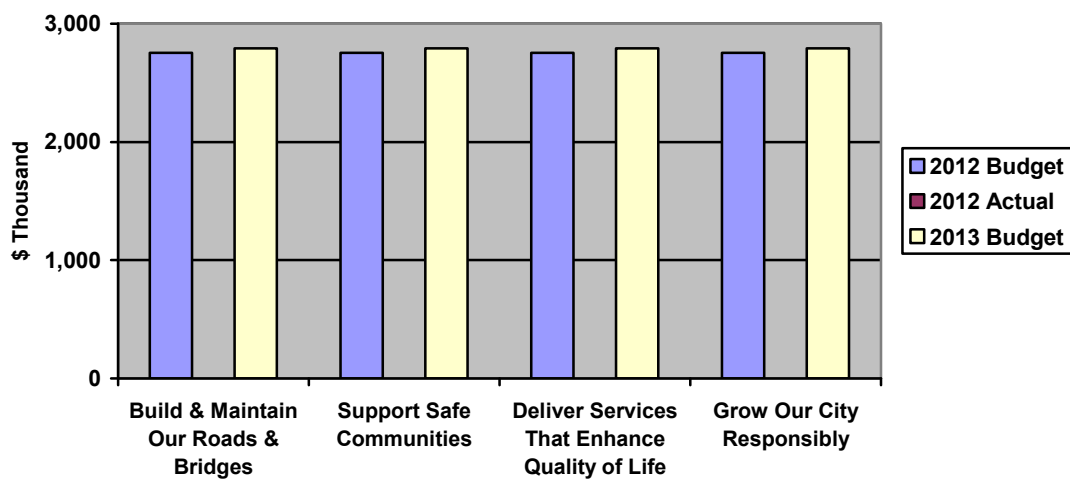
#### Outcomes

- I. Increased customer awareness and involvement.
- II. Increased customer satisfaction.
- III. Efficient, customer-focused processes.

## Operating Expenditure Summary (\$000's)

To achieve the City's Vision the City Manager's Office has estimated its total allocation of operating budget as follows:

### By Priority



In a more traditional format the City Manager's Office has summarized its operating budget as follows:

## By Business Unit

| Expenditures (000's)                                  | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change  |                 |
|---|-----------------|--------------------------|-----------------|----------------|-----------------|
|   |                 |                          |                 | Dollar Change  | Per Cent Change |
| <b>Office of the City Manager</b>                     |                 |                          |                 |                |                 |
| Administration  | 947.2           | -                        | 845.0           | (102.2)        | (10.8)          |
| Regina Revitalization Initiative                      | 743.6           | -                        | 509.3           | (234.3)        | 100.0           |
| Innovation  | 361.9           | -                        | 365.0           | 3.1            | 100.0           |
|   | <u>2,052.7</u>  | <u>-</u>                 | <u>1,719.3</u>  | <u>(333.4)</u> | <u>(16.2)</u>   |
| <b>Executive Director - Legal</b>                     |                 |                          |                 |                |                 |
| City Solicitor's Office                               | 1,661.0         | -                        | 1,643.4         | (17.6)         | (1.1)           |
| Bylaw Prosecution                                     | 145.6           | -                        | 149.6           | 4.0            | 2.7             |
| Risk Management                                       | 247.8           | -                        | 245.0           | (2.8)          | (1.1)           |
| Insurance   | 900.0           | -                        | 994.0           | 94.0           | 10.4            |
|   | <u>2,954.4</u>  | <u>-</u>                 | <u>3,032.0</u>  | <u>77.6</u>    | <u>2.6</u>      |
| <b>Executive Director - Governance &amp; Strategy</b> |                 |                          |                 |                |                 |
| Communications  | 2,351.5         | -                        | 3,106.1         | 754.6          | 32.1            |
| City Clerk's Office                                   | 2,342.1         | -                        | 1,922.4         | (419.7)        | (17.9)          |
| Strategy and Performance                              | 1,114.0         | -                        | 1,074.6         | (39.4)         | (3.5)           |
| Government Relations                                  | 129.8           | -                        | 132.3           | 2.5            | 1.9             |
|   | <u>5,937.4</u>  | <u>-</u>                 | <u>6,235.4</u>  | <u>298.0</u>   | <u>5.0</u>      |
| <b>Facility Costs</b>                                 |                 |                          |                 |                |                 |
| City Clerk's Office                                   | 73.6            | -                        | 73.7            | 0.1            | 100.0           |
| Total Operating Expenses                              | 11,018.1        | -                        | 11,060.4        | 42.3           | 0.4             |
| Transfers to a Reserve                                | -               | -                        | 104.8           | 104.8          | 100.0           |
| Total Expenditures                                    | <u>11,018.1</u> | <u>-</u>                 | <u>11,165.2</u> | <u>147.1</u>   | <u>1.3</u>      |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## By Expense Object

| Expenditures (000's)               | 2012 Budget      | 2012 Actual <sup>1</sup> | 2013 Budget      | Budget Change |                 |
|------------------------------------|------------------|--------------------------|------------------|---------------|-----------------|
|                                    |                  |                          |                  | Dollar Change | Per Cent Change |
| Salary & Benefits                  | 6,661.1          | -                        | 6,606.4          | (54.7)        | (0.8)           |
| Employee Related Payments          | 91.4             | -                        | 91.0             | (0.4)         | (0.4)           |
| Office and Administrative Expenses | 1,377.8          | -                        | 1,465.1          | 87.3          | 6.3             |
| Professional & External Services   | 2,421.0          | -                        | 2,394.4          | (26.6)        | (1.1)           |
| Materials, Goods & Supplies        | 125.7            | -                        | 181.6            | 55.9          | 44.5            |
| Other Expenditures                 | 104.9            | -                        | 102.0            | (2.9)         | (2.8)           |
| Intra-Municipal Services           | 236.2            | -                        | 219.9            | (16.3)        | (6.9)           |
| Total Operating Expenditures       | 11,018.1         | -                        | 11,060.4         | 42.3          | 0.4             |
| Transfer to a Reserve              | -                | -                        | 104.8            | 104.8         | 100.0           |
| Total Expenditures                 | <u>11,018.10</u> | <u>-</u>                 | <u>11,165.20</u> | <u>147.1</u>  | <u>1.3</u>      |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Staff Complement

| Full Time Equivalents (FTE's) | 2012 | 2013 |
|-------------------------------|------|------|
| Permanent                     | 66.0 | 67.0 |
| Casual                        | 0.1  | 0.1  |
| Total                         | 66.1 | 67.1 |

## Analysis of Operating Expenditure Budget Change

| Details  | (\$000's) |
|--|-----------|
| 2012 Budget  | 11,018.1  |
| 1. Remove 2012 One-Time Expenses (Base)  | (1,353.0) |
| 2. Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)  | 10.4      |
| 3. Uncontrollable Price Increases - Are those increases in expenditures that are due to price not volume. This increase cannot be managed by doing less, renegotiating a different price or going to a different supplier. (Base)  | 93.5      |
| 4. Strategic Focus - Elimination of 1 FTE in Executive Director - Legal Branch   | (60.6)    |
| 5. Implementation of the process to measure customer service level expectations. (On-going)  | 400       |
| 6. Implementation of Phase II of the e-Council project, including the purchase of Enterprise Agenda Preparation licenses, Enterprise Minutes Plus licenses, a workflow module and a Committee Manager Module. (On-going)   | 11.0      |
| 7. Transfers to a Reserve - These transfers will establish funding for costs associated with Reassessment and Elections. (On-going)  | 104.8     |
| 8. Revitalize Regina Initiative - Over the next 10-15 years, the Regina Revitalization initiative will realize a generational opportunity to revitalize the heart of our city by converting industrial and underused lands into a vibrant and energetic residential, commercial and retail development. The initiative will deliver a replacement for Mosaic Stadium, and will add to our current sports and entertainment options, including a new anchor facility that will attract future development. (One-Time) | 288.0     |
| 9. Implementation of a program to increase citizens' understanding of City of Regina finances and the financial gap. This program will contribute to the "increased awareness of the gap in the community". (One-Time)   | 250.0     |
| 10. Waste Plan Regina Communications - The funds will be used to create and design an informational campaign and produce the supporting collateral. This is the second year of a 3 year implementation plan for Waste Plan. (One-time)   | 350.0     |
| 11. Hosting costs for Phase I for the e-council project and licenses associated with modules. (One-Time)   | 53.0      |
| 2013 Budget  | 11,165.2  |

**Note:**

Base request funding – represents an increase in cost necessary to maintain current service levels.

Ongoing request funding – represents expenditures that would be ongoing past the current budget year.

One-time funding – represents one-time expenditures for the current budget year.

## Capital Investment Program

To achieve the City's Vision the Office of the City Manager has estimated its total allocation of capital investments according to both Priority and functional Business Unit as follows:

### By Priority

| Expenditures (000's)                  | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget | Budget Change |                 |
|---------------------------------------|-------------|--------------------------|-------------|---------------|-----------------|
|                                       |             |                          |             | Dollar Change | Per Cent Change |
| Services that enhance quality of life | -           | -                        | 961.0       | 961.0         | 100.0           |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### By Business Unit

| Expenditures (\$000's)                           | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget | Budget Change |                 |
|--|-------------|--------------------------|-------------|---------------|-----------------|
|  |             |                          |             | Dollar Change | Per Cent Change |
| Regina Revitalization: Stadium Project           | -           | -                        | 716.0       | 716.0         | 100.0           |
| Regina Revitalization: Taylor Field Site Studies | -           | -                        | 245.0       | 245.0         | 100.0           |
| Total  | -           | -                        | 961.0       | 961.0         | 100.0           |

#### Capital Project Funding Sources (\$000's)

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Summary of Capital Investments

| Details   | (\$000s) |
|---|----------|
| 1. The Stadium Project is part of the Regina Revitalization Initiative. This amount represents a proposed allocation of 2013's property tax revenue which will be set aside and used in future years to fund future stadium capital expenditures. | 716.0    |
| 2. Taylor Field Site Studies is part of the Regina Revitalization initiative. This project will include \$145,000 for a serviceability study and \$100,000 for a Mosaic Demolition Study.   | 245.0    |
| 2013 Budget   | 961.0    |

# **City Operations Division**

## **Mandate**

We provide customer-focused professional and reliable public services that enable and enhance the quality of life for our community and our employees. City Operations consists of Fire & Protective Services; Open Space & Environmental Services; Roadways & Transportation Services; Special Projects Secretariat; Strategic & Business Services; Transit Services; Water & Sewer Services.

## **Overview**

The City Operations Division was created as part of the 2011 corporate restructuring to provide city infrastructure management and services that are essential to the quality of life in our community. City Operations are the stewards of a significant portion of the city's infrastructure, ensuring that infrastructure systems are adequately preserved, resourcefully funded and effectively operated. This is accomplished through implementing best practices that advance safety, consistency, efficiency and reliability.

The Division creates value through service leadership that best serves our stakeholder base, maximizing every dollar spent. Our divisional priorities focus on narrowing the gap between current service levels and customers' service expectations by:

- ensuring that employees have the appropriate skills, abilities and tools to deliver our programs and services;
- ensuring a safe workplace is foremost;
- understanding our programs and services;
- understanding our customers' service delivery expectations;
- identifying and implementing ways to reduce costs and/or increase revenue; and
- creating Council awareness of service gaps and how to narrow those gaps.

City Operations is comprised of six departments and a Special Projects Secretariat, employing over 824 full time equivalent positions and approximately 199 casual employees.

### **Fire & Protective Services Department**

This department delivers well-trained and professional response to fire, rescue and emergency situations, which includes life threatening medical incidents and environmental disasters. Other core services include community focussed fire prevention and public education programs as well as overarching emergency preparedness and management services. Fire & Protective Services is supported by performance driven and results oriented administrative and business support.

### **Open Space & Environmental Services Department**

This department provides open space services and environmental services. The core services include ensuring human health and safety through pest control services, protecting and maintaining the health of the urban forest, maintaining City-owned golf courses, operating City-owned cemeteries and providing solid waste management.

### **Roadways & Transportation Services Department**

This department effectively maintains and operates roadways, walks, alleys, easements and bridges to ensure a safe, reliable transportation system for the community throughout the summer and winter seasons.

### **Special Projects Secretariat**

The secretariat provides oversight and professional expertise on significant projects that include the implementation of the curb-side recycling program, the major upgrade to the wastewater treatment plant and governance related matters for the Buffalo Pound Water Administration Board.

### **Strategic & Customer Services Department**

This department positions the division and its departments to achieve their business plans by providing customer focused strategic, innovative and business leadership. This is accomplished through coordinated administration and communication, research and policy development and performance measurement reporting and management.

As part of City Operations, Service Regina delivers the City's Customer Service Strategy to achieve excellent customer service to the community.

### **Transit Services Department**

This department provides professional, accessible, urban transit services to customers through building and maintaining strong partnerships within the community. Core services include providing a regularly scheduled, fixed route public transit system; and, a specialized transportation for persons with disabilities and the elderly, through a door-to-door service known as Regina Paratransit. Other core services include charter service for special events and emergency disaster/situation transportation.

### **Water & Sewer Services Department**

This department designs, constructs, operates and maintains essential water, wastewater and drainage systems for Regina and surrounding communities to protect public health and property.

*Note:*

*The water, wastewater and drainage services are delivered through the Water and Sewer Utility Budget and are not included in the General Operating Budget.*

## **Key Facts**

### **Fire & Protective Services Department**

- Although attendances at "code red" working fires are trending downward, the Fire & Protective Services Department continues to broaden its scope of services providing increased emergency medical, technical rescue and hazardous materials responses.
- In 2011, the department attended 139 total structural fire calls where 68 fires were caused by careless smoking, careless cooking and children playing with matches or lighters, resulting in over \$6.75 million in damages.
- Annually, 39,000 plus citizens attend one of the public safety fire education events provided.
- There are an average of 2,200 plus fire inspections and 160 plus fire investigations annually.
- The Fire & Protective Services Department responds to approximately 5,900 total deployments annually, which includes non-emergent investigations and public education and training. An average of 3,500 emergency dispatches for fire suppression, emergency medical assistance, hazardous material mitigation and rescue incidents are delivered annually.
- The City has seven fire stations and each serves an average of 27,600 residents.
- In 2011, the department had 7,347 apparatus responses to 4,457 incidents; an incident rate (per 1,000 population) of 23.1 and there were no injuries or deaths in Regina due to fire.

### **Open Space & Environmental Services Department**

- The landfill handles approximately 200,000 loads per year, 30% of these loads are private vehicles.
- The landfill receives 800,000 tonnes plus of material annually. Garbage, which comprises 26% of total tonnage, represents 88% of the total landfill fees collected. Clean dirt represents 50% plus of total tonnage, while concrete, asphalt and other recyclable materials make up the remainder.

- The City's Solid Waste Collection branch delivers approximately 65,000 tonnes of garbage to the landfill.
- Residential waste collection is provided to 60,000 houses, which amount to over three million house visits per year. Each house produces an average of one tonne of garbage per year.
- The City's Waste Minimization Program includes the Big Blue Bin (BBB) and Tinsel Mulch programs. Paper collected through the BBB program is approximately 5,500 tonnes per year. The Tinsel Mulch program resulted in the recycling of 3,500 Christmas trees.
- The department operates two municipally owned cemeteries, providing the community with various interment options.
- The department creates floral displays throughout the City using flowerbeds, 500 plus planter pots and oak barrels. These displays are typically located along main roads and major intersections.
- The department protects and nurtures the 145,000 City-owned trees. Less than one percent of the urban forest was lost to disease or insect infestations in 2012. The Forestry Program includes a pruning cycle of 1:10 years and plants approximately 2,500 trees annually.
- On average, 110,000 rounds are played annually at the City-owned golf courses.

### **Roadways & Transportation Services Department**

- Regina's Roadway Network Inventory consists of 991 kilometres paved roads, 34 kilometres of gravel roads, 1,289 kilometres of sidewalks, 170 kilometres of paved alleys, and 134 kilometres of gravel alleys. In addition to the roadway network, there are approximately 49 kilometres of easements.
- The average pavement age of the expressway/arterial network is 12 years, the collector and industrial commercial network is 12 years, and the local network is 28 years by surface area.
- Under the Winter Road Maintenance Program, the Roadways & Transportation Services Department is responsible for snow ploughing, snow removal and ice control on the roads, maintenance of the snow disposal site, alleys and sidewalks.
- The City's transportation network includes 54 bridges, 42 concrete bridges (of which 8 are rail overpasses) and 4 timber bridges. The Ministry of Highways turned over the bridges to the City in April of 2011 as part of the Urban Highway Connector Program. The City also has an inventory of 31 pedestrian bridges.
- The bridge maintenance program repaired 300 metres plus of guardrail, which increased safety at the 15 bridge approach locations. As well, chlorides and debris were removed from the 34 concrete structures, 6 pedestrian underpass walkways, and 9 pedestrian structures.
- The City of Regina maintains a total inventory of over 60,000 street signs.
- The City has 177 signalized intersections, 9 pedestrian half signals, 69 pedestrian corridors, and approximately 900 expressway lights.
- The Global Positioning System (GPS)/Automatic Vehicle Locator (AVL) project continues to be developed for implementation on winter maintenance equipment and key summer construction equipment. GPS/AVL has the ability to track winter maintenance equipment that supports the efficient delivery of the Winter Maintenance Policy as well as assisting in summer operations.
- The bulk materials operation provided 172,000 tonnes of granular and landscape materials to various City branches and public agencies. Recycled materials constituted 54% of bulk materials sold. In addition, 71,000 tonnes of granular materials were processed in asphalt plant production.
- The City's asphalt plant produced 74,000 tonnes of hot mix asphalt in 2012 at a cost of \$6,017,000. Funds are also transferred to the asphalt plant reserve for future plant upgrades. In 2012, the City's asphalt supply price was approximately 19% less than private contractor's asphalt supply price. Based on the tonnage produced, the City saved \$1.1 million dollars overall. The plant also produced 400 tonnes of cold mix asphalt. The asphalt plant dust collection system was supplemented by a new dust storing and weighing system in 2011. This initiative resulted in the reduction of asphaltic cement used in the mixes and is continuing to save approximately \$200,000 per year.
- The Testing Lab and Field Services Section provided 238 full asphalt tests, 761 sieve analyses, 685 asphalt density field tests and over 3,000 hours of concrete placement and paving inspections. This ensures that materials and construction techniques meet City specifications. In addition, Benkelman Beam Testing and 170 core samples of the old road structure were completed in support of the 2013 road design program.

### **Special Projects Secretariat**

- In 2012, contract arrangements for the curbside recycling program were finalized for collection and materials handling.

### **Strategic & Customer Services Department**

- In the first 10 months of 2012, Service Regina answered 146,764 with an average abandoned rate of nine percent. The Main Floor Customer Service area processed 118,478 transactions for a dollar value of \$59,400,000.
- Key divisional safety and innovation initiatives were developed and deployed quarterly.

### **Transit Services Department**

- In 2012, city buses provided approximately 6,000,000 rides to the community and the 107 City busses travelled approximately 5,500,000 kilometres.
- The 84 accessible low floor buses provide improved accessibility for all customers, especially seniors.
- Door-to-door Paratransit service provided approximately 180,000 trips and travelled an average of 1,000,000 kilometres plus last year.

## **2012 Highlights**

### **Operational Highlights**

#### **Fire & Protective Services Department**

- The department achieved the status of Accredited Agency from the Center of Public Safety Excellence in August 2012. This prestigious status was obtained through the pursuit of International Fire Service Accreditation, third party recognition of services, programs and governance that are measured against industry best practices. As part of the accreditation process, the department completed a comprehensive community risk assessment and developed the “Standards of Cover” which will serve as the basis for future service delivery decisions.
- The Public Education section partnered with “Kids First” to deliver fire and life safety education to young families. This program was recognized internationally as a model in fire prevention and education.
- Fire and life safety education and enforcement programs were intentionally provided in the high fire risk areas of North Central, Heritage and Al Ritchie neighbourhoods. These programs were provided in partnership with: Bylaw Enforcement, Regina Police Service, the two school boards and the Regina Qu'Appelle Health Region - Child and Youth Services Section.
- In partnership with the Regina Senior Citizens Centre and the Regina Housing Authority, a new fire and life safety education program was introduced which was designed to engage the growing senior citizen community. The program is titled, “Remembering When: a fire and fall prevention for older adults”.
- The Emergency Management Program continues to evolve with 159 staff and 33 partner agency staff trained to the Incident Command System (ICS) 200 level. To support this training, two major exercises were conducted at the University of Regina and Regina Airport Authority in 2012.
- On an annual basis, the department successfully trains and certifies 260 personnel in Hazardous Materials, Emergency Medical Care, Incident Command System, Flashover Survival, Technical Rescue and other related disciplines.
- The department supported the Fleet Centralization Project and worked to establish a Memorandum of Understanding regarding service levels. The department collaborated with Fleet Services to purchase, receive and equip a light service vehicle and develop a Request for Proposal for two new response units.



- The department's Self-Contained Breathing Apparatus (SCBA) equipment was replaced in 2012. The \$1 million investment in this equipment included an accountability system that will continue to enhance fire fighter safety.
- The review of the department's 248 Standard Operating Procedures is currently ongoing with 44% complete and an additional 26% in their final stages. The continual cycle review supports activities that enhance safety and the overall performance of the department.
- Fire Inspectors/Investigators were relocated amongst the seven fire districts to enhance and streamline the inspection process. This supports the Operations Branch personnel with in-service inspections and pre-planning initiatives.
- The Operations Branch management staff relocated to the Education & Training Centre to enhance collaboration and promote efficiencies with the Training Academy, Safety & Logistics Branch.

### **Open Space & Environmental Services Department**

- The gas collection system at the Landfill destroys approximately 1,000 tonnes of methane gas each year, which reduces greenhouse gases.
- Waste Plan Regina's Implementation Plan was approved by City Council in 2011 with the service anticipated by 2013.
- In 2012, course conditions at the Joanne Goulet Golf Course were restored to pre 2011 flood conditions and revenues returned to approximately 90% of the average over the previous five-year period, excluding 2011.
- Considerable infrastructure restoration was completed at the two Municipal cemeteries, which included major pruning of existing mature trees, restoration of hard surface areas at existing columbarium areas, enhancement to front entrance landscape at Riverside Cemetery, and road restoration at both municipal cemeteries. At Riverside, a multi-year initiative to infill tree vacancies adjacent to the internal roads was completed.
- The City Cemetery staff hosted a successful Western Canada Cemetery Conference in September 2012.
- An increased number of mosquito breeding sites was managed through a control program covering outlying areas. This initiative, combined with an increase in the dragonfly population, enabled the department to keep mosquito populations below the normal mosquito count range.
- In pest management, a broad-leaf (dandelion) weed threshold-monitoring program was developed in 2012 as a result of the department's initiative to reduce reliance on herbicides in the Parks system. This program will continue annually as a trend measurement.
- An invasive weed, Leafy Spurge, has been prominent in Saskatchewan for several decades. In 2012, 50,000 beetles that feed on Leafy Spurge were released in an area adjacent to Victoria Avenue East along the business development area. This pesticide free initiative program may take several years to produce results.

### **Roadways & Transportation Services Department**

- In 2012, Roadway Operations realized increases in identified efficiencies with implementation of 10-hour shift schedules, enhanced focus on work procedures, modifying processes, and increasing awareness, accountability and adherence to safety compliance.
- There were two significant factors in Roadway Operations achieving a significant decrease in their overtime (reduction in hours of 65%, 2011 to October 2012):
  - implementing 10 hour shifts; and,
  - favourable weather conditions for the 2012 construction season.
- The Sweeping & Alleys Branch successfully swept approximately 3,100 kilometres of streets and 1,300 kilometres of sidewalks and boulevards. The Alley Program reconstructed approximately 33 paved alleys, refreshed approximately 130 gravel alleys, reconstructed 5 gravel alleys and maintained 135 kilometres of gravel alleys. In addition, this branch also maintained 30 kilometres of high-grade roads, repaired various easement locations, and washed and maintained 54 bridge locations.
- The Sweeping & Alleys Bridge Washing crew received an Accelerating Excellence Award for their outstanding efforts, innovation and cost reduction.

- The Traffic Signals & Lighting Branch completed yearly planned maintenance with respect to traffic control equipment testing, incandescent bulb replacement and vehicle detection devices. Maintenance occurred, as planned or as needed, for 177 traffic signals, 9 pedestrian half-signals, 900 expressway lights and 69 pedestrian corridors.
- Traffic Signals & Lighting staff provided underground utility location services for both internal and external customers to protect traffic signal related assets.
- Traffic Control & Parking Branch provided the following services in 2012:
  - design and installation of 674 traffic accommodations and detours;
  - coordinated traffic for 30 special events;
  - 310 over-dimensional moves coordinated through the city;
  - 976 temporary street use by contractors and the film industry; and
  - 20 new accessible parking zones at private residences.
- In 2012, \$1.4 million in parking meter revenue was collected.
- Parking meters were upgraded to accept the new \$1 and \$2 coins introduced by the Canadian Mint, which avoided a potential loss in revenue of \$30,000 in 2012 and a forecasted \$200,000 for 2013 due to the increased percentage of new coins in circulation. The upgrade project has also resulted in a 33% reduction of time needed to service the parking meters, which allowed the branch to focus on other initiatives such as refurbishing deteriorated parking meter housings.
- Painting 500 kilometres plus of lane lines and 70,000 metres plus of crosswalk/stop bar pavement marking was completed.

### **Special Projects Secretariat**

- Contracts were awarded for collection and materials processing/marketing for the new residential recycling program.
- A new Solid Waste Bylaw was adopted by City Council to clarify solid waste collection services and define the new recycling service.
- A fee for the new recycling service was adopted by City Council.
- A new permit was negotiated with the Ministry of Environment, including identification of new Waste Water Treatment Plant (WWTP) effluent standards and timing to complete the upgrade to meet the standards.
- Conceptual and pre-design were completed on the WWTP upgrade.
- A business case (including 'value-for-money') was completed on the WWTP upgrade project delivery.

### **Strategic & Customer Services Department**

- Developed performance measurement reporting related to the divisional and departmental strategic business plans.
- Service Regina led a customer service request software upgrade and implemented new hosted contact centre software.
- Service Regina also provided corporate support by participating in the Home Show and providing extended hours for customers during the election.

### **Transit Services Department**

- The department continues to make significant progress in modernizing the conventional bus fleet. Over the past three years, over 50 buses were replaced in the fleet, reducing the average age to 9.4 years. Since 2006, the number of accessible, low floor buses in service has risen from 26 to 84. The department plans to have a fully accessible fleet by 2016.
- Regina's public transit continues to provide safe, convenient and affordable transportation for residents and visitors to special events such as concerts, Saskatchewan Roughrider football games and New Year's Eve celebrations. Saskatchewan Government Insurance (SGI) joined Transit as a sponsor to the football express service this year and has helped the program gain in popularity.
- Both ridership and revenue have increased in 2012, with a ridership increase estimated at 9% by year-end.
- Conventional transit cost recovery ratio improved in 2012. In 2011, the ratio was at 33% for every dollar spent and the forecast for 2012 is 38%.

- In September 2012, Transit installed security cameras on 63 of its buses. This feature provides a more secure environment for both our customers and employees.
- Regina Transit uses a smart card-based, electronic fare collection system branded the “R-Card”. The implementation completed in the first quarter of 2011 provided information on which to base future decisions in being more responsive and efficient. The data collected and analyzed from the R-Card system in 2012 will be considered in the 2013 Transit Route Review.
- The R-Card pass changed from a calendar month pass to a 31-day pass, effective on the purchase date. Purchasing the pass at any time of the month maximizes value to customers. The end-of-month lines at the Transit Information Centre and businesses that sell the passes has decreased in response to this change.
- The Transit Route Review work has begun to establish a new routing system. The review utilizes ridership information provided from the electronic fare boxes to create a set of draft routes. These draft routes will be made available for public input early in 2013. The new design is intended to reduce customer travel times, increase travel options and ultimately increase ridership. The projected date for implementation is July 2013.
- Transit Live is a pilot project which began in 2009 and runs until December 2012. The system provides customers with real time bus information and operational information for quality monitoring. The pilot has been a success and a full-time system has been approved for 2013.
- The department continues to focus on developing strong partnerships within the community to address customers’ needs. Partnerships exist with various local organizations such as the Regina Public Transit Coalition and the University of Regina.
- Transit’s newest partnership with Metro newspaper provides a free daily newspaper on buses. This is a new revenue agreement that was finalized in 2012.
- Customer service and access to transit information is critical to the success of the transit system. The Transit Information Centre provides information 65 hours per week regarding conventional transit. The Paratransit booking lines are available 86 hours per week.
- In response to a changing customer dynamic, Transit introduced Twitter and Facebook pages to provide timely information to customers about detours/delays in service.
- In 2012, the regular bus fleet travelled 5,660,000 kilometres plus and the Paratransit fleet travelled 1,070,000 kilometres.

## Priorities

City Operations Division is responsible for operating and maintaining municipal infrastructure and assets, and the provision of programs and services that effectively support our customers and promote community safety. To provide value driven programs and services to our customers, City Operations has identified key areas of focus. These include the following:

### Key Areas of Focus

#### Initiatives

- Provide programs and services supporting city growth and development plans.
- Provide customer focused programs and services in meeting the diverse needs of our community.

#### Outcomes

- I. Infrastructure and capacity for new growth, redevelopment and regulatory standards.

#### Initiatives

- Develop short and long-term strategies to sustain and fund our infrastructure and assets.
- Develop and implement an integrated long-term waste plan with residential recycling services.
- Implement the Transit Investment Plan.
- Develop and implement an infrastructure asset management process.
- Develop the Utility Business Plan.

**Outcomes**

- I. Responsive, diverse, and fiscally responsible program and service delivery, and asset management.

**Initiatives**

- Identify and explore alternative business models.
- Identify and implement approved cost reduction and revenue generation opportunities.
- Prioritize and align programs and services.
- Identify, define, and communicate current levels of service and corresponding gaps.
- Identify customer level of service expectations and implement approved strategies to address gaps.
- Continuous improvement in the delivery of fire and protective services.
- Review division organizational structure and improve division-wide business operations.

**Outcomes**

- I. Increased customer awareness, involvement and satisfaction.
- II. Improved business plans and models.
- III. Fiscal room created to address corporate strategic priorities.

**Initiatives**

- Implement the Corporate and Division Safety Strategy.
- Develop the Employee Engagement Strategy.
- Employee accountability for innovative processes.
- Develop a comprehensive City Operations' facilities master plan in conjunction with Corporate Services.

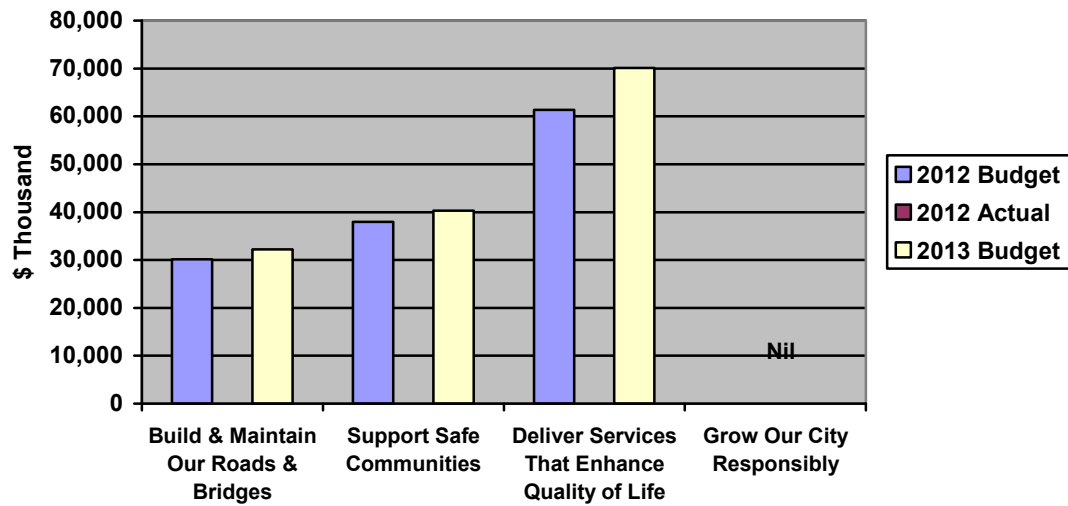
**Outcomes**

- I. Improved safety culture.
- II. Contemporary people management.
- III. Skilled, knowledgeable and engaged employees.
- IV. Effective performance measurement and management.

## Operating Expenditure Summary (\$000's)

To achieve the City's Vision the City Operations Division has estimated its total allocation of operating budget as follows:

### By Priority



In a more traditional format, the City Operations Division has summarized its operating budget as follows:

## By Business Unit

| Expenditures (\$000's)                    | 2012 Budget | 2012 Actual <sup>2</sup> | 2013 Budget | Budget Change |                 |
|---|-------------|--------------------------|-------------|---------------|-----------------|
|   |             |                          |             | Dollar Change | Per Cent Change |
| Office of Strategic and Business Services |             |                          |             |               |                 |
| Services                                  |             |                          |             |               |                 |
| Business Services                         | 1,544.8     | -                        | 1,551.8     | 7.0           | 0.5             |
| Divisional Strategic Services             | 335.0       | -                        | 337.9       | 2.9           | 0.9             |
| Engineering & Business Systems            | 448.6       | -                        | 451.6       | 3.0           | 0.7             |
| Service Regina                            | 1,048.7     | -                        | 1,089.6     | 40.9          | 3.9             |
|   | 3,377.1     | -                        | 3,430.9     | 53.8          | 1.6             |
| Roadways & Transportation Services        |             |                          |             |               |                 |
| Roadway Preservation                      | 1,797.0     | -                        | 1,973.4     | 176.4         | 9.8             |
| Asphalt Production & Field Services       | 292.9       | -                        | 293.8       | 0.9           | 0.3             |
| Traffic Signals & Lighting                | 6,482.0     | -                        | 6,691.2     | 209.2         | 3.2             |
| Traffic Control & Parking                 | 2,086.1     | -                        | 2,176.7     | 90.6          | 4.3             |
| Roadways Administration                   | 2,194.6     | -                        | 2,205.4     | 10.8          | 0.5             |
| Asphalt Services                          | 3,776.8     | -                        | 4,051.6     | 274.8         | 7.3             |
| Concrete Services                         | 1,858.4     | -                        | 2,090.7     | 232.3         | 12.5            |
| Sweeping & Alley Services                 | 5,436.0     | -                        | 6,021.3     | 585.3         | 10.8            |
| Winter Road Maintenance                   | 5,726.0     | -                        | 6,343.9     | 617.9         | 10.8            |
|   | 29,649.8    | -                        | 31,848.0    | 2,198.2       | 7.4             |
| Environmental Services                    |             |                          |             |               |                 |
| Environmental Engineering                 | 650.0       | -                        | 186.2       | (463.8)       | (71.4)          |
|   | 650.0       | -                        | 186.2       | (463.8)       | (71.4)          |
| Parks & Open Space Department             |             |                          |             |               |                 |
| Cemeteries                                | 1,052.9     | -                        | 1,082.4     | 29.5          | 2.8             |
| Golf Courses                              | 2,092.2     | -                        | 2,141.2     | 49.0          | 2.3             |
| Parks & Open Space Mgmt                   | 5,616.3     | -                        | 5,881.0     | 264.7         | 4.7             |
| Solid Waste Collection                    | 8,025.0     | -                        | 12,028.7    | 4,003.7       | 49.9            |
| Landfill Operations                       | 3,404.9     | -                        | 3,777.1     | 372.2         | 10.9            |
|   | 20,191.3    | -                        | 24,910.4    | 4,719.1       | 23.4            |
| Fire & Protective Services Department     |             |                          |             |               |                 |
| Business Continuity & Emergency Planning  | 185.2       | -                        | 207.9       | 22.7          | 12.3            |
| Fire Services                             | 36,410.2    | -                        | 39,589.8    | 3,179.6       | 8.7             |
|   | 36,595.4    | -                        | 39,797.7    | 3,202.3       | 8.8             |

## By Business Unit, continued

| Expenditures (\$000's)              | 2012 Budget      | 2012 Actual <sup>2</sup> | 2013 Budget             | Budget Change   |                 |
|-------------------------------------|------------------|--------------------------|-------------------------|-----------------|-----------------|
|                                     |                  |                          |                         | Dollar Change   | Per Cent Change |
| Conventional Transit                | 21,238.5         | -                        | <b>23,084.3</b>         | 1,845.8         | 8.7             |
| Paratransit                         | 4,160.4          | -                        | <b>4,530.1</b>          | 369.7           | 8.9             |
|                                     | <u>25,398.9</u>  | <u>-</u>                 | <u><b>27,614.4</b></u>  | <u>2,215.5</u>  | <u>8.7</u>      |
| <b>Facility Costs<sup>(1)</sup></b> |                  |                          |                         |                 |                 |
| Administration, Roadways & Traffic  | 351.6            | -                        | <b>365.5</b>            | 13.9            | 4.0             |
| Waste Management                    | 197.5            | -                        | <b>197.5</b>            | -               | -               |
| Cemeteries                          | 56.5             | -                        | <b>53.0</b>             | (3.5)           | (6.2)           |
| Golf Courses                        | 372.4            | -                        | <b>378.8</b>            | 6.4             | 1.7             |
| Parks & Open Space Mgmt             | 583.6            | -                        | <b>599.1</b>            | 15.5            | 2.7             |
| Fire & Protective Services          | 484.7            | -                        | <b>497.4</b>            | 12.7            | 2.6             |
| Transit                             | 864.7            | -                        | <b>880.6</b>            | 15.9            | 1.8             |
|                                     | <u>2,911.0</u>   | <u>-</u>                 | <u><b>2,971.9</b></u>   | <u>60.9</u>     | <u>2.1</u>      |
| Total Operating Expenditures        | 118,773.5        | -                        | <b>130,759.5</b>        | 11,986.0        | 10.1            |
| Transfers to a Reserve              | 10,643.6         | -                        | <b>11,874.2</b>         | 1,230.6         | 11.6            |
| Total Expenditures                  | <u>129,417.1</u> | <u>-</u>                 | <u><b>142,633.7</b></u> | <u>13,216.6</u> | <u>10.2</u>     |

Note:

1. Facility costs are allocated from the Facilities Management Services Division of the Corporate Services Department.
2. Actual results for 2012 will be reported in the final budget document once audited results are available.

## By Expense Object

| Expenditures (\$000's)           | 2012 Budget      | 2012 Actual <sup>1</sup> | 2013 Budget             | Budget Change   |                 |
|----------------------------------|------------------|--------------------------|-------------------------|-----------------|-----------------|
|                                  |                  |                          |                         | Dollar Change   | Per Cent Change |
| Salaries & Benefits              | 77,274.2         | -                        | <b>80,539.1</b>         | 3,264.9         | 4.2             |
| Employee Related Payments        | 238.0            | -                        | <b>235.9</b>            | (2.1)           | (0.9)           |
| Office & Administrative Expenses | 910.7            | -                        | <b>868.8</b>            | (41.9)          | (4.6)           |
| Professional & External Services | 5,351.3          | -                        | <b>8,034.6</b>          | 2,683.3         | 50.1            |
| Materials, Goods, & Services     | 4,818.2          | -                        | <b>5,254.5</b>          | 436.3           | 9.1             |
| Other Expenditures               | 7,113.6          | -                        | <b>7,931.4</b>          | 817.8           | 11.5            |
| Intra-Municipal Services         | 23,067.5         | -                        | <b>27,895.2</b>         | 4,827.7         | 20.9            |
| Total Operating Expenditures     | 118,773.5        | -                        | <b>130,759.5</b>        | 11,986.0        | 10.1            |
| Transfer to a Reserve            | 10,643.6         | -                        | <b>11,874.2</b>         | 1,230.6         | 11.6            |
| Total Expenditures               | <u>129,417.1</u> | <u>-</u>                 | <u><b>142,633.7</b></u> | <u>13,216.6</u> | <u>10.2</u>     |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Costing Fund

| Expenditures (\$000's)                               | 2012 Budget    | 2012 Actual <sup>1</sup> | 2013 Budget    | Budget Change |                 |
|--|----------------|--------------------------|----------------|---------------|-----------------|
|  |                |                          |                | Dollar Change | Per Cent Change |
| <b>Public Works:</b>                                 |                |                          |                |               |                 |
| Granular Material & Asphalt Plant                    | 6,794.8        | -                        | <b>7,049.6</b> | 254.8         | 3.7             |
| Facilities Costs - Granular Material & Asphalt Plant | 43.9           | -                        | <b>43.9</b>    | -             | -               |
| Total Granular Material & Asphalt Plant              | 6,838.7        | -                        | <b>7,093.5</b> | 254.8         | 3.7             |
| Roadway Operations                                   | 1,287.5        | -                        | <b>1,284.6</b> | (2.9)         | (0.2)           |
| Open Space - Landscape                               | 1,447.2        | -                        | <b>1,443.9</b> | (3.3)         | (0.2)           |
| Connection Maintenance & Repair                      | -              | -                        | -              | -             | -               |
| <b>Total Public Works</b>                            | <b>9,573.4</b> | -                        | <b>9,822.0</b> | <b>248.6</b>  | <b>2.6</b>      |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Staff Complement

| Full Time Equivalents | 2012         | 2013         |
|-----------------------|--------------|--------------|
| Permanent             | 812.8        | 821.3        |
| Casual                | 117.9        | 128.7        |
| Total                 | <u>930.7</u> | <u>950.0</u> |



## Analysis of Operating Expenditure Budget Change

| Details   | (\$000's) |
|---|-----------|
| 2012 Budget   | 136,040.7 |
| 1. Due to corporate re-organization, Parks Maintenance was moved out of City Operations responsibility and into Community Planning & Development. (Base)  | (6,623.6) |
| 2. Remove 2012 One-time Expenses. (Base)  | (256.6)   |
| 3. Salaries and Benefits - includes cost changes resulting from salary increases, in range progressions, classification reviews, Market Supplements, Benefits on Overtime and premium pay and employer benefit costs, including increases in the City's contributi  | 2,413.3   |
| 4. Uncontrollable Price Increases - (Base)  | 2,683.8   |
| 5. 2013 Operating Costs incurred in the Water & Sewer Utility are no longer being allocated to the Environmental Services branch of City Operations. (Base)   | (465.0)   |
| 6. Reallocation of costs from other divisions for more accurate reporting of expenditures. (Base)   | 64.4      |
| 7. Increase in allocated Fleet costs - Costs allocated by Corporate Services. (Base)  | 1,450.6   |
| 8. Decrease in transfer to Cemetery Reserve. (Base)   | (18.4)    |
| 9. Decrease in transfer to Golf Course Reserve. (Base)  | (1,124.2) |
| 10. Decrease in transfer to Winter Road Maintenance Reserve. Based on past years costs, the transfer to the reserve has not been made and a result was not included for the 2013 budget. (Base)   | (116.3)   |
| 11. Transfer to Landfill Reserve. The net revenues in the Landfill Operations are closed to the Landfill Reserve. (Base)  | 4,290.2   |
| 12. Decrease in transfer to the Water & Sewer Utility from the Strategy and Business Services branch. (Base)  | (167.7)   |
| 13. Various small changes to Base Budget. (Base)  | 32.7      |
| 14. 2013 Strategic Focus Initiatives. (Base)  | (38.6)    |
| 15. As part of the City Hall Security Strategy, Service Regina will need to provide two staff to be part of the first point of contact for any visitors and deliveries to the City Hall tower. The positions will take on a 'greeter function as well as receiving and distributing of information/packages as required. The total amount of this ask is \$120,00 however \$48,000 will be charged to the Water & Sewer Utility, therefor the net ask for City Operations is \$72,000. (On-going) | 72.0      |
| 16. Reassessment occurs every 4 years. Service Regina increases their staff during reassessment years in order to service the increased number of calls. One-quarter of the anticipated costs for the 2016 Reassessment in being requested in 2013 and will be requested until reassessment occurs. (On-going)  | 19.5      |
| 17. Landfill Stie Control (1.0 Permanent FTE and 0.8 Casual FTE) The volume of waste being delivered to the landfill has been constantly growing year over year. There is a need to have staff on site to direct proper flow of customer traffic and ensure the safety of our employees and customers. (On-going)   | 90.0      |

## Analysis of Operating Expenditure Budget Changes (Continued)

| Details   | (\$000's) |
|---|-----------|
| 18. The new landfill expansion has a leachate collection system as part of the design to minimize environmental effects and meet design requirements. The leachate collected will need to be removed from the landfill and disposed of in the sewer system. This will require the use of a sewer hauler truck. (On-going)   | 150.0     |
| 19. Solid Waste Collection - Due to the annual growth in population, additional funds are required for tipping fees from the Landfill to maintain the existing service level. (On-going)  | 77.0      |
| 20. Landfill Scale Improvements (1.0 Permanent FTE and 1.4 Casual FTE) Additional FTE's are required to keep up with the growing demand and to ensure the new scale houses are properly serving the customer. (On-going)  | 120.0     |
| 21. Provincial funding exists to aid municipalities with the low price of recyclables. These funds will be used to increase public service levels and will therefor increase our expenditures. (One-time)   | 80.0      |
| 22. Solid Waste Collection (2.0 Permanent FTE and 3.25 Casual FTE) The Implementation of Waste Plan Regina includes providing property-side recycling, bulky waste pick up and yard and leaf waste collection to 65,000 residences, conversion of back alley shared refuse containers to carts and House Hold Hazardous Waste disposal. Additional staffing and equipment is required to begin programs in 2013. (On-going) | 2,813.0   |
| 23. City Square Plaza. This site opened in 2011 and 2013 funding is required to program and maintain the plaza space. Costs include: surface and amenities maintenance, including snow clearing and removal, electrical and building maintenance, repair costs and programming costs. These costs and services will be delivered by several departments: Parks & Open Space, Facilities, and Community Services. (On-going) | 165.8     |
| 24. New Open Space due to growth (1.21 Casual FTE) - This represents funding to maintain the new park and open space which will be added to the inventory in 2013, as a result of new subdivision development or park upgrades. (On-going)  | 68.3      |
| 25. Ongoing funding is required to perform the regular day to day building operation functions at the newly renovated and soon to be occupied 1500 - 4th Ave Chrysler Building. (On-going)  | 10.6      |
| 26. Operating utilities funding required due to the construction of a new sub depot that will become operational in 2012. (On-going)  | 3.0       |
| 27. Winter Road Maintenance - Growth in the City has resulted in the increased use of sand and gravel for snow removal purposes. (On-going)   | 50.0      |
| 28. Roadway preservation - Operational repair and maintenance funding is required for city owned pedestrian bridges. (On-going)   | 56.0      |
| 29. Increases to the road network from new developments requires an increase to asphalt maintenance in order to provide the historical service level. (On-going)  | 25.0      |
| 30. Increases to city owned sidewalk, curb and gutter requires additional funding in order to provide the historical service level. (On-going)  | 31.5      |
| 31. Increases to the road network requires increases to maintain the level of service for our sweep program. (On-going)   | 10.0      |
| 32. Increases in the length of the sidewalks requires increased funding to ensure timely availability/readiness of sidewalk maintenance equipment during the winter season. (On-going)  | 8.0       |

## Analysis of Operating Expenditure Budget Changes (Continued)

| Details   | (\$000's)        |
|---|------------------|
| 33. Increases to the road network requires increased funding to ensure timely availability/readiness of street clearing equipment during the winter season. (On-going)  | 371.8            |
| 34. Increase in environmental testing costs at snow dump sites due to plans to collect more samples at deeper levels. (One-time)  | 13.0             |
| 35. In 2012 Transit ran a trial offering bus service on four statutory holidays (Family Day, Good Friday, Remembrance Day, and Boxing Day). Administration is requesting that this trial of offering service on 4 statutory holidays be made permanent in 2013. (On-going)  | 73.9             |
| 36. Transit (1 Permanent FTE) The department has completed a review of where staffing requirements are required in order to keep forward momentum in addressing current issues. The initiative is cost neutral. (One-time)  | -                |
| 37. Fire & Protective Services in partnership with the Regina Regional Opportunities Commission and Regina Convention Team were successful at landing the 2013 National Canadian Association of Fire Chiefs Conference. Funding is required in order to put on a successful conference. (One-time)  | 10.0             |
| 38. Funding required for the E-Learning system within Regina Fire & Protective Services. (On-going)   | 56.0             |
| 39. The Emergency Operations Centre (EOC) staff will require education and training separate from the corporate training initiatives. This budget will allow for the ongoing provision of training opportunities both locally and abroad. (One-time)  | 20.0             |
| 40. The Fire & Protective Services (FPS) Department operates a 24/7/365 Emergency Communications Centre. An adequate backup facility does not exist to provide this service. This funding is requested to engage a consultant to conduct a feasibility study. The total cost of the consultant phase is estimated at \$105,000 and each agency will contribute one third of this cost. (One-time) | 35.0             |
| 41. Regina Professional Firefighter's Association Collective Bargaining Agreement requires that prior to October 31st all employees of the Suppression and Rescue Branch, Inspection Branch and Training Branch shall be required to undergo a medical examination once every two (2) years at the expense of the City. (On-going)  | 50.0             |
| 42. Reallocation of funding from City Operations to Community Planning & Development due to re-organization within the Parks Maintenance area. (One-time)   | (11.0)           |
| 2013 Budget   | <u>142,633.7</u> |

### Note:

Base request funding – represents an increase in cost necessary to maintain current service levels.

Ongoing request funding – represents expenditures that would be ongoing past the current budget year.

One-time request funding – represents one-time expenditures for the current budget year.

## Capital Investment Program

To achieve the City's Vision the City Operations Division has estimated its total allocation of capital investments according to both Priority and functional Business Unit as follows:

### By Priority

| Expenditures (000's)                          | 2012 Budget     | 2011 Actual <sup>1</sup> | 2013 Budget            | Budget Change  |                 |
|---|-----------------|--------------------------|------------------------|----------------|-----------------|
|   |                 |                          |                        | Dollar Change  | Per Cent Change |
| Build and Maintain Our Roads & Bridges        | 21,614.0        |                          | <b>21,387.0</b>        | (227.0)        | (1.1)           |
| Support Safe Communities                      | 2,855.0         | -                        | <b>4,828.0</b>         | 1,973.0        | -               |
| Deliver Services that Enhance Quality of Life | 2,251.0         |                          | <b>7,421.0</b>         | 5,170.0        | 229.7           |
| Total   | <u>26,720.0</u> | <u>-</u>                 | <u><b>33,636.0</b></u> | <u>6,916.0</u> | <u>25.9</u>     |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### By Business Unit

| Expenditures (\$000's)     | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget            | Budget Change  |                 |
|----------------------------|-----------------|--------------------------|------------------------|----------------|-----------------|
|                            |                 |                          |                        | Dollar Change  | Per Cent Change |
| Roadways Infrastructure    | 17,034.0        | -                        | <b>18,143.0</b>        | 1,109.0        | 6.5             |
| Bridges                    | 2,750.0         | -                        | <b>3,244.0</b>         | 494.0          | 18.0            |
| Traffic Control & safety   | 2,705.0         | -                        | <b>4,808.0</b>         | 2,103.0        | 77.7            |
| Waste Management           | 1,710.0         | -                        | <b>5,320.0</b>         | 3,610.0        | 211.1           |
| Streetscape                | -               | -                        | <b>851.0</b>           | 851.0          | 100.0           |
| Cemeteries                 | 145.0           | -                        | <b>120.0</b>           | (25.0)         | (17.2)          |
| Golf Courses               | 350.0           | -                        | <b>350.0</b>           | -              | -               |
| Fire & Protective Services | 150.0           | -                        | <b>20.0</b>            | (130.0)        | (86.7)          |
| Transit                    | 46.0            | -                        | -                      | (46.0)         | (100.0)         |
| Other                      | 1,830.0         | -                        | <b>780.0</b>           | (1,050.0)      | (57.4)          |
| Total                      | <u>26,720.0</u> | <u>-</u>                 | <u><b>33,636.0</b></u> | <u>6,916.0</u> | <u>25.9</u>     |

#### Capital Project Funding Sources (\$000's)

|                                |                        |
|--------------------------------|------------------------|
| Current Contributions          | <b>14,152.0</b>        |
| Gas Tax (GT)                   | <b>7,337.0</b>         |
| Provincial Territorial         | <b>1,453.0</b>         |
| Service Agreement Fees (Roads) | <b>1,288.0</b>         |
| Service Agreement Fees (Parks) | <b>666.0</b>           |
| Asset Revitalization Reserve   | <b>2,200.0</b>         |
| Asphalt Plant Reserve          | <b>400.0</b>           |
| Cemetery Reserve               | <b>120.0</b>           |
| Fleet Replacement Reserve      | <b>350.0</b>           |
| Golf Course Reserve            | <b>350.0</b>           |
| Landfill Reserve               | <b>5,320.0</b>         |
|                                | <u><b>33,636.0</b></u> |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Summary of Capital Investments

| Details   | (\$000s) |
|---|----------|
| 1. Street Infrastructure Renewal - Asphalt resurfacing and concrete repair, consulting services, pavement asset management, local improvement walk, curb and gutter replacement, and reconstruction and resurfacing of roadways in conjunction with local improvement work.   | 18,143.0 |
| 2. Bridge Infrastructure Renewal - Correction of structural deficiencies, inspection and engineering related to the safety and renewal of existing bridges.   | 3,244.0  |
| 3. Traffic Control & Safety - This includes traffic signal rehabilitation and an alley lighting improvement program. Traffic signal rehabilitation is an annual program performing end of life asset replacement of 4% of the City's signalized intersections per year and includes the replacement of traffic signal poles, ducts, wiring, controls, lights, detection equipment, software, other ancillary supplies, and services based on the expected life span of poles and their components. The alley lighting improvement program arranges for and oversees the installation of alley lights under the Local Improvement Program. | 4,808.0  |
| 4. Other Transportation Projects - This is for the purchase of a new concrete slipform. The current concrete slipform is over 25 years old. We continue to recognize increases in projected and scheduled work where the slipform is required.  | 350.0    |
| 5. Landfill - This includes the old landfill site capping and closure, landfill gas collection system and landfill development of a new facility.   | 5,000.0  |
| 6. Waste Collection - This provides for purchase of a rear alley cart truck.  | 320.0    |
| 7. Streetscaping - Includes the landscaping of 9th Avenue N from McCarthy Blvd to Courtney St, tree replacement along arterials, buffers and parks and plant material establishment funding.  | 851.0    |
| 8. Other Capital Projects - This includes the upgrade of major components of the asphalt plant. The 2013 portion of the project is to add capacity of cold planings recycling either as major part of emulsion based cold mix or small component of hot mixes. It also includes additional paving of the multi-use pathway.   | 430.0    |
| 9. Cemetery Improvements & Repairs - Cemeteries General Allocation - construction of monument strip foundations, columbarium purchases and installation, new and infill tree and shrub plantings, landscape upgrades, road repairs, sign installation and irrigation restoration.   | 120.0    |
| 10. General Golf Course Projects - Golf Courses General Allocation - mitigation of water erosion, course restoration and improvements at all four Golf Courses.   | 350.0    |
| 11. Fire Capital Equipment Restoration & Wellness - This program addresses unfunded equipment replacement needs according to NFPA Standards, CSA Standards and Occupational Health and Safety Regulations. It also includes the wellness/fitness equipment that supports the implementation and sustainability of the department's peer fitness program.  | 20.0     |
| 2013 Budget   | 33,636.0 |

## **Corporate Services Division**

### **Mandate**

“The Division excels in providing services and support to our customers, both internal and external; enabling City operations to maximize its effectiveness and potential. Our Corporate Services team includes Financial Services, Information Technology Services, Human Resources, Fleet Services, and Facilities Management Services.”

### **Divisional Overview**

As described in our Mandate, the Corporate Services Division's efforts remain committed to supporting the corporate priorities and to providing services to the other Divisions. Corporate Services has developed its second Divisional and Departmental plans towards delivering on the Corporation's Strategic Priorities by focusing on achieving a solid foundation. The focus of the plans and corresponding budget are to stabilize our core services and to more effectively support our customers now and in the long-term. The 2012 Divisional Budget is summarized into the following functional areas:

- Administration – The Deputy City Manager and CFO, along with the strategic services and administrative staff are responsible for strategic direction to the five Departments, related administrative support, as well as establishing and monitoring policy and governance requirements and advising on appropriate project management methodology and controls.
- Facilities Management Services – The Department, led by the Director – Facilities Management Services, provides the space planning, construction project management, physical plant maintenance, and the day-to-day operation of City-owned facilities. The department also provides for the corporate facilities energy management and air quality programs, and the electricity and natural gas utility program for all civic facilities.
- Finance – The Department, led by the Director – Finance Department, provides internal and external financial reporting, accounting, budget, purchasing, cash management, and investment and debt management services for the Corporation. It manages customer service, billing, and collection for the City's water, wastewater, and drainage utility.
- Fleet Services – The Department, led by the Director – Fleet Services, supports the delivery of City programs and services by providing fleet management, maintenance, and operator training services. The department is also responsible for the Central Stores, Salvage, and Fuel Programs and management of the City's Towing Compound.
- Human Resources – The Department led by the Director – Human Resources, as strategic partners and innovative leaders, Human Resource's purpose is to guide and support the organization in attracting, optimizing, and retaining the high-performing workforce needed to achieve organizational goals. The Department focuses on the four key strategies of performance, talent, learning & development, and leadership and culture, and provides six core services: Labour Relations, Total Rewards, Organizational Development, Payroll, HR Information Management, and Healthy Workplace.
- Information Technology Services – The Department, led by the Director of ITS, provides leadership in business technology planning, using technology to enhance business processes and identifying new technology opportunities. The Department coordinates the selection, development, implementation, operation, and support of information technology and computerized applications used by the City.

Other core services include the integration, sharing and security of data, corporate telecommunications, printing, and mail delivery.

- Pensions and LTD – This business area reports to, and provides administrative services to several Pension and Long Term Disability Plans (LTD), which serve the City of Regina as well as other employers. This business area is funded through pension and long-term disability plans, and maintains a working relationship between the Plans' Administrative Boards and the Corporate Services Division.

### **Key Facts**

- 73% of the total operating expenditures of this Division result from staffing related costs.
- Facilities Management Services supports more than 220 buildings and almost 400 additional structures that range from recreational, administrative, and operational buildings to spray pools, bus shelters, and park structures.
- The Finance Department is responsible for procurement, payments, and provides utility bills to 63 thousand 400 households within the City. Finance delivers the audited Financial Statements and develops the Operating, Capital and Utility budgets each year
- Fleet Services manages and maintains about 1,200 vehicles within the Civic, Transit and Fire fleets, and annually delivers more than 300 operator training sessions attended by more than 1,600 employees. The Supply Services branch maintains an inventory of more than 8,400 different items to support City operations.
- Human Resources support approximately 290 client Managers and Supervisors, plus coordinators, team-leads, crew-leads, with managing and optimizing their Human Resources, encompassing more than 2,500 permanent, casual and seasonal employees. HR also supports employees directly in areas such as Benefits Administration and Compensation, and Payroll, and provides payroll services to several external, City-affiliated agencies.
- ITS supports 1,600 City staff, who utilize over 70 different business applications through a state-of-the-art network connecting 60 City facilities.

# 2012 Highlights

## Operational Highlights

Corporate Services remains focused on becoming a leader within the municipal sector and the following highlights from 2012 demonstrate this commitment:

- In 2012, the City Hall Service and Security Project received the highest level of approval and the necessary funding to proceed with design in 2012 for a 2013 construction. Work completed in 2012 to support the project included the selection of a security and video management platform and system scalable to accommodate enterprise facilities security services. In addition, a new Corporate Facilities Security position was created to support the security system and related security protocols.
- The 2<sup>nd</sup> floor of City Hall underwent extensive renovations in 2012. In addition to creating an open concept office environment, base building upgrades were done, including the installation of fire sprinklers. The newly renovated floor houses 45 offices, a corporate computer training room and two corporate meeting room. The second phase of this project, which will see the delivery and installation of a new emergency generator and lighting upgrades to the parkade, is currently underway and will be completed in early 2013.
- Facilities Management Services supported the Saskatchewan Roughrider Football Club with the Mosaic Stadium Legacy Project. As the Club, in preparation for the Grey Cup event undertook a project to increase seating capacity and other related options to improve the fan experience overall, we took an oversight role, provided day to day project support and direction and provided technical advise and engineering support.
- In 2012, we were able to complete the first generation of the Corporate Facilities Strategy and financing model and share it within the organization. We will use the feedback, gathered to further refine the model and prepare for future approval and implementation.
- In 2011 and 2012 Human Resources undertook a pilot project in partnership with one of the operating divisions to develop a Strategic Workforce Planning toolkit. The Executive Leadership Team approved the toolkit in 2012. There are currently five departments actively using the toolkit to determine their current and future workforce needs. In 2013, three more departments will begin to use the toolkit, with others planning to participate in 2014 and 2015.
- As part of the Corporate Services scorecard, for 2012 it was determined that each manager and director in the division would complete a career map to help individuals plan his or her future. To support this initiative, HR developed and introduced a career mapping template and instructional guide as a pilot project. Based on the results of this pilot project within Corporate Services plans are to introduce this new tool to the entire organization in 2013.
- Human Resources began to play an integral role in the Business Transformation program in 2012. After review and research with other organizations using similar products and processes, decisions have been made to focus initial implementation on core human resource data and payroll. Based on the groundwork completed in 2012, 2013 and 2014 will see the development and implementation of software solutions that will ensure more efficient and effective human resource support to the organization.
- In preparation for the implementation of a new HR system, work was completed in 2012 to move Fire Time and Attendance to the current system used by all other City of Regina payrolls. The system Fire was using was very old, unsupported and at risk of failure. By moving Fire information and processes to the current system, stability was ensured and the task of moving to a new system for all payrolls will be simplified.



- In 2012, all five collective bargaining agreements will expire. In anticipation of this, a cross divisional bargaining team, supported by Human Resources was able to reach agreement with one of the Associations (CMM) before the end of the term. The fact that the agreement was reached before the end of the term, along with an approved wage increase for Out of Scope employees has reduced the amount of retroactive pay that will have to be processed in 2013.
- A measure on the 2012 corporate scorecard, to promote a safety culture within the organization, required that at least 80% of the managers in the organization obtain safety training in the area of Occupational Health & Safety Roles and Responsibilities and at least one other safety course (i.e. reasonable suspicion, return to work, etc.). The Human Resources Healthy Workplace branch provided courses throughout 2012 to support this initiative and the organization is well on its way to meet its target.
- The Fleet Services Department continues to implement the recommendations of the GreenFleet Report to minimize the negative environmental impacts of the City's vehicle and equipment fleet.
- In the fall of 2009, a consulting firm was engaged to conduct a strategic review of the delivery of fleet services and recommend a service delivery method that will improve the efficiency and effectiveness of the delivery of fleet services across the organization. The consultant's report was received in early 2010. The key conclusion was that the provision of fleet services to the organization could be improved by replacing the current decentralized fleet management model with one that centralizes asset management and governance responsibility and retains maintenance operations in current locations but reporting to a central fleet organization. Implementation of the new model will be carried out in two phases. Phase One, which was completed in 2010, focused on centralizing all fleet asset management functions in Fleet Services. Phase Two, which was completed in early 2012, completed the implementation process by transferring responsibility for the Transit and Fire garages to Fleet Services.
- A five-year Funding Sustainability and Equipment Modernization Strategy continue to be implemented for the Transit and Fire fleets. When completed in 2015, the replacement of Transit and Fire fleet vehicles will be fully funded by a dedicated reserve, and the average age of both fleets will be reduced to accepted industry guidelines.
- The Business Transformation Program began 2012 with the solid foundation of a newly upgraded financial system with new processes and a revised chart of accounts. The four-year program continued by improving processes and securing the City's information through integrating purchasing card transaction data from the banks directly into the financial system, thereby improving our management reporting capability. By the end of 2012, the program launched two new projects. The first was to convert asset financial data register into the corporate financial system, improving reporting capability and audit requirements. The second one launched a multi-year initiative to improve people processes through extensive reviews and to integrate the Human Resource Management System into the financial system.
- Upgraded the Utility Billing system to prepare for Waste Plan Regina billing changes and electronic bill presentment.
- Provided on-line access to property assessment cards (Liberty) in preparation for 2013 property reassessment.
- Assisted Service Regina in implementing Telax, a Hosted Contact Centre. This offers new functionality such as recording all voice calls, and allowing operators to work from different locations while still using the same system.
- Replaced end-of-life servers while virtualizing two Oracle environments (application servers and database servers). This effort avoided spending half a million dollars on Oracle licenses.

- Upgraded Hansen call centre software to patch known problems and provide improved functionality for Service Regina and Bylaw Enforcement.
- Upgraded the Corporate Records Management System in preparation for the planned rollout of electronic document management in 2013.
- Implemented the remaining Property Maintenance Bylaw actions along with handheld devices that allow Enforcement Officers to view and enter information in the field.
- Continued expansion of the City's fixed broadband wireless network that connects Traffic Signals and buildings to the corporate network. Zones 4 & 5 are now complete, as well as an improved wireless connection to the Waste Water Treatment plant.
- Relocated the City's Data Centre to a 3<sup>rd</sup> party's co-located space. This project took a lot of careful planning and cautious execution, and went very well. The City has a well-organized environment running on more reliable power, and valuable City Hall space was freed up.
- Mobile devices were being used by City Council and City executive management for eAgenda, by the Fire department for Records Management and Bylaw Enforcement to access their new system. Policies were developed and communication systems upgraded to allow for a corporate rollout of the Mobile strategy in early 2013.
- The City's Backup & Recovery system was updated, including a solution for the "virtual" environment and remote disk storage for critical data.
- A Log Management solution was implemented that allows the City to log activities on servers, network devices and applications; Monitor & notify operators of failing disk, low memory, crashing processes; Monitor activity of users and administrators; Provide a centralized log source for incident and audit investigations.
- Financial Services is the lead in implementing the capture and reporting of the Public Sector Accounting Board (PSAB) requirements for tangible capital assets. Over \$1.5 billion in City assets have been classified and reported for the first time in the City's 2009 Financial Statements. The City will report on the complete stock of tangible capital assets and amortization in the financial statements to demonstrate stewardship and the cost of using those assets to deliver programs and provide services.
- The City of Regina implemented a new budget process for the 2010 budgets. Corporate business planning has provided strategic direction for operating and capital investments and a shortened budget cycle was integrated with the planning cycle to maximize input from the Public and City Council in order to further refine the City's strategic focus. The new process has enabled greater engagement from our Operating Divisions while increasing transparency.

## Priorities

Corporate Services continues its focus in 2012 to achieve a solid foundation and set the stage to effectively support our customers in the short and long term. This means the Corporate Services Division has confidence it can meet the basic service standards, including minimum levels of certification and asset management. City assets are protected and safe and core business functions are defined and understood, and core processes are documented. Corporate Services will achieve this solid foundation through:

- investing in people,
- investing in technology,
- improving and integrating processes,
- improving governance and stewardship; and,
- defining and managing service expectations.

The 2012 Divisional Budget provides the resources to deliver these results and is summarized as follows:

## **Key Areas of Focus**

### **Initiatives**

- Development of a long-term Corporate Facilities Strategy, including a preventative maintenance program, revitalization plan for current facilities and a strategic approach to Facilities program management and the development of new facilities.
- Undertake an assessment of the financial and HR systems and processes challenges that exist in the corporation.
- Lead or provide support to a number of corporate projects including Fleet Centralization

### **Outcomes**

- I. Effective financial management.
- II. Revitalized facilities.
- III. Effective fleet management.

### **Initiatives**

- Continue to support corporate organizational capacity in the operating divisions' organizational structure changes and the delivery of new projects and programs.
- Communicate to the operating divisions Corporate Services' role and responsibilities, service levels, performance measures, and customer satisfaction measures.
- "Create a solid foundation" – address the significant staff shortage throughout the Division.
- Establish and document basic policy, procedures, and processes to ensure consistency, clarity, and stability for the division and organization.
- Completing the actions set out in the department business plans that align with the Corporate Strategic Plan and the Division Business Plan.
- Development of the Business Transformation strategy and roadmap.
- Undertake Strategic Workforce Planning to assess our staffing needs in the short and long terms.

### **Outcomes**

- I. Appropriately skilled and knowledgeable employees.
- II. Engaged employees, supervisors and managers.
- III. Appropriate and efficient information technology tools in a secure environment.

### **Initiatives**

- Provide ongoing support and services to the operating divisions in the daily operations and the delivery of the new projects and programs.

### **Outcomes**

- I. A compact urban form and sufficient supply of land for future growth.
- II. Optimization of existing infrastructure capacity.
- III. A consolidated approach to providing community investments.

### **Initiatives**

- Develop and implement process and program improvements, and other innovations which will increase our focus on customers, establish common understanding of business objectives and priorities, improve our capacity to work smarter and be better positioned to assist operating divisions achieve their business objectives.

- Continue to support programs and services that meet the needs of the community.
- In partnership with Service Regina, re-develop the main floor of City Hall to provide a high quality, seamless and consistent approach to in-person service delivery to visitors to City Hall and improve security for employees, customers and assets.

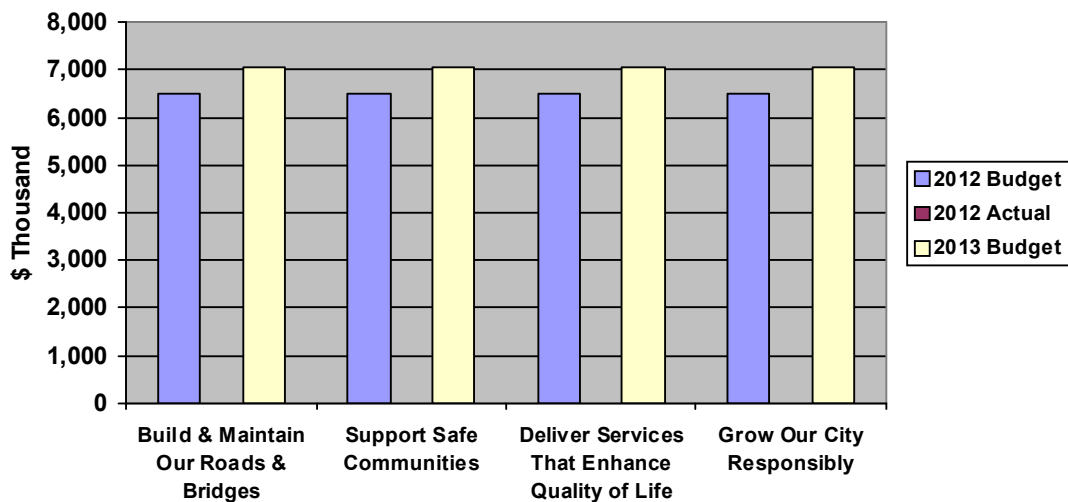
#### Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

## Operating Expenditure Summaries (\$000's)

To achieve the City's Vision, the Corporate Services Division has estimated its total allocation of operating budget as follows:

### By Priority



In a more traditional format the Corporate Services Division has summarized its operating budget as follows:

## By Business Unit

| <b>Expenditures (000's)</b>     | <b>2012 Budget</b> | <b>2012 Actual<sup>1</sup></b> | <b>2013 Budget</b> | <b>Budget Change</b> |                        |
|---------------------------------|--------------------|--------------------------------|--------------------|----------------------|------------------------|
|                                 |                    |                                |                    | <b>Dollar Change</b> | <b>Per Cent Change</b> |
| Administration                  | 668.7              | -                              | <b>737.5</b>       | 68.8                 | 10.3                   |
| Facilities Management Services  | 4,351.2            | -                              | <b>4,762.9</b>     | 411.7                | 9.5                    |
| Finance                         | 6,177.2            | -                              | <b>6,848.1</b>     | 670.9                | 10.9                   |
| Human Resources                 | 5,508.1            | -                              | <b>5,746.2</b>     | 238.1                | 4.3                    |
| Information Technology Services | 7,823.7            | -                              | <b>8,200.6</b>     | 376.9                | 4.8                    |
| Fleet Services                  | 976.3              | -                              | <b>1,113.4</b>     | 137.1                | 14.0                   |
| Pensions & LTD                  | 102.6              | -                              | <b>105.3</b>       | 2.7                  | 2.6                    |
| Total Operating Expenditures    | 25,607.8           | -                              | <b>27,514.0</b>    | 1,906.2              | 7.4                    |
| Transfers to a Reserve          | 409.8              | -                              | <b>656.3</b>       | 246.5                | 60.2                   |
| Total Expenditures              | 26,017.60          | -                              | <b>28,170.30</b>   | 2,152.7              | 8.3                    |

*Note:*

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## By Expense Object

| <b>Expenditures (000's)</b>      | <b>2012 Budget</b> | <b>2012 Actual<sup>1</sup></b> | <b>2013 Budget</b> | <b>Budget Change</b> |                        |
|----------------------------------|--------------------|--------------------------------|--------------------|----------------------|------------------------|
|                                  |                    |                                |                    | <b>Dollar Change</b> | <b>Per Cent Change</b> |
| Salary & Benefits                | 18,972.0           | -                              | <b>19,961.2</b>    | 989.2                | 5.2                    |
| Employee Related Payments        | 424.3              | -                              | <b>561.7</b>       | 137.4                | 32.4                   |
| Office & Administrative Expenses | 2,075.9            | -                              | <b>2,416.7</b>     | 340.8                | 16.4                   |
| Professional & External Services | 2,258.6            | -                              | <b>2,389.4</b>     | 130.8                | 5.8                    |
| Materials, Goods & Supplies      | 268.4              | -                              | <b>269.8</b>       | 1.4                  | 0.5                    |
| Other Expenditures               | 816.7              | -                              | <b>1,080.2</b>     | 263.5                | 32.3                   |
| Intra-Municipal Services         | 791.9              | -                              | <b>835.0</b>       | 43.1                 | 5.4                    |
| Total Operating Expenditures     | 25,607.8           | -                              | <b>27,514.0</b>    | 1,906.2              | 7.4                    |
| Transfer to a Reserve            | 409.8              | -                              | <b>656.3</b>       | 246.5                | 60.2                   |
| Total Expenditures               | 26,017.6           | -                              | <b>28,170.3</b>    | 2,152.7              | 8.3                    |

*Note:*

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Costing Fund

The Corporate Services Division provides service to other Divisions that are charged out to their operating budgets. On a stand-alone basis, these costs are reflected as follows:

| Expenditures (000's)              | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change  |                 |
|-----------------------------------|-----------------|--------------------------|-----------------|----------------|-----------------|
|                                   |                 |                          |                 | Dollar Change  | Per Cent Change |
| <b>Corporate Services:</b>        |                 |                          |                 |                |                 |
| Fleet Services                    | 26,475.3        | -                        | <b>29,542.0</b> | 3,066.7        | 11.6            |
| Facilities Costs - Fleet Services | 474.6           | -                        | <b>484.9</b>    | 10.3           | 2.2             |
| Total Fleet Services Costs        | 26,949.9        | -                        | <b>30,026.9</b> | 3,077.0        | 11.4            |
| Information Systems               | 1,458.1         | -                        | <b>1,619.1</b>  | 161.0          | 11.0            |
| Facilities & Energy Management    | 4,619.8         | -                        | <b>4,558.9</b>  | (60.9)         | (1.3)           |
| <b>Total Corporate Services</b>   | <b>33,027.8</b> | <b>-</b>                 | <b>36,204.9</b> | <b>3,177.1</b> | <b>9.6</b>      |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Staff Complement

| Full Time Equivalents (FTE's) | 2012         | 2013         |
|-------------------------------|--------------|--------------|
| Permanent                     | 276.0        | 277.0        |
| Casual                        | 19.8         | 20.3         |
| Total                         | <u>295.8</u> | <u>297.3</u> |

## Analysis of Operating Expenditure Budget Changes

| Details   | (\$000's) |
|---|-----------|
| 2012 Budget   | 25,856.1  |
| 1. Due to corporate re-organization, the budget for the Condo Waste Rebate Program was moved out of the Community Planning & Development Division to the Utility Billing Branch of the Finance Department. (Base) | 161.5     |
| 2. Salaries and Benefits - Includes cost changes resulting from in-range progression increases, classification reviews and employer benefit costs. (Base)   | 867.9     |
| 3. Market Supplement, Casual Pension Plan entry, Benefits on Overtime (Base)  | 53.0      |
| 4. Reclass of 1 FTE in Financial Operations (Base)  | 14.5      |
| 5. Groupwise moving to E-Cloud, cost of licenses. (Base)  | 135.0     |
| 6. Transfers to a Reserve - Technology Reserve and Parking Reserves. (Base)   | 246.5     |
| 7. Increase in wire transfers for payment of invoices. (Base)   | 18.5      |
| 8. Increase in Equipment rental due to co-locate of servers in ITS. (Base)  | 15.0      |
| 9. Various small changes to Base Budget.  | (15.9)    |

## Analysis of Operating Expenditure Budget Changes (Continued)

| Details  | (\$000's)       |
|--|-----------------|
| 2012 Budget  | 25,856.1        |
| 10. Uncontrollable Price Increases - Increases in expenditures that are due to price not volume. This increase cannot be managed by doing less, renegotiating a different price or going to a different supplier. (Base)                         | 181.7           |
| 11. Amusement Tax - Moved from Community Planning & Development to Corporate Services to become part of newly formed "Corporate" area. This will allow for better tracking of expenses when the item is of a corporate nature. (Base)            | 65.4            |
| 12. Reallocations - Reallocating funds to more suitable branch for management purposes. (Base)   | 82.0            |
| 13. Strategic Focus - Currently there is 24/7 coverage at City Hall, by creating a Co-ordinator position and eliminating 2 spareboard positions there would be a savings which aligns with the branch structure. (Base)                          | (17.5)          |
| 14. Corporate Facilities Security Co-ordinator(1.0 Permanent FTE) (On-going)   | 88.0            |
| 15. Preventative Maintenance Co-ordinator (1.0 Permanent FTE) (On-going)   | 99.2            |
| 16. Funding to increase the number and presence of Commissionaires at City Hall as part of the City Hall Security Project. (On-going)  | 42.2            |
| 17. Funding for new phone lines and equipment provided in Privacy and Meeting rooms as space is renovated to reflect our contemporary office space guidelines. (On-going)  | 11.6            |
| 18. Transfer to Reserve - no longer required for Technology equipment (On-going)   | (35.0)          |
| 19. Harbour Landing Sub-Depot - Funding for contracted services to maintain new Sub-Depot at Harbour Landing. (On-going)   | 3.0             |
| 20. City Square Project - Facilities support for new recreational area. (On-going)   | 11.0            |
| 21. Waste Plan Regina - Casual clerical support to help with additional volume of processing and implementation. (One-Time)  | 25.5            |
| 22. Massey Pool - Additional security required in response to severe vandalism and ongoing trespass issues. (One-Time)   | 11.7            |
| 23. Employee Survey - Continue to support the organization to track and understand negative and positive aspects of engagement and address outcomes. (One-Time)  | 65.0            |
| 24. Funding to Complete 2012 Innovation Projects. Funded by a transfer from the General Fund reserve (One-Time)  | 159.1           |
| 25. External Labour Relations Consultant - Continue to provide support to HR and Collective Bargaining teams to develop strategy for the 2013 collective bargaining and develop general labour relations and bargaining competencies. (One-Time) | 25.0            |
| 2013 Budget  | <u>28,170.0</u> |

**Note:**

*Base request funding – represents an increase in cost necessary to maintain current service levels.*

*On-going request funding – represents expenditures that would be ongoing past the current budget year.*

*One-time request funding – represents one-time expenditures for the current budget year.*

## Capital Investment Program

To achieve the City's Vision the Corporate Services Division has estimated its total allocation of capital investments according to both Priority and functional Business Unit as follows:

### By Priority

| Expenditures (000's)                              | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget | Budget Change |                 |
|---|-------------|--------------------------|-------------|---------------|-----------------|
|   |             |                          |             | Dollar Change | Per Cent Change |
| Deliver Services that Enhance the Quality of Life | 17,451.0    | -                        | 23,068.0    | 5,617.0       | 32.2            |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

### By Business Unit

| Expenditures (000's)            | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget | Budget Change |                 |
|---------------------------------|-------------|--------------------------|-------------|---------------|-----------------|
|                                 |             |                          |             | Dollar Change | Per Cent Change |
| Facilities Management Services  | 5,585.0     | -                        | 8,290.0     | 2,705.0       | 48.4            |
| Fleet Services                  | 9,400.0     | -                        | 11,324.0    | 1,924.0       | 20.5            |
| Information Technology Services | 2,466.0     | -                        | 3,454.0     | 988.0         | 40.1            |
| Total                           | 17,451.0    | -                        | 23,068.0    | 5,617.0       | 32.2            |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Summary of Capital Investments

| Details  | (000's)    |
|--|------------|
| 1. Major projects include City Hall elevator modernization, a landfill facility, corporate office space for new employees, Mosaic Stadium Preservation and tennis court redevelopment.   | 2,740.0    |
| 2. Asset Revitalization & Sustainability – This is funding for the regular capital maintenance of all facilities to ensure safety of occupants and long-term use and preservation.   | 5550.0     |
| 3. In 2013, a total of 95 fleet vehicles and mobile equipment units are planned to be replaced. Included are 78 Civic fleet units, 14 Transit fleet units (8 Transit buses and 6 Paratransit buses), and 2 Fire fleet units (1 rescue truck and 1 support vehicle). Replacement of these units will preserve an acceptable average fleet age and maintain acceptable vehicle availability, safety, reliability, productivity, and maintenance costs.   | 11,324.0.0 |
| 4. Business Applications – In 2013, the following business applications will be implemented: Development Application and Permit Management System; M4 Upgrade to M5; The purchase of Parking Ticket Hand Held's; and the Business Transformation project. This project is focused on improvements to the City's core enterprise applications, leveraging the existing Oracle eBusiness Suite (Financial and Purchasing) and including a budgeting system replacement, Asset Management (TCA), and requirements gathering for an HR/Payroll System. | 2,779.0    |
| 5. Supporting Infrastructure – In 2013, the technology infrastructure will focus on updating Sustainable Infrastructure, improving IT Security Monitoring, managing Technology Growth, software purchased to proactively monitor database performance and the migration to a new network operating system  | 675.0      |
| 2013 Budget  | 23,068.0   |



# **Community Planning & Development Division**

## **Mandate**

Community Planning & Development provides a long-term comprehensive approach to planning, engineering and development processes to ensure the efficient use of land and community infrastructure in creating a city that reflects Council's Vision and the goals of Regina residents. Specifically, the Division encompasses land use, neighbourhood, transportation and infrastructure planning, long-range capital planning, development review, building permits and inspection, real estate services and community and parking services."

## **Overview**

The Community Planning & Development Division is primarily focused on managing growth, development and the provision of infrastructure which is responsive to the needs, and aspirations of the community. In addition, the Division seeks to improve the quality of life through community development services that contribute to building strong communities and neighbourhoods. After a significant reorganization in 2012, the Division is organized into the following functional areas:

- **Planning** – This Department, led by a Director, consists of four Branches: Long Range Planning, Current Planning, Neighbourhood Planning and Infrastructure Planning. The Department is responsible for preparing and maintaining the Official Community Plan (OCP) to guide the future growth of Regina, and the implementation of the OCP through zoning, subdivision approval and infrastructure planning. The Department is responsible for regulation of zoning and administers housing, heritage and sustainability programs to enhance quality of life. The Department also manages development agreements, policies related to development standards and Servicing Agreement Fee policy and rate review. The planning process is collaborative and responsive to the community, and dedicated to guiding development in a manner, which is cost effective in its demand for infrastructure, achieves a high quality of life, provides housing choice, and is sustainable.
- **Construction & Compliance** – This Department, led by a Director, consists of four branches: Engineering Services, Building Standards, Bylaw & Licensing, and Parking Services. The Engineering Services Branch manages infrastructure related activities to provide City-wide services and includes the provision of geomatics and drafting services in support of construction programs, maintenance of infrastructure assets database, and liaison with utilities, and other outside agencies. The Branch is also responsible for detailed design and construction and inspection of new infrastructure and, the City construction specifications. The Building Standards Branch is responsible for building permitting, inspection processes and building standards compliance. Bylaw & Licensing monitors and ensures compliance with City bylaws and federal and provincial acts and regulations. The newly created Parking Services branch is responsible for the development and implementation of parking policy and enforcement.
- **Assessment, Tax & Real Estate** – This Department is responsible for assessment, property tax administration, and real estate services within three branches. The Assessment Branch is responsible for assessing all properties in accordance with *The Cities Act* and the assessment manual and board orders adopted by the Saskatchewan Assessment Management Agency. The Property Taxation and Administration Branch is responsible for the administration of property tax revenues including billing, collection and tax enforcement, administration of exemption programs, supporting systems, local improvement and special levies and assessment administration including tax and assessment notices, market data and surveys, property ownership and school support records. The Real Estate Branch provides the City of Regina with all required real estate services, including land development, the purchase or lease of properties when needed for City

Community Planning & Development Division

operations, the sale or lease of City-owned properties, disposition of properties taken under the tax enforcement process, acquisition of easement rights, and the provision of real estate information and services to local developers, real estate agents and City residents

- Community Development, Recreation & Parks Department - This department's mandate is to make life better through community development services that contribute to building strong communities and neighbourhoods. The department is comprised of three branches: Community Development Sport & Recreation and Parks Maintenance. Through its community engagement activities, the Department provides programming and operates city-wide, community destination and neighbourhood hub facilities including facilities dedicated to arts and culture, fitness, and aquatics, and arenas and skating rinks. The Department plans, designs, develops and maintains an extensive and diverse park and open space system consisting of attractive landscapes and outdoor recreation facilities, including the multi-use pathway system, athletic fields and playgrounds. The Department also coordinates special events, such as competitions, festivals, concerts, and community events; and, manages the distribution of community investment funding, which is provided to community-based organizations to fulfill their mandates where the investment helps the City to achieve its vision and strategic priorities.

## Key Facts

- Between the 2006 and 2011 Censuses, Regina's population grew by 7.7%. Based on 2012 data from Saskatchewan Health, Regina's population is currently estimated to be about 205,000.
- Through zoning and building permit processes, the Division will direct a record projected \$750 million worth of new construction in Regina in 2012 to achieve community development objectives.
- Approximately 35 zoning bylaw amendments and 35 discretionary use applications are projected to be processed through Regina Planning Commission and City Council in 2012. This represents a 52% increase from 2011.
- Approximately 67 subdivision applications are projected to be accepted this year, resulting in new sites to accommodate development in a climate of sustained economic growth. As well, 17 severance applications are projected to be accepted for review in 2012. This represents a 24 percent increase in subdivision activity from 2011.
- Approximately 130 permanent sign permits will be processed in 2011 and 671 portable sign permits were issued.
- The Branch processed 55 applications for the Development Appeals Board and 27 minor variance applications in 2012.
- Heritage related activities in 2012 included providing direction on development applications and approvals, processing applications for designation and property tax exemption, providing support for the 2012 Municipal Heritage Awards, coordinating art installations and events associated with the Tornado Legacy Day on June 30, producing a Downtown Walking Tour guide, installing a new plaque commemorating the 100th anniversary of the 1912 Tornado, and providing project management for Phase 1 of the 1700 Block Halifax Site Study.
- Major residential infill developments included townhouse developments at former school sites at 7th Avenue and Grey Street, 1900 E Block of 7th Avenue, a mixed use building at Scarth Street and 15th Avenue, an apartment building at Angus Street and 14th Avenue.

- Two development applications for office buildings in the downtown were submitted and processed in accordance with the urban design standards of the newly adopted Downtown Zoning Bylaw. They are expected to proceed to City Council early in 2013.
- Two new office buildings on 14th Avenue and Rose Street and 14th Avenue and Halifax Street were approved in accordance with the newly adopted Office policy in the Official Community Plan.
- The City continues to work with the Global Transportation Hub Authority and has approved construction for the new Emterra Recycling Facility.
- Responses were provided for 25 development application referrals from the RM of Sherwood.
- Implementation of the Regina Downtown Neighbourhood Plan (RDNP) continued in 2012. Staff from the Neighbourhood Planning Branch lead development of a Programming and Management Strategy for the City Square, the development and management of the 2012-2013 Mobile Vending Pilot Project, as well as the first phase of Neighbourhood Planning Framework project.
- The City of Regina's Graffiti Management Program Downtown Pilot Project counted graffiti in the downtown in April 2011 and again in April 2012 to determine the effectiveness of the program and the new enhancements. 371 incidences of graffiti were counted in 2012, compared to 782 in 2011.
- There is a province wide reassessment every four years mandated by provincial legislation. 2013 is a Reassessment year. The collection of data and modelling is complete for this reassessment and property owners have been communicated reassessment information by way of reassessment letters in August, 2012 and the 2013 Assessment Notices in December of 2012.
- In 2012, the Assessment Branch responded to 123 assessment appeals at the Saskatchewan Municipal Board for 2011 and 61 appeals at the Board of Revision. Of these appeals, 41 were denied, 4 were granted with 8 reaching agreements and 5 withdrawals.
- The Assessment Branch completed 7,250 inspections in 2012, an increase of 36% over 2011
- There were 2,560 new property accounts added to the assessment and tax rolls, an increase of 15% over 2011
- In total 3,235 supplemental billings were generated in 2012, increasing by 35% over 2011 and generating 2 million dollars in tax revenue for 2012. The growth due to the supplemental billings is projected for 2013 to be 4.2 million or 2.96% of the tax roll
- In 2012, 34,000 or 47.4% of eligible properties are on the Tax Instalment Payment Plan (TIPPS) this is an increase from 45.9% in 2011. The monthly TIPPS withdrawal is approximately \$11,240,000.
- The Property Tax and Administration Branch processed and distributed approximately 297 million dollars in property tax payments. During the month of June alone, processed approximately 150 million, of that amount about half of that is processed in the last week prior to payment deadline.
- The City funds affordability and sustainability initiatives through the Social Development Reserve. In 2012, approximately \$1.4 million of funding will be applied to Not-for-Profit and private developments that meet the affordability criteria of the programs. 2012 saw a great increase in contributions towards affordable housing, prior to 2012, the City averaged a contribution of approximately \$300,000 per year. Further, the City provided over \$250,000 in land in 2011 and provided approximately \$150,000 worth of land to low income developers in 2012.
- Currently, the City provides over \$500,000 per year in tax exemptions to promote housing development through the Neighbourhood Building Blocks and other housing incentive programs. In

2012, 59 properties qualified for exemptions under the Housing Incentives Program. In total, 374 housing units received exemptions to stimulate housing development.

- Through community investment funding of \$3.3M, financial support is provided to approximately 150 community and partner organizations. These investments help enable organizations to build community capacity to address neighbourhood and social issues and also support programs, festivals, and special events which help make Regina a vibrant and inclusive community.
- Each year, there are more than one million individual visits to participate in sport or leisure activities at one of the City's major recreation facilities. There are five outdoor pools in Regina and citizens participate in approximately 100,000 outdoor pool swims per summer.
- Each year approximately 70 thousand people visit the Neil Balkwill Civic Arts Centre (NBCAC) for a variety of exhibitions, arts and culture programs/opportunities as well as hosting their own cultural events from the site. In honour of 30 years of service, the NBCAC hosted a wonderful Culture Days event called 'Beyond the Box' on September 29th and 30th 2012. That weekend 825 people attended and participated in a variety free arts activities in celebration of the Centre's 30th Anniversary. This helped to raise awareness of NBCAC's contributions to the community with a variety of programming, courses and resources.
- The Division manages eight indoor arenas, 21 boarded outdoor ice sites, 42 pleasure skating sites (without boards), and an outdoor speed skating oval providing winter recreational and competitive opportunities for residents of Regina.
- Approximately 25 thousand participants each year are active at one of the 179 ball diamonds, 94 athletic fields (e.g. soccer, football, field hockey, lacrosse, rugby, lawn bowling greens) or Mosaic Stadium at Taylor Field. These facilities provide opportunities for recreational sports, personal fitness and amateur sporting competitions.
- The Division operates five neighbourhood recreation centres and has partnership arrangements with five community operated centres and two senior's citizen centres. These facilities provide low cost and accessible recreational, social, and educational opportunities for residents of all ages and interests. Annual attendance at these centres is 450,000.
- The Division manages the Civic Art Collection (CAC), which includes 358 pieces, many of which are displayed throughout civic facilities and public spaces. Within the CAC, there are 28 pieces of public art which are located in various exterior locations throughout the City. In addition, the department processed 87 film permit requests to date; developed an interactive cultural map.
- The City's Affordable Fun Program provided opportunities for approximately 2,000 low-income individuals to participate in a variety of City arts, culture, sport, and recreation and leisure programs.
- The Division provides a high quality of maintenance services to a large and diverse municipal park and open space system comprised of a total of 1,550 hectares or approximately 7.9 hectares of parkland per 1,000 people.
- Each year, over 28 thousand bylaw related inspections are done by the Bylaw & Licensing Branch and they respond to over 10 thousand Requests for Service (RFS) each year, which is 21% of the total service calls received by Service Regina.

# 2012 Highlights

## Operational Highlights

- Council endorsed eight Communities Priorities that were developed through Design Regina, the process to develop the Official Community Plan (OCP). These priorities were developed through an extensive public engagement process and will provide direction for the policies in the plan. As well, research continued to be undertaken to improve the understanding of the current state of the community and identify trends to consider as the plan to guide future decisions is developed. The OCP is anticipated to be completed by the end of 2013.
- City Council passed the Condominium Policy Bylaw (No. 2012-14) giving effect to a new condominium conversions policy. The purpose of the Bylaw is to ensure the orderly conversion of residential rental units to condominium ownership, to provide measures to mitigate hardship for tenants of rental properties that are the subject of conversion applications, and to ensure that conversions do not significantly impact the supply of rental accommodations in the city.
- The City of Regina and six local partners – Regina Police Services, Regina Public Library, Regina Public Board of Education, Regina Catholic Schools, United Way of Regina, and Regina Qu'Appelle Health Region – finalized a Memorandum of Agreement with the Canadian Council on Social Development formalizing Regina's participation in the Community Data Program for the period 2012 to 2017. The Community Data Program enables municipalities and community organizations to access customized data from Statistics Canada and other providers at a reduced cost in order to monitor and report on important social and economic trends and manage growth and community development.
- As part of the Design Regina Process, in 2012 the City began a process to develop a Comprehensive Housing Strategy. This strategy will examine current and future trends in the housing market in Regina, and result in a comprehensive municipal policy to influence the provision of adequate, affordable and appropriate housing in the city. Through this strategy the City hopes to capitalize on the funding and resources the Province has provided in the new Housing Strategy for Saskatchewan.
- In December 2011, the City of Regina made adjustments to the current tax incentive programs to encourage the development of rental accommodation by providing a five year tax incentive on all new rental units developed. To ensure that these units stay in the rental market, they are subject to 10 years non-eligibility for condominium conversion. The City's programs can be stacked with Saskatchewan Housing Corporation's Rental Construction Incentive which provides an incentive of up to \$5000 per rental unit constructed.
- Work continued on the implementation of new urban design standards in the downtown with the review of an office tower proposal on the 1800 block of Hamilton Street, as well as a five-storey office building at the corner of 13<sup>th</sup> Avenue and Rose Street. It is expected that the review and consideration of these proposals will be completed in the spring of 2013. These developments are in addition to other previously approved projects in the downtown including Capital Pointe, Gardens on Rose, Hill Tower III, the proposed office tower at 12<sup>th</sup> Avenue and Rose Street and an office building on the corner of Albert Street and 11<sup>th</sup> Avenue.
- Alternative transportation initiatives continued in 2012, The Commuter Challenge campaign was moderately successful on a community scale and, a Commuter Cycling Workshop was hosted in partnership with Saskatchewan Cycling Association and Bike Regina. Regina's Carpool Week promotion fell during the municipal elections and so it was undertaken with minimal activity. It is anticipated that these initiatives will be part of the Transportation Master Plan being developed and scheduled for completion in 2013.

- The City became more proactive in addressing regional issues in 2012. City Council endorsed a regional planning on May 14<sup>th</sup>, 2012. The work plan identified short to medium term actions and highlighted potential long-term actions as well. A few of the major initiatives in 2012 included: review and comment on the RM of Sherwood's proposed Official Community Plan; drafting an interim extra-municipal servicing policy to address servicing requests beyond city limits; preparing an RFP for a Regina and Region Water and Wastewater Study that will be the basis for a long term strategy for regional servicing; and providing support to the City Manager's Office with negotiations and discussions with the RM of Sherwood over forming new agreements.
- The City amended its OCP and Zoning Bylaw in order to regulate the distribution of commercial office development. The office policy amendments protect the downtown as the primary location for large-scale office development, while allowing a limited amount of medium-scale office development to occur in pre-defined suburban locations.
- Approximately 3,500 building permits were issued for a record of over \$750 million worth of construction. In 2013, this is expected to increase by approximately 10% to be another historical record.
- A Secondary Plan was prepared and approved for a new industrial area, the West Industrial Lands, which covers approximately 1,300 hectares west of Courtney Street. The Secondary Plan establishes high-level land use policy for the area. Preparation of the plan was a collaborative process with the GTH and other landowners, and sets the stage for the review and processing of more detailed plans.
- Activity continues in design and tender and/or review, approval, and construction of major transportation and utility projects that support residential, industrial, and commercial growth in the City. Areas of development include the residential subdivisions of Harbour Landing in the Southwest, the Greens on Gardner and the Creeks in the Southeast, Skyview and Lakeridge Addition in the Northwest and the GTH industrial subdivision located immediately west of the city.
- As a result of new subdivision development and park upgrades in 2012, approximately 24 hectares of new or upgraded open space was added to the Parks Maintenance inventory, mainly in the southwest.
- The City is partnering with the Province of Saskatchewan, the City of Moose Jaw and the Host Society to host the 2013 Juno Awards in Regina in April.
- Regina won the right to host the 2014 North American Indigenous Games. Regina will welcome 10,000 athletes, coaches, family and supporters, and witness some of North America's outstanding young Aboriginal athletes competing in their field of play.
- Through a partnership with Regina Minor Football and the Regina Soccer Association Liebel Field was completed. Liebel Field's artificial turf has resulted in an increase of available hours for use.
- Planning for the North Central Shared Facility continues. Conceptual designs are being finalized and detail design and construction will occur in 2013.

## Priorities

The Community Planning & Development Division is the City's lead Division in the planning and management of the City's growth. In a municipality where the size and needs of the population are in flux, this approach allows Community Planning & Development to drive strategic development through innovative tax policies and realize revenue that can be directed into buildings and sustaining public services. The City's approach to comprehensive planning is holistic, it looks at the physical, economic,

environmental, social, and cultural developments of the City and focuses a wide-angle lens on the community that is in the process of being planned and built.

The Division's role in the development process begins with the establishment of a hierarchy of comprehensive policies, strategies, and plans to manage the growth of the City. The top most plan is the Official Community Plan (OCP) that addresses City and city-wide policies. The OCP is the adopted official statement of the City for future development and conservation. It sets out goals; analyzes existing conditions and trends; describes and illustrates a vision for the physical, social, economic, and cultural characteristics of the community in the years ahead; and outlines the policies and guidelines intended to implement that vision. An OCP addresses a broad range of interrelated topics in a unified way, and identifies and analyzes the important relationships among the economy, transportation, community facilities and services, housing, the environment, land use, human services and other community components. It does so on a community-wide basis and in the context of the broader region.

The 2013 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

## **Key Areas of Focus**

### **Initiatives**

- Complete appeals arising from the 2012 assessment
- Implementation of the 2013 Reassessment
- Update and integrate data systems (existing and in-development) across the Division, working toward automation, improvement of workflow processes between work units, improved data sharing, using GIS to its full capability, linking the new Permit Application Inspection Database (PAIID) to the current TAS system, and managing data origin.
- Review and revise, where necessary, standards and specifications.
- Annual review of Servicing Agreement Fee Rate.
- Implement Planning & Sustainability Fee and Operational Review.
- Continue Implementation of the Recreation Facility Plan.

### **Outcomes**

- I. Effective financial management.
- II. A responsive, diverse, well-managed open space system that includes parks, pathways, and landscapes.
- III. Reliable water, wastewater, storm, and roadway infrastructure.
- IV. Revitalized facilities.
- V. Effective fleet management.
- VI. Rigorous data and monitoring of key performance indicators.

### **Initiatives**

- Documentation and review of core business processes to identify areas for improvement, clarify roles and responsibilities, eliminate duplication of work, and understand the relationships between the various branches and departments involved in the processes.
- Identify proactive means of preparing for and reducing, future vacancies including succession planning, recruitment strategies and retention strategies (including orientation and mentoring).
- Develop succession plans to ensure retention of corporate knowledge in the event of resignations or retirements.
- Under the Contemporary Workplace Strategy, focus on activities related to training and team building.
- Implement Planning & Sustainability Fee and Operational Review.

### **Outcomes**

- I. Improved business plans and models.
- II. Effective performance measurement and performance management.
- III. Skilled, knowledgeable and engaged employees, supervisors and managers.

#### IV. A representative workforce.

##### **Initiatives**

- Implementing the development of the Official Community Plan, Design Regina, that will guide decisions on development, investments, services, and actions towards achieving the Vision.
- Developing a Transportation Master Plan that provides for the effective and efficient movement of people and goods, considers all modes of transportation including vehicular, bicycle, transit, and pedestrian.
- Informing the Official Community Plan through sector level serviceability studies (water, wastewater, and storm water) completed in 2011, which identify infrastructure requirements for new growth.
- Providing sound land use, transportation and infrastructure planning for major projects such as the Global Transportation Hub, new neighbourhoods and other key economic development projects in a time-sensitive manner that ensures sustainable development while facilitating economic growth.
- Develop the new Official Community Plan.
- Prepare and implement a Transportation Master Plan.
- Implement the Regina Downtown Neighbourhood Plan.
- Develop major City land holdings, including North Argyle Park, and Ross Industrial Park.
- Implement the Community Investment Review.
- Develop a Neighbourhood Support Model.
- Develop a Culture Plan as part of the OCP.

##### **Outcomes**

- I. A compact and sustainable urban form and sufficient supply of land for future growth.
- II. Increased pedestrian, bicycle and public transit use.
- III. Optimization of existing infrastructure capacity.
- IV. Directed investment to enhance the vibrancy of downtown.
- V. Community investments align with corporate and community priorities.
- VI. Organizations that have the capacity strengthen their communities.

##### **Initiatives**

- The development and implementation of activities in a Divisional customer service plan, aligned with the Corporate Customer Service Strategy, ensuring that sufficient capacity and resources exist for thorough, effective, and timely response to customer inquiries and the various applications processed by the Division.
- Refinement of Planning & Sustainability Fee and Operational Review.
- Undertake Development Engineering Operational Review.
- Develop a Cost Recovery Strategy for sport, recreation and cultural facilities.

##### **Outcomes**

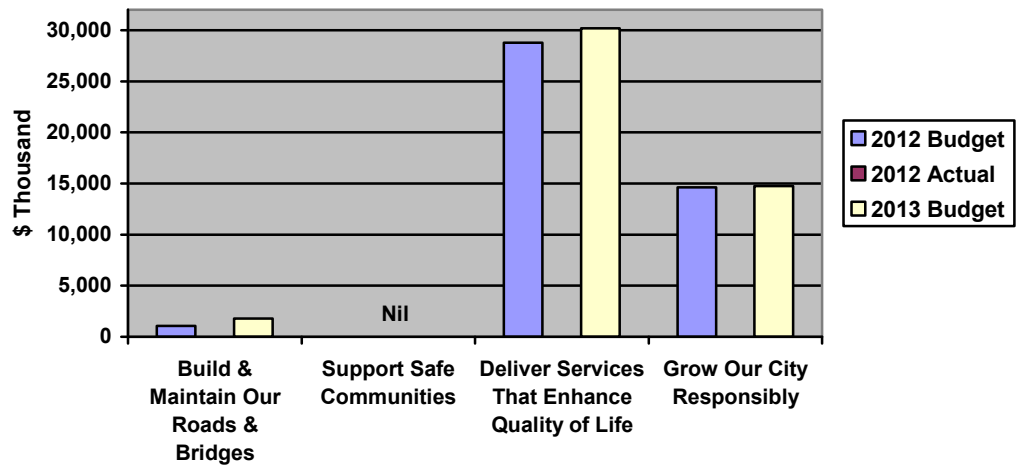
- I. Increased customer awareness and involvement.
- II. Increased customer satisfaction.
- III. Efficient, customer-focused processes.

## **Operating Expenditure Summary (\$000's)**

To achieve the City's Vision, the Planning and Development Division has estimated its total allocation of operating budget as follows:



## By Priority



In a more traditional format, the Planning and Development Division has summarized its operating budget as follows:

## Business Unit

| Expenditures (000's)                                 | 2012 Budget      | 2012 Actual <sup>1</sup> | 2013 Budget            | Budget Change  |                 |
|--|------------------|--------------------------|------------------------|----------------|-----------------|
|  |                  |                          |                        | Dollar Change  | Per Cent Change |
| <b>Administration</b>                                | 429.4            | -                        | <b>581.6</b>           | 152.2          | 35.4            |
| <b>Planning Department</b>                           |                  |                          |                        |                |                 |
| Office of the Director                               | 4,172.6          | -                        | <b>4,175.7</b>         | 3.1            | 0.1             |
| Current Planning Branch                              | 490.0            | -                        | <b>484.8</b>           | (5.2)          | (1.1)           |
| Long Range Planning Branch                           | 1,205.5          | -                        | <b>1,201.3</b>         | (4.2)          | (0.3)           |
| Neighbourhood Planning                               | 832.2            | -                        | <b>694.0</b>           | (138.2)        | (16.6)          |
| Infrastructure Planning                              | 856.7            | -                        | <b>714.8</b>           | (141.9)        | -               |
|  | <u>7,557.0</u>   | <u>-</u>                 | <u><b>7,270.6</b></u>  | <u>(286.4)</u> | <u>(3.8)</u>    |
| <b>Construction &amp; Compliance</b>                 |                  |                          |                        |                |                 |
| Office of the Director                               | 431.3            | -                        | <b>161.5</b>           | (269.8)        | (62.6)          |
| Engineering Services Branch                          | 1,073.0          | -                        | <b>1,772.7</b>         | 699.7          | 65.2            |
| Building Standards Branch                            | 63.1             | -                        | <b>73.6</b>            | 10.5           | 16.6            |
| Bylaw & Licensing                                    | 5,129.0          | -                        | <b>4,706.6</b>         | (422.4)        | (8.2)           |
| Parking Services                                     | 528.2            | -                        | <b>1,724.8</b>         | 1,196.6        | 226.5           |
|  | <u>7,224.6</u>   | <u>-</u>                 | <u><b>8,439.2</b></u>  | <u>1,214.6</u> | <u>16.8</u>     |
| <b>Assessment &amp; Taxation</b>                     |                  |                          |                        |                |                 |
| Assessment Valuation Branch                          | 2,299.4          | -                        | <b>2,392.9</b>         | 93.5           | 4.1             |
| Property Tax & Administration Branch                 | 1,941.3          | -                        | <b>2,026.8</b>         | 85.5           | 4.4             |
|  | <u>4,240.7</u>   | <u>-</u>                 | <u><b>4,419.7</b></u>  | <u>179.0</u>   | <u>4.2</u>      |
| <b>Community Development, Recreation &amp; Parks</b> |                  | -                        |                        |                |                 |
| Business & Infrastructure Branch                     | 1,310.5          | -                        | <b>1,501.9</b>         | 191.4          | 14.6            |
| Community & Cultural Development                     | 1,471.3          | -                        | <b>1,564.7</b>         | 93.4           | 6.3             |
| Facilities & Energy Mgmt Costs                       | 650.2            | -                        | <b>641.8</b>           | (8.4)          | (1.3)           |
| Sport & Recreation Branch                            | 5,902.3          | -                        | <b>6,535.3</b>         | 633.0          | 10.7            |
| Facilities & Energy Mgmt Costs                       | 7,621.6          | -                        | <b>7,676.8</b>         | 55.2           | 0.7             |
| Parks Maintenance                                    | 7,467.3          | -                        | <b>7,752.0</b>         | 284.7          | 3.8             |
| Parks & Open Space Mgmt Costs                        | 103.2            | -                        | <b>101.0</b>           | (2.2)          | (2.1)           |
|  | <u>24,526.4</u>  | <u>-</u>                 | <u><b>25,773.5</b></u> | <u>1,247.1</u> | <u>5.1</u>      |
| Total Operating Expenditures                         | 43,978.1         | -                        | <b>46,484.6</b>        | 2,506.5        | 5.7             |
| Transfers to a Reserve                               | 491.5            | -                        | <b>223.4</b>           | 0.0            | (54.5)          |
| Total Expenditures                                   | <u>44,469.60</u> | <u>-</u>                 | <u><b>46,708.0</b></u> | <u>2,238.4</u> | <u>5.0</u>      |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Expense Object

| Expenditures (000's)             | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget | Budget Change |                 |
|----------------------------------|-------------|--------------------------|-------------|---------------|-----------------|
|                                  |             |                          |             | Dollar Change | Per Cent Change |
| Salaries & Benefits              | 29,220.0    | -                        | 31,146.9    | 1,926.9       | 6.6             |
| Employee Related Payments        | 355.3       | -                        | 364.0       | 8.7           | 2.4             |
| Office & Administrative Expenses | 1,132.0     | -                        | 1,662.7     | 530.7         | 46.9            |
| Professional & External Services | 2,427.7     | -                        | 2,298.9     | (128.8)       | (5.3)           |
| Materials, Goods & Supplies      | 1,207.0     | -                        | 1,233.6     | 26.6          | 2.2             |
| Community Investment             | 12.5        | -                        | 77.5        | 65.0          | 520.0           |
| Other Expenditures               | 4,787.0     | -                        | 4,941.1     | 154.1         | 3.2             |
| Intra-Municipal Services         | 4,836.6     | -                        | 4,759.9     | (76.7)        | (1.6)           |
| Total Operating Expenditures     | 43,978.1    | -                        | 46,484.6    | 2,506.5       | 5.7             |
| Transfer to a Reserve            | 491.5       | -                        | 223.4       | (268.1)       | 100.0           |
| Total Expenditures               | 44,469.6    | -                        | 46,708.0    | 2,238.4       | 5.0             |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Costing Fund

The Real Estate operation is a part of the Planning and Development Division and is accounted for in the costing fund. The net surplus or deficit of real operations is closed to the Land Development Reserve.

| Expenditures (000's)              | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget | Budget Change |                 |
|-----------------------------------|-------------|--------------------------|-------------|---------------|-----------------|
|                                   |             |                          |             | Dollar Change | Per Cent Change |
| Community Planning & Development: |             |                          |             |               |                 |
| Real Estate                       | 2,980.0     | -                        | 3,043.9     | 63.9          | 2.1             |
| Facilities Costs - Real Estate    | 1,192.5     | -                        | 1,231.4     | 38.9          | 3.3             |
| Total C P & D                     | 4,172.5     | -                        | 4,275.3     | 102.8         | 2.5             |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Staff Complement

| Full Time Equivalents | 2012  | 2013  |
|-----------------------|-------|-------|
| Permanent             | 266.4 | 270.4 |
| Casual                | 130.9 | 131.9 |
| Total                 | 397.3 | 402.3 |

## Analysis of Operating Expenditure Budget Change

| Details  | (\$000's) |
|--|-----------|
| 2012 Budget  | 38,007.5  |
| 1. Due to corporate re-organization, Parks Maintenance was moved out of City Operations responsibility and into Community Planning & Development, \$6,623,600. The budget for the Condo Waste Rebate program was moved out of Community Planning & Development and into Corporate Services (\$161,500). (Base)   | 6,462.1   |
| 2. Remove 2012 One-Time Expenses (Base)  | (1,558.5) |
| 3. Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)  | 601.7     |
| 4. Uncontrollable Price Increases - Are those increases in expenditures that are due to price not volume. This increase cannot be managed by doing less, renegotiating a different price or going to a different supplier. (Base)  | 207.6     |
| 5. Decrease due to costs associated with re-organization within the Division (Base)  | (54.9)    |
| 6. Transfer to Planning & Sustainability Reserve. (Base)   | 223.4     |
| 7. Allocations to Utility Operations from General Operations   | (59.6)    |
| 8. Various small changes to Base Budget. (Base)  | (7.6)     |
| 9. New co-ordinator positions in order to manage work loads associated with increased development. This new position would co-ordinate work for both the Infrastructure Records and Drafting areas, and would be responsible for assigning and managing incoming work, standards, innovations, policies and will be fully funded through Servicing Agreement Fees (SAF). (On-going)  | 92.0      |
| 10. Parking Enforcement Contracted Services - Costs is offset through additional Parking Tickets Revenue. Since the City assumed responsibility for parking enforcement from the RPS in 2012 the requests for service have continued to increase. These requests have been compounded by altered traffic patterns in the downtown area, intensified use of land adjacent to residential neighbourhood (eg: General Hospital, University) and continued growth of the City (eg: Global Transportation Hub). The increase being requested will work towards parking enforcement services keeping pace with the demands for service attributed to the issues stated above and increasing revenues associated with parking tickets. (On-going) | 559.0     |
| 11. Parking Services FTE's (Three). Costs offset through additional Parking Ticket Revenue (On-going)  | 210.0     |
| 12. Increase in Municipal Fines Administration fees, Banking Services Costs and Municipal Fines Collection Agency fees. (On-going)   | 90.0      |
| 13. Each year the Major Facilities (Sandra Schmirler Leisure Centre, North West Leisure Centre, Field House, Lawson Aquatic Centre and the Neil Balkwill Civic Arts Centre) generate over \$3,300,000 in revenue. A portion of this is revenue is derived from expenditures that we do not have with our approved operating budget. Since 2008, the revenue budget for the Major Facilities has increased by \$650,000; and the expense budget for the same facilities has remained for the most part unchanged. For 2013, The increase for the operating budget is \$230,000. (On-going).   | 230.0     |

| Details   | (\$000's) |
|---|-----------|
| 14. New Funding to enter into alternate service delivery arrangements to provide support to 10-12 non-profit groups operating City owned assets. The Primary function of the majority of these groups is to provide programming to children and youth. The City provides base level maintenance services. (On-going)  | 65.0      |
| 15. Re-org from City Operations. During the latest Re-org in City Operations some activities in Parks and Open Space Area was transferred under Community Services Department under Parks Maintenance Branch. Due to this move all the budget dollars were re-orged to the new location. (On-going)   | 210.3     |
| 16. The City of Regina and the Regina Exhibition Association have developed a three year operating agreement which expires December 2012 for the Co-operators Centre that includes the number of hours and the fee that the City will "purchase" from REAL. The Community Services Department is currently negotiating with REAL for a 3 month extension to the agreement; and another 3 year agreement that will expire March 2016. If this request is not approved, the City will need to increase our ice rental rates in the fall of 2012 to a non subsidized rate for all users. This will have a large impact on our ice arena users as we currently subsidize approximately 40% of the operating costs of arenas. (One-time) | 1,350.0   |
| 17. Council approved total funding of \$1million for hosting the 2014 North American Indigenous Games. The funding will be contributed through a community investment of \$500,000 to the NAIG Host Society and \$500,000 for the provision of City services. The funding to meet the City's commitment requires \$330,000 for 2013 and another \$670,000 in 2014. Out of \$330,000, \$250,000 will be funded through community investments and \$80,000 will be through operations. (one-time)   | 80.0      |
| 2013 Budget   | 46,708.0  |

Note:

Base request funding – represents an increase in cost necessary to maintain current service levels.

Addition request funding – represents expenditures that would be ongoing past the current budget year.

Special request funding – represents one-time expenditures for the current budget year.

## Capital Investment Program

To achieve the City's Vision the Community Planning & Development Division has estimated its total allocation of capital investments according to both Priority and functional Business Unit as follows:

### By Priority

| Expenditures (000's)                          | 2012 Budget | 2012 Actual <sup>1</sup> | 2013 Budget | Budget Change |                 |
|---|-------------|--------------------------|-------------|---------------|-----------------|
|   |             |                          |             | Dollar Change | Per Cent Change |
| Build and Maintain Our Roads and Bridges      | 9,050.0     | -                        | 17,120.0    | 8,070.0       | 89.2            |
| Deliver Services That Enhance Quality of Life | 4,290.0     | -                        | 1,345.0     | (2,945.0)     | (68.6)          |
| Grow our City Responsibly                     | 6,129.2     | -                        | 7,060.0     | 930.8         | -               |
| Total   | 19,469.2    | -                        | 25,525.0    | 6,055.8       | 31.1            |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## By Business Unit

| Expenditures (000's)                  | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change  |                 |
|---------------------------------------|-----------------|--------------------------|-----------------|----------------|-----------------|
|                                       |                 |                          |                 | Dollar Change  | Per Cent Change |
| <b>Real Estate</b>                    |                 |                          |                 |                |                 |
| Land Development                      | 4,800.0         | -                        | <b>6,710.0</b>  | 1,910.0        | 39.8            |
| <b>Community Services</b>             |                 |                          |                 |                |                 |
| Recreation Facility Plan              | 3,200.0         | -                        | <b>185.0</b>    | (3,015.0)      | (94.2)          |
| Recreation Facilities & Equipment     | 240.0           | -                        | <b>325.0</b>    | 85.0           | 35.4            |
| North Central Shared Facility         | 500.0           | -                        | -               | (500.0)        | (100.0)         |
| <b>Open Space</b>                     |                 |                          |                 |                |                 |
| Open Space Restoration                | -               | -                        | <b>625.0</b>    | 625.0          |                 |
| Open Space Upgrades & New Development | -               | -                        | <b>60.0</b>     | 60.0           |                 |
| <b>Planning &amp; Sustainability</b>  |                 |                          |                 |                |                 |
| City Centre Development               | 350.0           | -                        | <b>150.0</b>    | (200.0)        | 100.0           |
| Official Community Plan               | 1,329.2         | -                        | <b>350.0</b>    | (979.2)        | (73.7)          |
| <b>Development Engineering</b>        |                 |                          |                 |                |                 |
| Roadway Network Improvements          | 9,050.0         | -                        | <b>17,025.0</b> | 7,975.0        | 88.1            |
| Other Transportation Projects         | -               | -                        | <b>95.0</b>     | 95.0           | -               |
| <b>Total</b>                          | <b>19,469.2</b> | <b>-</b>                 | <b>25,525.0</b> | <b>6,055.8</b> | <b>31.1</b>     |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Summary of Capital Investments

| Details  | (\$000's)       |
|--|-----------------|
| 1. Land Development Projects - relate to the City's role in developing industrial land in Ross Industrial Park Phase II, North Argyle Land Development and other areas.  | 6,710.0         |
| 2. Recreation Equipment and Furnishings - replacement, revitalization and sustainability of recreation equipment and furnishings at Recreation Facilities.   | 325.0           |
| 3. Recreation Facility Plan - Athletic Fields/Sport Facilities Restoration, Repair and Upgrades.   | 185.0           |
| 4. Other Transportation Projects - This includes the purchase of additional parking enforcement vehicles and radios.   | 95.0            |
| 5. Official Community Plan - this project will result in a new Official Community Plan (OCP) for Regina, replacing the Regina Development Plan. The plan will define what kind of city Regina intend to become and will include a policy framework to guide how it will get there.                         | 350.0           |
| 6. City Centre Development - This includes a comprehensive review of traffic operations, traffic controls, transit needs and operations, parking, one-way conversions, and bike and pedestrian planning for all streets between Broad Street and Albert Street and Saskatchewan Drive and Victoria Avenue. | 150.0           |
| 7. Roadway Network Improvements & Other Transportation projects - consist of new road construction for locations approved as part of the Regina Road Network Plan. The majority of the locations are adjacent to new development areas and are partially funded by Servicing Agreement Fees.               | 17,025.0        |
| 8. Open Space Restoration includes irrigation system restoration, City Square Plaza Restoration, Multi-use Pathway Asphalt Recapping and Parks and Open Space Restoration.   | 625.0           |
| 9. Open Space Upgrades and New Development includes 2 new parks turf mowers.   | 60.0            |
| 2013 Budget  | <u>25,525.0</u> |

## Regina Police Service

The information in this summary is based on the 2013 Operating Budget submitted to the Board of Police Commissioners.

| Revenue Source (\$000's) | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget            | Budget Change  |                 |
|--------------------------|-----------------|--------------------------|------------------------|----------------|-----------------|
|                          |                 |                          |                        | Dollar Change  | Per Cent Change |
| <b>Revenue</b>           |                 |                          |                        |                |                 |
| Provincial Programs      | 5,684.4         | -                        | <b>5,809.8</b>         | 125.4          | 2.2             |
| Federal Programs         | 478.8           | -                        | <b>480.8</b>           | 2.0            | 0.4             |
| Other Police Revenue     | 1,193.2         | -                        | <b>1,521.3</b>         | 328.1          | 27.5            |
|                          | <u>7,356.4</u>  | <u>-</u>                 | <u><b>7,811.9</b></u>  | <u>455.5</u>   | <u>6.2</u>      |
| <b>Expenses</b>          |                 |                          |                        |                |                 |
| Salaries and Benefits    | 59,696.9        | -                        | <b>62,716.2</b>        | 3,019.3        | 5.1             |
| Corps of Commissionaires | 380.0           | -                        | <b>389.5</b>           | 9.5            | 2.5             |
| Operational Expenses     |                 |                          |                        |                |                 |
| Headquarters             | 529.7           | -                        | <b>503.2</b>           | (26.5)         | (5.0)           |
| Criminal Investigation   | 707.7           | -                        | <b>706.2</b>           | (1.5)          | (0.2)           |
| Community Services       | 973.3           | -                        | <b>1,239.2</b>         | 265.9          | 27.3            |
| Administration           | 3,446.0         | -                        | <b>3,651.2</b>         | 205.2          | 6.0             |
|                          | <u>65,733.6</u> | <u>-</u>                 | <u><b>69,205.5</b></u> | <u>3,471.9</u> | <u>5.3</u>      |

*Note:*

1. Actual results for 2012 will be reported in the final budget document once audited results are available.



# **Costing Fund Budget Summary**

## **Overview**

The Costing Fund was established to account for operations that are not part of either the General Fund or the Water and Sewer Utility Fund. The Costing Fund includes:

- Real Estate, which carries out all real estate-related services for the City. This includes buying and leasing properties when required for City operations, selling or leasing City-owned properties, performing land development functions, selling properties taken through tax enforcement, and providing advice to all city departments on real estate issues.
- Facilities Management Services which includes the day-to-day operation and maintenance of City-owned facilities.
- Fleet Services, which includes management and maintenance for the City's civic fleet and management of Transit and Fire fleet assets, as well as Central Stores and the Fuel/Lube Centre, including the Natural Gas Vehicle Program.
- The Print Services and Computer Leasing operations in Information Technology Services. Print Services is an in-house print shop, with the objective of providing quality output in a timely and cost effective manner. This includes responsibility for output devices (copiers, multi-functional and networked printers) and desktop computers.
- Roadways Operations – provides for the maintenance and repair of roadway and sidewalk cuts made by the City's Water and Sewer Services. The costs of the repairs are charged to the Water and Sewer Utility Budget.
- Granular Materials Supply and Asphalt Plant Operations – purchases, inventories and processes granular materials, soils and other landscape products and recycled materials such as steel slag, crushed concrete and crushed asphalt. The Asphalt Plant produces a variety of asphalt mixes for paving, cut repair and patching.
- Open Space Landscape – this operation provides landscape services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Pursuant to the policy and a bylaw adopted by City Council, the net revenue generated by real estate transactions is transferred to the Land Development Reserve. The Land Development Reserve is the source of funds for acquisition of land for land development projects as well as funds for land development project costs.

For other operations in the Costing Fund, the purpose of the costing fund is to function as a cost distribution mechanism. All of the costs are allocated to other operating and/or capital budgets.

## Costing Fund Summary (\$000's)

| Expenditures   | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change  |                 |
|--|-----------------|--------------------------|-----------------|----------------|-----------------|
|  |                 |                          |                 | Dollar Change  | Per Cent Change |
| <b>Corporate Services:</b>                           |                 |                          |                 |                |                 |
| Fleet Services                                       | 26,475.3        | -                        | <b>29,542.0</b> | 3,066.7        | 11.6            |
| Facilities Costs - Fleet Services                    | 474.6           | -                        | <b>484.9</b>    | 10.3           | 2.2             |
| Total Fleet Services Costs                           | 26,949.9        | -                        | <b>30,026.9</b> | 3,077.0        | 11.4            |
| Information Systems                                  | 1,458.1         | -                        | <b>1,619.1</b>  | 161.0          | 11.0            |
| Facilities & Energy Management                       | 4,619.8         | -                        | <b>4,558.9</b>  | (60.9)         | (1.3)           |
| <b>Total Corporate Services</b>                      | <b>33,027.8</b> | <b>-</b>                 | <b>36,204.9</b> | <b>3,177.1</b> | <b>9.6</b>      |
| <b>City Operations:</b>                              |                 |                          |                 |                |                 |
| Granular Material & Asphalt Plant                    | 6,794.8         | -                        | <b>7,049.6</b>  | 254.8          | 3.7             |
| Facilities Costs - Granular Material & Asphalt Plant | 43.9            | -                        | <b>43.9</b>     | -              | -               |
| Total Granular Material & Asphalt Plant              | 6,838.7         | -                        | <b>7,093.5</b>  | 254.8          | 3.7             |
| Roadway Operations                                   | 1,287.5         | -                        | <b>1,284.6</b>  | (2.9)          | (0.2)           |
| Connection Maint. and Repair                         | -               | -                        | -               | -              | -               |
| Open Space - Landscape                               | 1,447.2         | -                        | <b>1,443.9</b>  | (3.3)          | (0.2)           |
| <b>Total City Operations</b>                         | <b>9,573.4</b>  | <b>-</b>                 | <b>9,822.0</b>  | <b>248.6</b>   | <b>2.6</b>      |
| <b>Community Planning &amp; Development</b>          |                 |                          |                 |                |                 |
| Real Estate  | 2,980.0         | -                        | <b>3,043.9</b>  | 63.9           | 2.1             |
| Facilities Costs - Real Estate                       | 1,192.5         | -                        | <b>1,231.4</b>  | 38.9           | 3.3             |
| <b>Total Planning &amp; Development</b>              | <b>4,172.5</b>  | <b>-</b>                 | <b>4,275.3</b>  | <b>102.8</b>   | <b>2.5</b>      |
| <b>Costing Fund Total Expenditures</b>               | <b>46,773.7</b> | <b>-</b>                 | <b>50,302.2</b> | <b>3,528.5</b> | <b>7.5</b>      |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

## Staff Complement

The table below provides a summary of the staff complement reflected in the Costing Fund Budget for 2012 and 2013.

The staff complement in the table does not include positions funded through other budgets, including the Water and Sewer Utility Budget, the General Operating Budget or the General Capital Budget.

| Full Time Equivalents | 2012  | 2013  |
|-----------------------|-------|-------|
| Permanent             | 140.6 | 141.6 |
| Casual                | 24.4  | 24.4  |
| Total                 | 165.0 | 166.0 |

| Revenues                                    | 2012 Budget     | 2012 Actual <sup>1</sup> | 2013 Budget     | Budget Change |                 |
|---|-----------------|--------------------------|-----------------|---------------|-----------------|
|   |                 |                          |                 | Dollar Change | Per Cent Change |
| <b>EXTERNAL REVENUE</b>                     |                 |                          |                 |               |                 |
| <b>Corporate Services:</b>                  |                 |                          |                 |               |                 |
| Fleet Services                              |                 |                          |                 |               |                 |
| Claims Revenue                              | 97.2            | -                        | <b>97.2</b>     | -             | -               |
| Natural Gas                                 | 9.0             | -                        | <b>9.0</b>      | -             | -               |
| Other                                       | -               | -                        | -               | -             | -               |
| Total Fleet Services                        | 106.2           | -                        | <b>106.2</b>    | -             | -               |
| Information Services - Misc Printing        | 1.0             | -                        | <b>1.0</b>      | -             | -               |
| Facilities - Claims Revenue                 | -               | -                        | -               | -             | -               |
| <b>Total Corporate Services</b>             | <b>107.2</b>    | -                        | <b>107.2</b>    | -             | -               |
| <b>City Operations:</b>                     |                 |                          |                 |               |                 |
| Granular Material & Asphalt Plant           |                 |                          |                 |               |                 |
| Pavement & Concrete Cuts                    | 219.1           | -                        | <b>219.1</b>    | -             | -               |
| Roadway Operations                          |                 |                          |                 |               |                 |
| Asphalt Revenue                             | 148.5           | -                        | <b>378.5</b>    | 230.0         | 154.9           |
| Miscellaneous                               | 43.1            | -                        | <b>100.0</b>    | 56.9          | 132.0           |
| Total Roadway Operations                    | 191.6           | -                        | <b>478.5</b>    | 286.9         | 149.7           |
| <b>Total City Operations</b>                | <b>410.7</b>    | -                        | <b>697.6</b>    | 286.9         | 69.9            |
| <b>Community Planning &amp; Development</b> |                 |                          |                 |               |                 |
| Real Estate                                 |                 |                          |                 |               |                 |
| Land Sales                                  | 3,000.0         | -                        | <b>3,102.8</b>  | 102.8         | 3.4             |
| Facility Rental                             | 1,074.5         | -                        | <b>1,074.5</b>  | -             | -               |
| Farm Land Rental                            | 93.0            | -                        | <b>93.0</b>     | -             | -               |
| Interest                                    | 5.0             | -                        | <b>5.0</b>      | -             | -               |
| <b>Total Planning &amp; Development</b>     | <b>4,172.5</b>  | -                        | <b>4,275.3</b>  | 102.8         | 2.5             |
| <b>TOTAL EXTERNAL REVENUE</b>               | <b>4,690.4</b>  | -                        | <b>5,080.1</b>  | 389.7         | 8.3             |
| <b>INTERNAL COST ALLOCATIONS</b>            |                 |                          |                 |               |                 |
| Fleet Services                              | 26,843.7        | -                        | <b>29,920.7</b> | 3,077.0       | 100.0           |
| Information Services                        | 1,457.1         | -                        | <b>1,618.1</b>  | 161.0         | 11.0            |
| Facilities and Energy Management            | 4,619.8         | -                        | <b>4,558.9</b>  | (60.9)        | (1.3)           |
| Granular Material & Asphalt Plant           | 1,068.4         | -                        | <b>1,065.5</b>  | (2.9)         | (0.3)           |
| Roadway Operations                          | 6,647.1         | -                        | <b>6,615.0</b>  | (32.1)        | (0.5)           |
| Connection Maintenance & Repair             | -               | -                        | -               | -             | -               |
| Lease Management                            | -               | -                        | -               | -             | -               |
| Parks and Open Space                        | 1,447.2         | -                        | <b>1,443.9</b>  | (3.3)         | (0.2)           |
| <b>TOTAL INTERNAL COST ALLOCATIONS</b>      | <b>42,083.3</b> | -                        | <b>45,222.1</b> | 3,138.8       | 7.5             |
| <b>Total Costing Fund</b>                   | <b>46,773.7</b> | -                        | <b>50,302.2</b> | 3,528.5       | 7.5             |

Note:

1. Actual results for 2012 will be reported in the final budget document once audited results are available.

February 19, 2013

To: His Worship the Mayor  
And Members of City Council

Re: 2013-2017 General Capital Budget

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### RECOMMENDATION

That the 2013 Capital Expenditures as outlined in the attached 2013 – 2017 General Capital Budget document be approved.

### CONCLUSION

In order to continue investing responsibly and building a sustainable future for our community, the City Administration is proposing 2013 General Capital Expenditures of \$84.3 million, with a total of \$580.4 million in planned expenditures over the life of the 2013 – 2017 General Capital Budget.

It costs a lot to run a city. Every year there are major expenses that include maintaining our roads, removing waste, providing fire and police services, operating leisure centres, keeping our buses running, and planning for the future.

When building the budget, City Administration took the following challenges into account: aging infrastructure, rising prices for supplies and services, continued growth, and resident's service expectations. Even with the increases, the City's budget remains quite limited. Not all budget requests have been accommodated in the Administration's proposed 2013 budgets as shown in the table below.

| <u>Expenditures (\$000's)</u>                              | <u>Budget<br/>Requested</u> | <u>Budget<br/>Accommodated</u> | <u>Amount<br/>Unfunded</u> |
|--|-----------------------------|--------------------------------|----------------------------|
| <b>Regina Police Service Capital Program</b>               |                             |                                |                            |
| As recommended by the Regina Board of Police Commissioners | \$4,605                     | \$1,164                        | \$3,441                    |

The proposed 2013 Capital Budget maintains current services and service levels, and balances the fiscal constraints facing the City and its capital requirements. The 2013 – 2017 General Capital Budget is an \$18.7 million increase over 2012. Substantial investment in transportation, waste management, roadway networks and facilities are planned to protect and upgrade our infrastructure and to meet the growing demands of our customers. Demand of this order, combined with limited fiscal capacity, results in a \$211 million capital funding shortfall over the next five years.

## BACKGROUND

The purpose of this report is to submit for consideration the 2013 – 2017 General Capital Budget. Each year, the City of Regina develops a five-year General Capital Program. The City Manager's Bylaw 2003-70 requires that the City Manager prepare and present the Capital Budget to City Council. The development and review of the capital program is an integral part of the overall budget process and is important for long-term planning.

## DISCUSSION

The following table provides a summary of the general capital expenditures in the proposed 2013 – 2017 General Capital Budget.

| <b>Capital Expenditures (\$000's)</b>       | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>Five Year<br/>Total</b> |
|---|-------------|-------------|-------------|-------------|-------------|----------------------------|
| <b>City Operations</b>                      |             |             |             |             |             |                            |
| Street Infrastructure Renewal               | 18,143      | 29,500      | 31,000      | 34,000      | 37,000      | 149,643                    |
| Bridge Infrastructure Renewal               | 3,244       | 8,000       | 10,000      | 5,000       | 5,000       | 31,244                     |
| Traffic Control & Safety                    | 4,808       | 5,112       | 9,502       | 8,425       | 8,624       | 36,471                     |
| Other Transportation Projects               | 350         | 3,770       | 80          | 80          | 80          | 4,360                      |
| Landfill                                    | 5,000       | 14,100      | 12,700      | 5,000       | -           | 36,800                     |
| Waste Collection                            | 320         | 80          | 480         | 480         | 480         | 1,840                      |
| Streetscape                                 | 851         | 643         | 548         | 533         | 456         | 3,031                      |
| Cemeteries                                  | 120         | 90          | 100         | 115         | 100         | 525                        |
| Golf Courses                                | 350         | 350         | 350         | 350         | 400         | 1,800                      |
| Fire & Protective Services                  | 20          | 555         | 445         | 65          | 65          | 1,150                      |
| Other Capital Projects                      | 430         | 1,280       | 1,180       | 1,030       | 1,030       | 4,950                      |
| Division Total                              | 33,636      | 63,480      | 66,385      | 55,078      | 53,235      | 271,814                    |
| <b>Community Planning &amp; Development</b> |             |             |             |             |             |                            |
| Community Facilities                        | -           | 770         | 5,900       | -           | -           | 6,670                      |
| Land Development                            | 6,710       | 500         | 500         | 500         | -           | 8,210                      |
| Official Community Plan                     | 350         | 450         | -           | -           | -           | 800                        |
| City Centre Development                     | 150         | 650         | -           | -           | -           | 800                        |
| Roadway Network Improvements                | 17,025      | 3,225       | 15,725      | 6,800       | 13,975      | 56,750                     |
| Other Transportation Projects CP&D          | 95          | 530         | 150         | 250         | 150         | 1,175                      |
| Recreation Facilities                       | 510         | 2,000       | 4,845       | 6,500       | 730         | 14,585                     |
| Open Space Restoration                      | 625         | 1,050       | 1,100       | 1,100       | 1,100       | 4,975                      |
| Open Space Upgrades & New Development       | 60          | 60          | -           | -           | -           | 120                        |
| Division Total                              | 25,525      | 9,235       | 28,220      | 15,150      | 15,955      | 94,085                     |
| <b>Corporate Services</b>                   |             |             |             |             |             |                            |
| Fleet                                       | 11,324      | 11,469      | 10,599      | 9,444       | 9,037       | 51,873                     |
| Facilities                                  | 8,290       | 30,282      | 24,070      | 29,392      | 29,755      | 121,789                    |
| Information Technology                      | 3,454       | 3,011       | 2,586       | 450         | 450         | 9,951                      |
| Division Total                              | 23,068      | 44,762      | 37,255      | 39,286      | 39,242      | 183,613                    |
| <b>Office of City Manager</b>               |             |             |             |             |             |                            |
| Regina Revitalization Initiative            | 961         | -           | -           | -           | -           | 961                        |
| <b>Civic Capital Total</b>                  | 83,190      | 117,477     | 131,860     | 109,514     | 108,432     | 550,473                    |
| <b>Regina Police Service</b>                | 1,164       | 18,017      | 4,529       | 3,414       | 2,804       | 29,928                     |
| <b>Total General Capital Expenditure</b>    | 84,354      | 135,494     | 136,389     | 112,928     | 111,236     | 580,401                    |
| <b>Available Funding</b>                    | 84,354      | 76,699      | 92,556      | 60,592      | 55,321      | 369,522                    |
| <b>Funding Shortfall</b>                    | -           | 58,795      | 43,833      | 52,336      | 55,915      | 210,879                    |

Capital assets are integral to the services delivered by the City of Regina. Categories of assets are:

- Infrastructure such as roads, bridges, sidewalks, parks, athletic fields, and irrigation systems.
- Facilities and structures – Overall, the City has about 200 facilities or structures. The development and long-term maintenance of these facilities and structures is funded through the capital program.
- Vehicles and other equipment – This includes the vehicles and equipment maintained through the central fleet operation plus the vehicles used by Transit, Fire and Police. Other equipment and technology includes hardware, software, traffic signals, parking meters, bleachers, backstops and playground equipment.

Regina, like other cities, is facing a problem of aging infrastructure coupled with requirements resulting from growth and increased standards. During 2008, the City developed an estimate of its infrastructure requirements over the next ten years. The total requirements are \$2.0 billion in 2009 dollars, with an estimated gap of about \$1.34 billion – reflecting requirements for which there are no current or future funding programs identified.

Key points to note with respect to funding of the 2013 – 2017 General Capital Budget include:

- The 2013 capital program was developed with a \$26.1 million contribution from General Operating Revenues.
- The 2013 capital program includes funding from internal reserves of \$26.2 million.
- The capital program includes funding from the Federal Government from the sharing of gas tax revenues. In 2013, \$11.0 million in funding is expected to be received. The Gas Tax program is administered by the Province of Saskatchewan and the City of Regina has signed an agreement with the Province to the end of the 2013-14 Federal/Provincial fiscal years. The Federal Government on its Infrastructure Canada website has stated, “The Government of Canada will deliver [Gas Tax Fund payments] beyond 2014 to provide greater certainty for local infrastructure renewal. Municipalities across the country will continue to receive stable, annual funding for their long-term infrastructure priorities.” The 2013-17 General Capital Budget assumes that the Gas Tax allocation received by the City for the years 2013 to 2017 will continue to be approximately \$11.0 million. This is an estimate only and is subject to change.
- The 2013 capital program includes funding from Provincial-Territorial Base Fund of \$1.5 million.
- The 2013 capital program was developed with \$6.4 million in Provincial funding from the Urban Highways Connector Program.
- Servicing Agreement Fees and Development Levies (SAF) are established under The Planning and Development Act, 2007 and are recognized as revenue when a developer and the City enter into a servicing agreement or development levy agreement. The agreements require a payment to the City of a predetermined amount per hectare of land within the development area. The funds are intended to be used towards the construction of regional infrastructure to support new development. In 2011, the City amended the Administration of Servicing Agreement Fees Policy to include provisions for development levies (for

simplicity, they are simply referred to as SAFs) and in 2012 completed a rate review to adopt a 2013 SAF Rate. The fees increased by 1.3% from 2012 (\$238,946 per hectare) to a 2013 rate of \$241,958 per hectare of developed land.

- The 2013 capital program was developed with \$10.8 million in funding from Servicing Agreement Fees. A further \$1.5 million in direct funding will come from developers.
- The 2013 – 2017 General Capital Budget proposes no new debt funding. However, given the pressures to maintain and rehabilitate the City's aging infrastructure, it is likely that new debt will be issued in future years.

While the proposed 2013 Budget allocates the funding available to the City according to community priorities, it is not sustainable for the City to continue delivering our services at current service levels. In the past infrastructure maintenance and renewal has been deferred in an effort to maintain affordable services. The City's aging infrastructure is now reaching a critical state in many areas and needs to be replaced. The wastewater treatment plant and the stadium are at the end of their lives, so we are rebuilding them. Our roads also require significant investment over the long term.

When building this budget, City Administration took the following challenges into account: aging infrastructure, rising prices for supplies and services, continued growth, and resident's service expectations. Even with the proposed expenditure and funding increases, not all 2013 budget requests have been accommodated. The Regina Police Service capital budget, as recommended by the Board of Police Commissioners, requires \$3.4M more in funding than has been included in the proposed 2013 – 2017 General Capital Budget.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

The implications of the General Capital Program are detailed in the attached document. For 2013, the primary budget impact is a requirement for \$24.9 million in civic contributions to capital and \$1.2 million in Police contributions to capital, totalling \$26.1 million overall.

The 2013 – 2017 General Capital Budget is also funded through \$18.9 million in Federal and Provincial Grants, \$13.2 million from Servicing Agreement Fees and other external funding, as well as \$26.2 million from reserves.

The 2013 – 2017 General Capital Budget proposes no new debt funding. However, given the pressures to maintain and rehabilitate the City's aging infrastructure, it is likely that new debt will be issued in future years.

According to the Administration's most recent forecast, total City of Regina debt, for both general and utility, is predicted to be \$115.8 million at December 31, 2013. Currently, the City's maximum debt limit is \$350 million.

The funding model for the Regina Revitalization Initiative anticipates borrowing \$100 million from the Provincial Government during 2013. This \$100 million in additional debt is not included in the Administration's forecasted December 31, 2013 debt balance.

In addition, the Administration intends to recommend to City Council, in a separate report, that City Council delegate authority to the Deputy City Manager & CFO to make application to the

Saskatchewan Municipal Board, under section 133(2) of *The Cities Act*, for the City to exclude \$100 million in debt from its current debt limit of \$350 million. The City is requesting that this debt be excluded from the debt limit as this debt will consist of a \$100 million loan from the Province of Saskatchewan, which will be repaid through new revenues to the City from the Regina Revitalization Initiative (RRI).

#### Environmental Implications

Environmental implications are dealt with, as necessary, in the implementation of each project. There are a number of projects within the capital budget that have beneficial effects on the environment. The replacement of existing buses with more fuel efficient ones and increasing transit ridership through transit service initiatives, promoting the efficient flow of traffic, improvements to open space, tree planting, and landfill capping and closure and landfill gas collection are just a few examples of projects within the capital budget that will have a positive impact on the environment.

#### Policy and/or Strategic Implications

Approval of this budget will allow the City to continue forward to its vision and implement its strategic plan.

#### Other Implications

None identified in this report.

#### Accessibility Implications

None identified in this report.

#### COMMUNICATIONS

On January 11, 2013, the Administration held a media technical briefing on the budget, followed by a media conference hosted by City Manager Glen Davies. A budget summary and the complete proposed General Operating, General Capital and Water & Sewer Utility Budgets have been posted on Regina.ca. Print and online ads direct residents to Regina.ca for complete information. The print ads and online information invited residents to attend the January 21, 2013 Special Executive Committee meeting and the February 19, 2013 Special City Council meeting regarding the Administration's proposed 2013 budgets.



DELEGATED AUTHORITY

This report requires City Council approval.

Respectfully submitted,

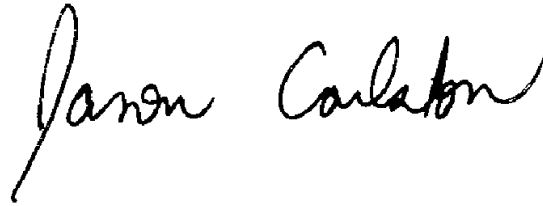
A handwritten signature in black ink, appearing to read "B Sjoberg".

Brent D. Sjoberg,  
Deputy City Manager & CFO

JM/CM/BS/rls

Attachment

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Glen B. Davies".

for

Glen B. Davies  
City Manager

**2013-2017**

**CITY OF REGINA**

**GENERAL CAPITAL PROGRAM**

**PROPOSED**



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January 21, 2013

To: His Worship the Mayor,  
and Members of City Council

Re: 2013 – 2017 General Capital Budget and Investment Program

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Each year City Council is required to adopt an operating and capital budget. There are three components to the budgets, the General Operating Budget, the Water and Sewer Utility Budget and the 2013-2017 General Capital Budget and Investment Program. **This document is the 2013 – 2017 General Capital Budget and Investment Program.**

The 2013 General Capital Budget is \$84.3 million, an increase of 28.5% or \$18.7 million over 2012. The increase primarily reflects an additional investment in 9<sup>th</sup> Avenue North (Winnipeg St to McDonald St) Safety Improvements of \$2.2 million, Victoria Avenue East (Fleet Street to City Limits) \$2.9 million, Chuka Boulevard (Arcola Avenue to Green Apple Drive) \$5.7 million, Landfill Costs \$4.9 million, Fleet, Facilities and Information Technology of \$5.6 million, and a reduced investment in Multi-use Pathways of \$3.3 million. (2012 included an investment in the Northwest Link of the Multi-use Pathway of \$2.9 million.)

The General Capital Investment Program represents a balance between the fiscal constraints facing the City and the capital requirements. It has been built around City Council's Vision.

**Canada's most vibrant, inclusive, attractive,  
sustainable community, where people live in harmony  
and thrive in opportunity.**

The key components of the 2013 – 2017 General Capital Investment Program include:

- Funding for Street Infrastructure Renewal is \$18.1 million in 2013, an increase of \$1.1 million or 6.5% from 2011 funding levels.
- Funding for Roadway Network Improvements total \$17.0 million for 2013, including Chuka Boulevard, Parliament Avenue Extension, and Victoria Avenue East Upgrades.
- Funding for the rehabilitation of bridges totals about \$3.2 million, an increase of \$0.5 million from 2012 funding levels.

- Funding of \$5.0 million in 2013 and a total of \$36.8 million over five years for the landfill. The funding includes the cost of capping and closing the existing landfill; landfill gas collection Phase II; and design and construction of a new landfill site.
- Funding of \$4.8 million in 2013 for Traffic Control and Safety. This represents an increase of \$2.1 million over 2012's funding and is due to the investment in the 9<sup>th</sup> Avenue North Safety Improvements (Winnipeg Street to McDonald Street).
- Funding of about \$8.3 million in 2013 for facilities management. Over the next five years a total of \$121.8 million worth of work is planned. However, only \$58.8 million in potential funding has currently been identified.
- Funding of about \$11.3 million for the vehicle and equipment fleet in 2013 and \$52 million over five years.
- Investment of \$6.7 million in Land Development. The funding includes building the infrastructure required to service lands in Ross Industrial, as demand for industrial land has been strong.
- Investment of \$0.9 million towards the Regina Revitalization Initiative, with the Stadium Funding Plan being considered in a separate report for concurrent approval.

Regina, like other cities, is facing a problem of aging infrastructure coupled with requirements resulting from growth and increased standards. During 2008, the City projected its infrastructure requirements, including rehabilitation of existing infrastructure and the demand for new infrastructure resulting from growth, at about \$2.1 billion in 2009 dollars, of which \$1.2 billion is unfunded through any existing sources.

While there is virtually universal recognition of the need to increase capital spending, the challenge continues to be finding sources of funding that are predictable and sustainable. The assumption of increased levels of debt will require additional operating funding to support debt repayment.

The 2013 – 2017 General Capital Investment Program reflects an estimate of about \$11.0 million in annual infrastructure grants from the Federal Gas Tax Grant. Agreements for this Federal program are in place until 2013/14. The Government of Canada, on its Infrastructure Canada website has stated that it will continue to deliver Gas Tax Fund payments beyond 2014, the type of time frame which is essential for effective infrastructure planning. It is important that this continue in the future, with projections updated on a regular basis.

The capital funding plan includes civic current contributions of \$24.9 million for 2013, which is an increase of \$5.0 million over the 2012 funding level. The capital funding plan also includes current contributions to capital for the Regina Police Service of \$1.1 million.

No new debt has been included as part of the 2013 Capital Program.

Funding from reserves will total \$26.2 million of which \$8.2 million is sourced from the Fleet Replacement Reserve.

The 2013 – 2017 General Capital Investment Program demonstrates progress in addressing the priority needs of the community. It has been developed with a focus on City Council's Vision. It provides a balanced approach, including the use of relatively modest debt levels to permit the City to move forward with priority projects with long term benefits for the community and strengthening of reserves to meet long term capital requirements.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "G. Davies".

Glen B. Davies  
City Manager

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# Introduction

# **Introduction**

## **2013 Budget Overview**

The 2013 General Capital Budget is \$84.3 million, an increase of 28.5% or \$18.7 million over 2012. This increase reflects additional funding provided by the City and the pressures of maintaining and rehabilitating aging infrastructure.

A report for the Federation of Canadian Municipalities (FCM) in 2007 noted, "...for the past 20 years, municipalities have been caught in a fiscal squeeze caused by growing responsibilities and reduced revenues. As a result, they were forced to defer needed investment, and municipal infrastructure continued to deteriorate..." The impact of deferring necessary maintenance to minimize the impact on tax payers is now beginning to hit home. Whereas, in 2012, the proportion of the capital budget devoted to the simple maintenance of assets was 52.7%. In 2013, that proportion has risen to 63.4%, and the total dollars budgeted is higher than ever before. The need to attend to the rehabilitation of existing infrastructure continues to put pressure on other areas of the City's operations.

Regina's need for investment in infrastructure is great, and funding is limited. It is essential that capital investments be directed in a strategic manner to deliver the best return for the community

## **2013 Budget Process**

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involve the establishment of priorities. Many Canadian cities are developing multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2013 budget was developed based on priorities established through City Council's Vision for Regina, the Corporate Strategic Plan and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2013 Budget focused on identifying strategic priorities and allocating resources to those priorities to avoid having budget limitations drive the strategy. Divisions identified requirements for ongoing and one-time initiatives and evaluated them according to the strategic priorities. Divisions also identified opportunities where existing resources could be reallocated toward the strategic priorities.

## **Corporate Strategic Planning and Performance Management Process**

City Council has adopted the following Vision for Regina:

Canada's most...  
Vibrant,  
Inclusive,  
Attractive,  
Sustainable community  
Where people live in Harmony  
And Thrive in opportunity.

To achieve the vision the City has established an accountability framework, this framework demonstrates that both Council and the administration have a role in strategic planning – Council sets the Vision, the administration develops strategic and business plans to align their activity to the Vision.

### City of Regina Accountability Framework



## Corporate Strategic Plan

While the Vision identifies the long term direction for the City of Regina, in order to achieve the Vision, a number of challenges have to be addressed in the short term. In 2012 and again for 2013, within the context of the Vision, the City of Regina has focused on the issue of financial sustainability.

Administration has developed the short-term strategic focus, *“that we will have narrowed the gap between current and expected service levels and our ability to deliver them.”* This focus recognizes that the current resources available to the City do not support the sustainable delivery of the current portfolio of services at the current level. Administration is considering areas where services can be reduced or eliminated, where revenues can be increased and where services can be delivered in different ways to improve their affordability. In 2013, the City will be consulting with citizens to more fully understand their expectations, including the trade-offs they are prepared to make to maintain the most important services.

Perhaps the most urgent issue related to the financial sustainability of the City of Regina is the issue of infrastructure. In an effort to maintain affordable services for Regina taxpayers, the City of Regina (similar to most other municipalities in Canada) has chosen to defer on-going life-cycle maintenance and renewal of infrastructure. The issue has reached a critical point where deferral could result in service or infrastructure failures.

Council endorsed the strategic focus and its key deliverables in March, 2012. The Administration has developed a performance measurement system to support the new strategic focus and has cascaded accountabilities for results throughout the organization.

One of the key issues that is being addressed by the strategic focus is the resourcing of infrastructure renewal. As a result, the City Administration is proposing an increase its tax-funded investment in infrastructure by 24%.

During 2013, the City of Regina will be developing a strategic plan for the 2014-2017 period. The scope of this plan will incorporate the strategic focus of 2012 and 2013 but will be broadened to more fully respond to the Vision and the Community Priorities that were identified as part of the Design Regina process.

## Business Planning

As part of the strategy development targets were cascaded throughout City of Regina divisions and departments. Divisional and departmental business planning used the corporate targets as a basis for planning. In addition to this “top-down” approach, Divisions also incorporated their knowledge of customer and citizen priorities, facility and infrastructure requirements, and their daily analysis of risks and opportunities resulting from ongoing operations – a more “bottom-up” approach. The two approaches working together ensure that the corporate strategic approach will integrate into Divisional and departmental business plans that are both strategic and responsive.

As planning cascades through the organization, the level of engagement and detail will become increasingly refined. Participants in the planning sessions are cross functional to ensure an integrated approach and a ‘de-siloing’ of the organization.

Some areas within the City of Regina have undertaken business planning in the past. What is new for these groups is that they now have a longer term corporate Vision, Mission, Values and Strategic Directions to provide better context for their planning efforts.

## The Need for Infrastructure Investment

The need for infrastructure investment in Regina, like most western Canadian cities, arises in primarily three ways: replacement of existing infrastructure, increasing standards, and new infrastructure to support growth.

*“Canadian municipalities build, own and maintain most of the infrastructure that supports our economy and quality of life. Yet for the past 20 years, municipalities have been caught in a fiscal squeeze caused by growing responsibilities and reduced revenues. As a result, they were forced to defer needed investment, and municipal infrastructure continued to deteriorate, with the cost of fixing it climbing five-fold from an estimated \$12 billion in 1985 to \$60 billion in 2003. This cost is the municipal infrastructure deficit, and today it has reached \$123 billion.*

*The upward trend of the municipal infrastructure deficit over the past two decades points to a looming crisis for our cities and communities and ultimately for the country as a whole. The deficit continues to grow and compound as maintenance is delayed, assets reach the end of their service life, and repair and replacement costs skyrocket. When compared with earlier estimates, the \$123 billion figure clearly shows the municipal infrastructure deficit is growing faster than previously thought.”*

- Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure – A Report for the Federation of Canadian Municipalities, Saeed Mirza, PhD., Ing., November, 2007.

The infrastructure gap is difficult to estimate, and because of that, some would suggest that it does not exist or is exaggerated. The numbers presented seem incredible and unmanageable to the average person. However, it is important to understand that the variability in the numbers is due to the greater degree of professionalism and scrutiny brought to infrastructure management. As better data and more analytical techniques are incorporated into infrastructure management, the information produced to aid in decision making becomes more precise.

Municipalities do not simply go out and rebuild the same piece of infrastructure at the end of its life cycle. Community needs and regulatory requirements are constantly evolving. Municipal infrastructure managers are responsible for incorporating improvements in safety, efficiency, environmental impact, aesthetic design, and productivity in their work on an ongoing basis.

At the same time, communities are growing. An engineer cannot just approach a roadway project for resurfacing only; any cost effective approach means that new capacity and safety considerations must also be included. It becomes very difficult to separate the cost of 'replacing existing infrastructure' from service level improvements and expansions.

Consequently, there is no generally accepted method for estimating exactly what the level of infrastructure funding should be. In carrying out the study for FCM, the following definition was used:

"In formal terms, the municipal infrastructure deficit refers to the following:

- the unfunded investments required to maintain and upgrade existing, municipally owned infrastructure assets; and
- the funding needed over and above current and projected levels to bring existing facilities to a minimum acceptable level for operation over their service life, through maintenance, rehabilitation, repairs and replacement."

Regina also has significant requirements for infrastructure related to new growth, particularly in the area of roadway network improvements.

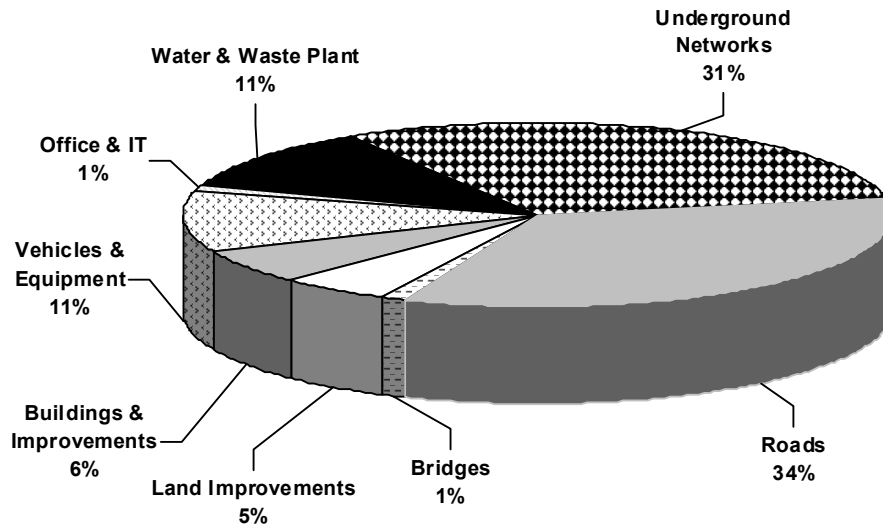
## Measuring Regina's Infrastructure Gap

The value of Regina's infrastructure is estimated at \$4.2 billion in 2009 dollars. This includes a wide range of assets from roads and bridges to vehicles and equipment. The mix of the City's infrastructure is found in the chart on the following page.<sup>1</sup> Land holdings, which are part of the City's asset mix, are excluded from the picture below, as these assets do not degrade over time. They are also excluded from the calculation of total assets above.

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<sup>1</sup> City of Regina Tangible Capital Assets Data Base

## Regina's Infrastructure Mix

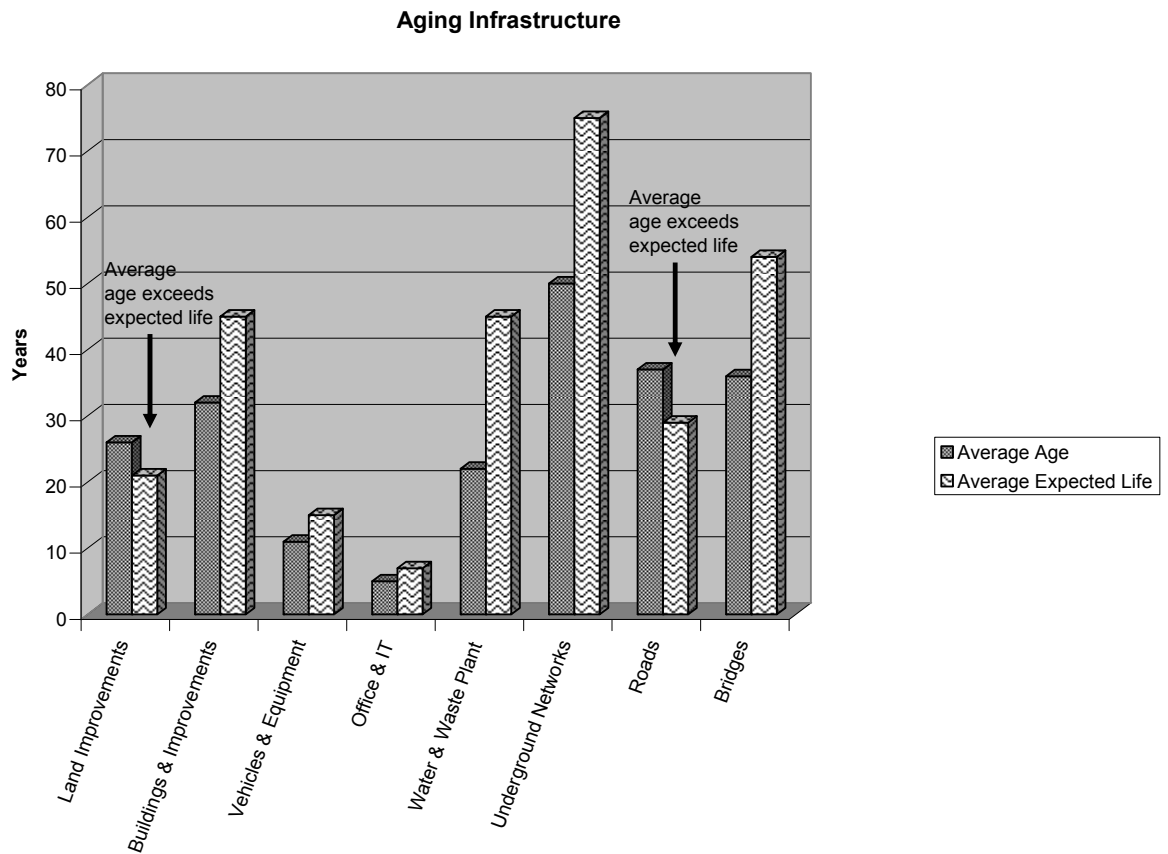


Like many municipalities, the City of Regina's infrastructure is aging. The chart below shows the current status of Regina's infrastructure in relation to its expected life span.<sup>2</sup> These averages disguise much deeper issues.

- The average age of infrastructure exceeds the average life expectancy in two areas – roadways (when surveyed, Regina residents routinely rank road and sidewalk conditions as the most important municipal issue) and land improvements (e.g. parks, landscaping, golf courses, etc.).
- Even where there is a positive overall gap between the average age of infrastructure and the average expected life, there are significant structures that far exceed the life expectancy estimates. For example, the City of Regina estimates that 12% of its sewer infrastructure is in excess of its 90 year expected life and 28% is in excess of 70 years old.
- Regulatory change affects the rate at which infrastructure must be rehabilitated or replaced. For example, regulatory change requires that the City's Wastewater Treatment Plant be significantly upgraded by 2016, which is a major capital project. This is a significant project on its own, but it also affects the capacity of the City to invest in other necessary infrastructure.
- Technological change affects citizen expectations regarding information access and service response. To address these changing expectations, information technology and interactive tools must be constantly upgraded to meet consumer demand.

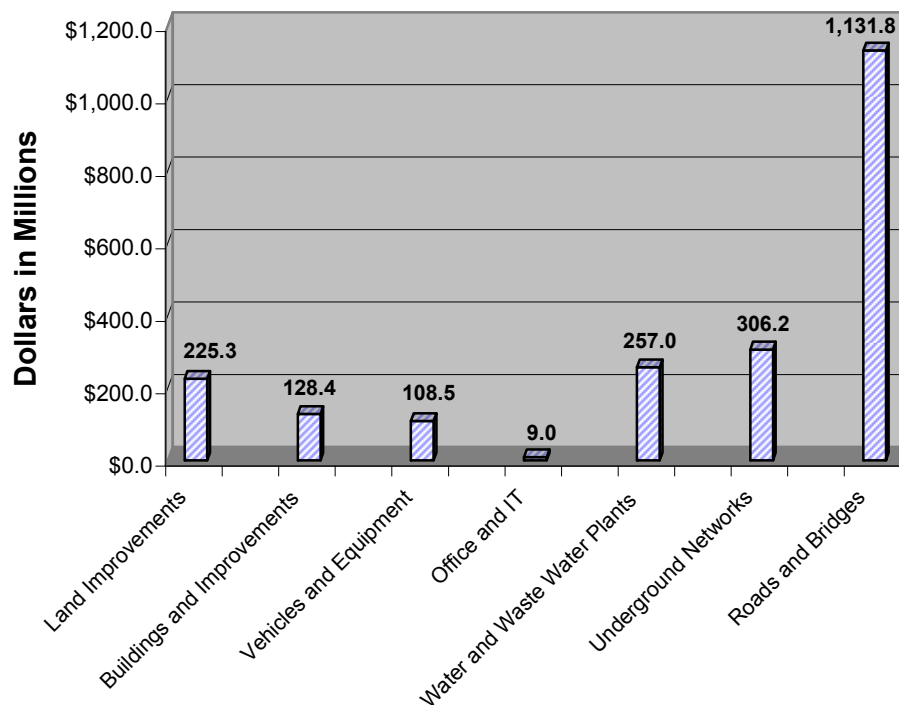
While average age compared to expected useful life is a simplistic approach to assessing the state of infrastructure, as it does not consider current condition, it does provide some initial information to support further asset management decisions.

<sup>2</sup> City of Regina Tangible Capital Assets Data Base



Of the \$4.2 billion in assets held by the City of Regina, **\$2.0 billion** in investment is required in replacement (\$1.76 billion), rehabilitation (\$199.1 million), or maintenance (\$52.3 million). A more detailed breakdown is provided in the chart on the following page. If rehabilitation work is postponed to the point where it is no longer a viable option, then replacement would be required at a cost of up to \$995.5 million, an increase of \$796.4 million. Any deferral of necessary rehabilitation could increase the gap to almost \$3 billion. This estimate represents the cost of work that is required to cover the appropriate care of the City's assets at this point in time. It does not include the cost of maintaining assets in the future as those assets reach their average life expectancy.

### Investment Required to Replace and/or Rehabilitate Assets



Best practice suggests that assets should be rehabilitated before they reach their full life expectancy. This practice generally minimizes the need to fully replace the asset and can reduce the cost significantly. While the ideal timing of rehabilitation and the savings vary depending on the asset, it is estimated that, on average, assets should be rehabilitated when they reach about 75% of their average life expectancy and that such rehabilitation can be achieved at about one-fifth of the cost of full replacement (*Canada West Foundation*). Using this approach as the basis for calculation, it is estimated that, in addition to the cost of addressing the current gap, the cost of rehabilitating assets when they reach about 75% of their average life expectancy would be an additional \$34 million per year in current year dollars.

Depending on the level of external investment available from other levels of government, in recent years, the City of Regina's investment in capital has ranged from \$60 million to \$83 million. However, using the above forecasts for cost (\$34 million per year to achieve acceptable renewal plus \$93 million per year for twenty years to eliminate the current infrastructure gap), one can estimate the funding shortfall the City is between \$44 million and \$67 million per year.



## Strategies to Reduce the Gap

It is important to note that Regina, like other municipalities, is not expecting other orders of government to fully fund all infrastructure requirements.

Across Canada, the infrastructure gap resulted from multiple factors, and Regina's approach recognizes that addressing the problem will require action in several areas, including:

- Increased funding of capital from the City's annual revenues; the increase of Current Contributions to Capital for the General Program went from \$21.0 million in 2012 to \$26.1 million in 2013. This is a 24% increase and is reflective of additional capital funding increases of recent years.
- Sustainable policy and development decisions that do not avoidably compound increase the demand for infrastructure;
- Servicing agreement fees that adequately fund the cost of new development and do not deplete other sources of funding required to address the infrastructure deficit;
- Accurately priced user fees that include the costs of infrastructure;
- A careful combination of "pay as you go" with debt to fund projects with long-term benefits;
- Solid asset management techniques, including long-term capital planning, that maximize the value of infrastructure spending; and
- Stable and long-term funding from the Federal and Provincial Governments, with flexibility to address the priorities within the community.

Over the next five years, it is anticipated that of the \$580 million General Capital Program, the City will fund \$246 million through contributions from reserves and from the tax base. It is estimated that an additional \$36 million will be received from Federal and Provincial infrastructure grant programs, based on funding levels from existing programs. Approximately \$55 million will be funded from servicing agreement fees and other contributions from developers. Funding for the remaining \$243 million has not yet been identified.

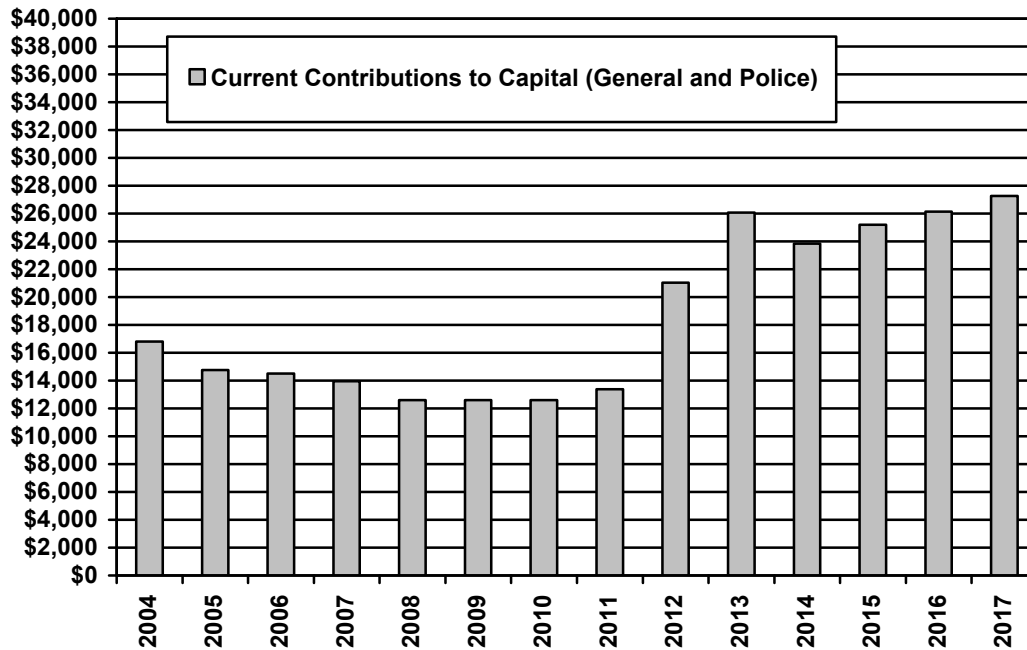
Up to \$149 million in utility infrastructure requirements will have to be funded from debt over the next five years, which will be repaid through utility rates.

Using the limited tools available, the City has taken several significant steps to address the infrastructure gap, based on the multi-faceted approach outlined above.

## Funding from the Operating Budget

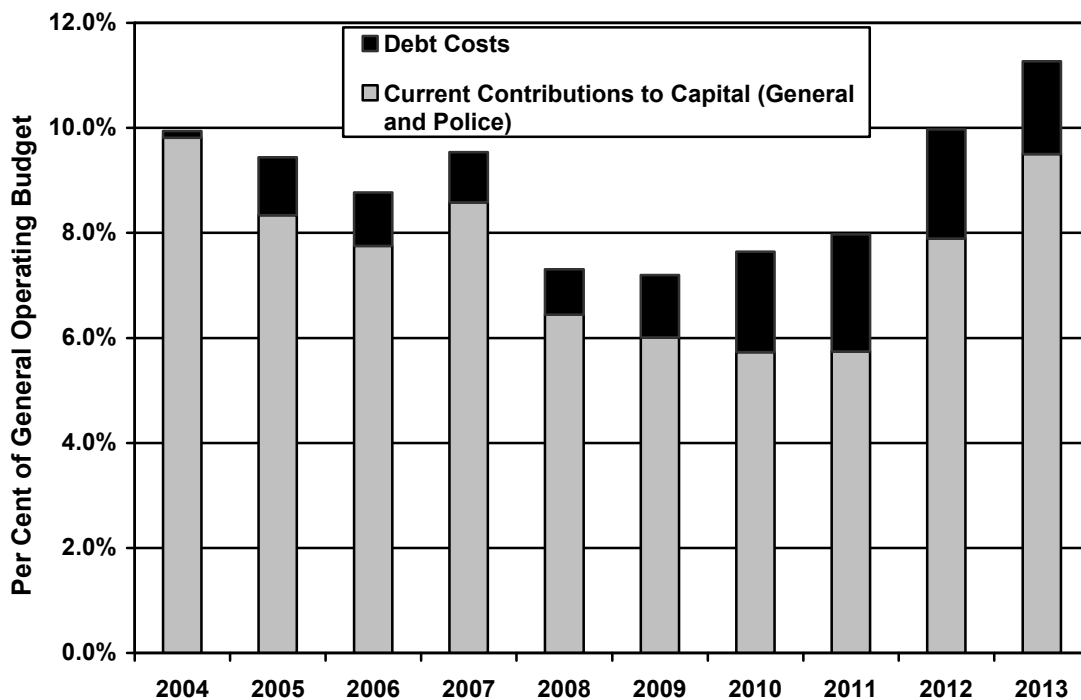
Despite continuing pressures for operating funding, the City has generally been able to maintain the level of funding for capital from the general operating budget in prior years. Pressures will increase significantly in 2013 through 2017 as a result of significant capital projects unless other sources of funding can be found.

### Capital Funding From Current Contributions – Historical and Projected



Capital funding as a percentage of the operating budget has been decreasing, reflecting the pressures of operating costs.

### Capital Funding From Current Operations – 2004 to 2013 (Per Cent of General Operating Budget)



## **Servicing Agreement Fees**

During 2007, the City completed a major review of the servicing agreement fee policy. The review included estimates of the capital requirements related to new development over the next 20 years. Regina had reached a threshold in that the majority of its existing developments were virtually complete, and a significant investment in infrastructure was required if the City was to grow. Regina's servicing agreement fees were significantly lower than those in most other cities across Canada.

New policies were adopted by City Council in 2007, based on appropriate cost sharing between new developments and existing taxpayers, which resulted in formal policy approval in 2009 and amended policy in 2011 to include Development Levy charges. The policy now includes an annual review of the Servicing Agreement/Development Levy Fee to ensure that the rate is reflective of true costs. The 2013 fee rate is \$241,958 per hectare, up 1.3% from \$238,946 in 2012. Despite the increase in fees, which now include a financing cost element, significant additional funding is required to support these new neighbourhoods. As a result, there will be a significant cash outflow required by the City to fund its share of infrastructure, as well as to finance the infrastructure paid for through servicing agreement fees. This amount will be repaid through servicing agreement fees as new development proceeds.

## **User Fees**

The City has reviewed virtually all its user fees over the past three years to ensure that, where possible, revenues are keeping up with capital as well as operating costs. A three-year utility rate increase of 9% per year for 2011, 2012 and 2013 was approved in conjunction with the 2011 Utility Budget to contribute towards water and wastewater infrastructure requirements including an upgrade and expansion of the wastewater treatment plant. Landfill rates have been increased to contribute toward the costs of landfill closure, capping, expansion and other solid waste activities. Golf and cemetery fees have been reviewed on a regular basis and established to cover capital and operating requirements.

A three-year recreation program fee schedule was approved by City Council in June of 2007 and reapproved in 2010 to ensure that targeted cost recovery levels are achieved.

While fee increases are not popular and are sometimes viewed as another form of taxation, they are necessary to help address the infrastructure funding gap. The City is embarking on a general review of rates and fees for all City services with a view to develop more consistent and comprehensive pricing policies. User Fees are a fair representation of the true cost to deliver the service.

It is important to note that, while the City has the authority to raise revenues through licenses and special taxes, such revenue cannot exceed the related costs, limiting any ability to use such revenues to fund capital.

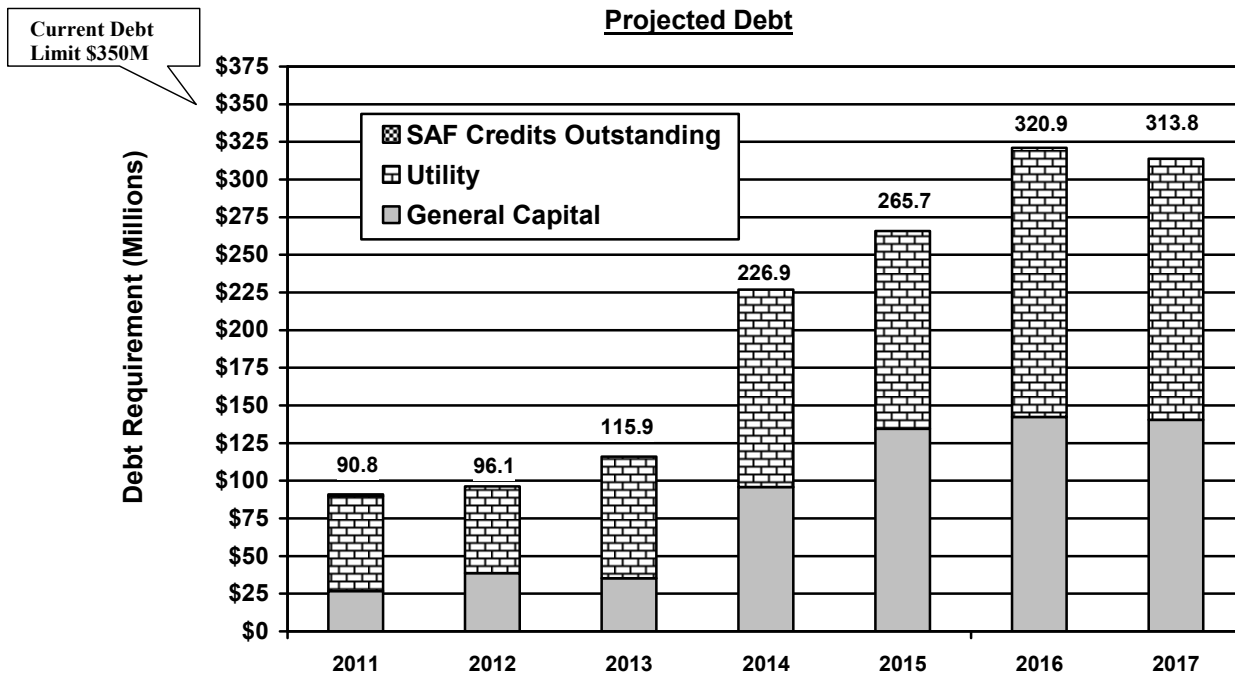
## **Debt Financing**

The 2013 General Capital Investment Program proposes no new debt in 2013. The year end 2013 debt balance is projected at \$116.0 million. This debt balance also includes borrowings for the water and sewer utility.

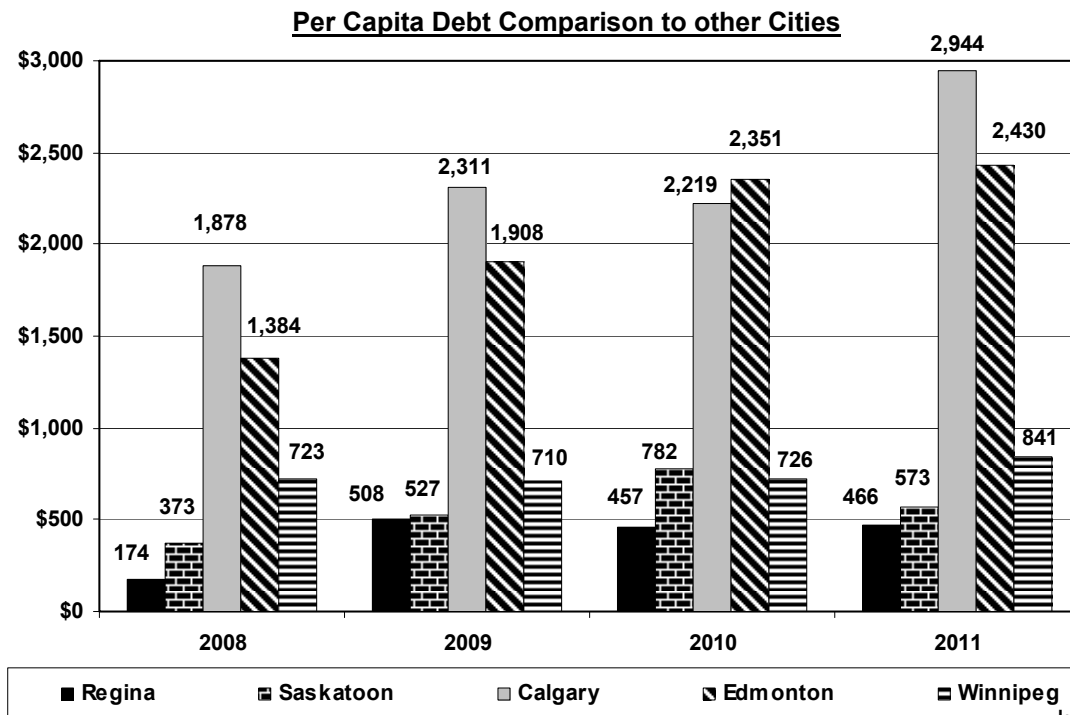
While the issuance of debt can provide for increased capital funding, the debt along with the related interest cost must be paid in future years out of operating funds. The use of debt is a trade-off between increased fiscal flexibility in the short term versus reduced fiscal flexibility over the term of the repayment of the debt.

The City is faced with difficult choices. While interest costs will add to the overall bill, the rapid increases in construction costs over the past few years indicate that in some circumstances, debt financing could lower the overall costs.

The 2013-17 General Capital Investment Program proposes no new debt funding. However, given the pressures to maintain and rehabilitate the City's aging infrastructure, it is likely that new debt will be issued in future years. The chart below represents the potential demand for debt in the years 2014 to 2017. The 2014 to 2017 strategic plan is still under development. When it is finalized, this plan will guide the final decision regarding the amount of new debt to be issued over the next five years in support of the General Capital Investment Program.



Historically Regina has remained very conservative in its use of debt. The following chart shows the per capita debt comparisons to other Cities for the years 2008 to 2011.



## **Asset Management Techniques**

The City established a Corporate Asset Management Steering Committee in 2008 to begin to develop a strategic asset management policy for the organization to assist in ensuring our infrastructure is maintained, rehabilitated, and replaced in order that citizens receive acceptable levels of service from all of the programs. The Committee adopted a standardized asset management methodology that will be used corporately to manage the City's infrastructure to ensure long-term sustainability. These techniques and approaches are not new to the City, but there has been significant advancement in research available across North America that is being applied in Regina. In addition, local research through the Communities of Tomorrow and joint projects with the City of Saskatoon are providing benefits.

The City of Regina is also at various stages of completion on the following - Recreation Facility Master Plan, Core Neighbourhood Sustainability Plan, Downtown Plan, Transit Investment Plan, Official Community Plan (OCP), and Solid Waste Management Plan to assist in the preparation of long-term management of these assets through identification of community needs and trends. The City continues to identify and apply best practices in pavement, sidewalk, water, and sewer infrastructure maintenance. Significant success has also been achieved through the application of a life cycle management approach to optimizing fleet costs, reducing the City's fleet by about 20% in recent years.

Historically, municipalities were not required to account for assets with the same rigour as in other industries. However, the Public Sector Accounting Board has issued recommendations to account for municipal assets or tangible capital assets. The City of Regina implemented these recommendations beginning with the 2009 Annual Financial Statements. This increased requirement for accounting for the City's assets will also aid in improving our management information available to ensure infrastructure investments are directed in a manner to ensure longevity and sustainability of our assets while providing the maximum benefit to citizens.

## **Sustainable Development Policies**

Regina's Official Community Plan (OCP) establishes sustainability as one of the two principles guiding the entire plan. The other, ensuring that development occurs in a cost efficient, environmentally responsible, and socially equitable manner, is directly related to sustainability objectives.

A key policy is to maintain a compact urban form as a sustainable model. The residential growth strategy targets substantial infill development to balance peripheral expansion. Thirty percent of new housing will be directed to infill development to meet the OCP policies.

The transportation policies in the OCP support alternative modes of transportation. With higher densities in the central city, walking, bicycling and transit become more attractive options. In new suburban areas, a model was developed in the Sector Plans, which emphasises greenways and transit oriented design, which will give emphasis to alternative modes of transportation.

Growth is managed to ensure contiguous development (avoid leapfrogging) and the cost effective provision of services. The City is continuing to work with the RM of Sherwood to manage growth in the region. Lands in the RM are reserved primarily for agricultural uses, except for sites specifically designated industrial (Sherwood Industrial Park) and commercial (abutting Highway No.1).

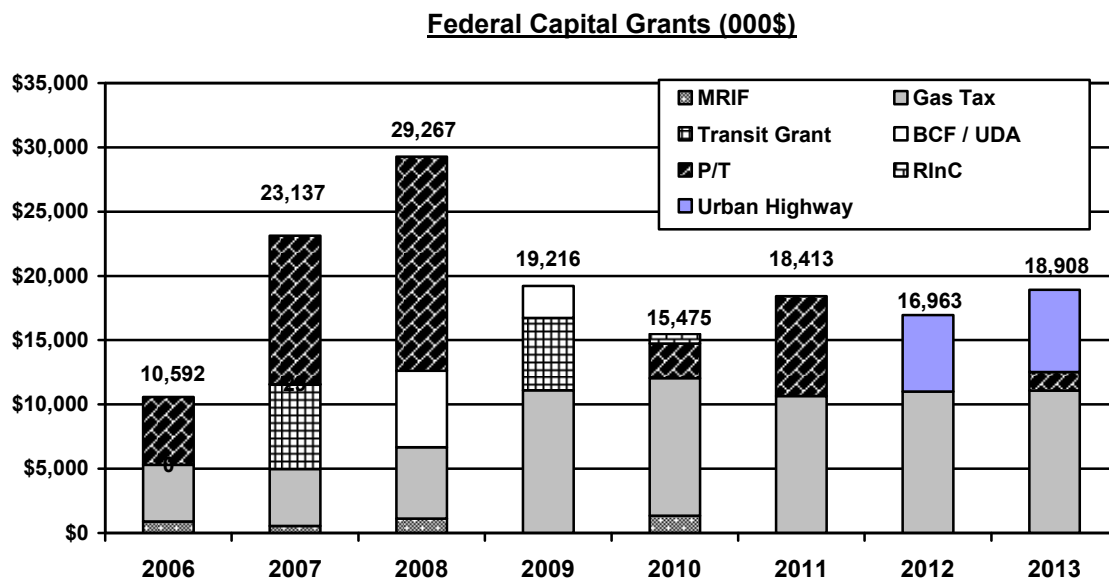
The City is in the midst of developing a new Official Community Plan that is scheduled to go to Council for approval in 2013.

In summary, the City's sustainable development policies result in a more compact city and reduce the requirements for new infrastructure.

## Capital Grant Programs

The information provided above indicates that the City is using all available approaches to manage its infrastructure requirements, but municipal taxpayers cannot do it alone. After the severe reductions in funding experienced during the 1990's and earlier this decade, the Federal Government and Provincial Governments across Canada began to recognize the importance of infrastructure funding.

*"Canada's quality of life and economic competitiveness depend in part on having reliable, efficient infrastructure that is provided in large part by municipal, provincial, territorial and federal governments." – Restoring Fiscal Balance in Canada – Focusing on Priorities – Federal Budget 2006.*



## Gas Tax

The Federal Government has implemented a program to share a portion of the Federal Gas Tax with municipalities. The share for Regina has grown from \$3.3 million in 2005 to \$11.0 million in 2013. The grant is based on 1.5 cents per litre in 2005, increasing to 5 cents a litre in 2010. During 2007, the Federal Government announced an extension of the program through the 2010-11 to 2013-14 Federal fiscal years. The Gas Tax program is administered by the Province of Saskatchewan and the City of Regina has signed an agreement with the Province to the end of the 2013-14 Federal/Provincial fiscal year. The Federal Government on its Infrastructure Canada website has stated, "The Government of Canada will deliver [Gas Tax Fund payments] beyond 2014 to provide greater certainty for local infrastructure renewal. Municipalities across the country will continue to receive stable, annual funding for their long-term infrastructure priorities."

The 2013-17 General Capital Budget and Investment Program assumes that the Gas Tax allocation received by the City for the years 2014 to 2017 will continue to be approximately \$11.0 million. This is an estimate only and is subject to change.

## Urban Highway Connector Program

The Urban Highway Connector Program ("UHCP") would see the City assume responsibility for several roads within city limits that are currently managed by the Province of Saskatchewan.

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## General Capital Investment Program Expenditures



# General Capital Investment Program Expenditures

## Capital Expenditure Summary

| Capital Expenditures (\$000's)              | 2013   | 2014    | 2015    | 2016    | 2017    | Five Year<br>Total |
|---|--------|---------|---------|---------|---------|--------------------|
| <b>City Operations</b>                      |        |         |         |         |         |                    |
| Street Infrastructure Renewal               | 18,143 | 29,500  | 31,000  | 34,000  | 37,000  | 149,643            |
| Bridge Infrastructure Renewal               | 3,244  | 8,000   | 10,000  | 5,000   | 5,000   | 31,244             |
| Traffic Control & Safety                    | 4,808  | 5,112   | 9,502   | 8,425   | 8,624   | 36,471             |
| Other Transportation Projects               | 350    | 3,770   | 80      | 80      | 80      | 4,360              |
| Landfill                                    | 5,000  | 14,100  | 12,700  | 5,000   | -       | 36,800             |
| Waste Collection                            | 320    | 80      | 480     | 480     | 480     | 1,840              |
| Streetscape                                 | 851    | 643     | 548     | 533     | 456     | 3,031              |
| Cemeteries                                  | 120    | 90      | 100     | 115     | 100     | 525                |
| Golf Courses                                | 350    | 350     | 350     | 350     | 400     | 1,800              |
| Fire & Protective Services                  | 20     | 555     | 445     | 65      | 65      | 1,150              |
| Other Capital Projects                      | 430    | 1,280   | 1,180   | 1,030   | 1,030   | 4,950              |
| Division Total                              | 33,636 | 63,480  | 66,385  | 55,078  | 53,235  | 271,814            |
| <b>Community Planning &amp; Development</b> |        |         |         |         |         |                    |
| Community Facilities                        | -      | 770     | 5,900   | -       | -       | 6,670              |
| Land Development                            | 6,710  | 500     | 500     | 500     | -       | 8,210              |
| Official Community Plan                     | 350    | 450     | -       | -       | -       | 800                |
| City Centre Development                     | 150    | 650     | -       | -       | -       | 800                |
| Roadway Network Improvements                | 17,025 | 3,225   | 15,725  | 6,800   | 13,975  | 56,750             |
| Other Transportation Projects CP&D          | 95     | 530     | 150     | 250     | 150     | 1,175              |
| Recreation Facilities                       | 510    | 2,000   | 4,845   | 6,500   | 730     | 14,585             |
| Open Space Restoration                      | 625    | 1,050   | 1,100   | 1,100   | 1,100   | 4,975              |
| Open Space Upgrades & New Development       | 60     | 60      | -       | -       | -       | 120                |
| Division Total                              | 25,525 | 9,235   | 28,220  | 15,150  | 15,955  | 94,085             |
| <b>Corporate Services</b>                   |        |         |         |         |         |                    |
| Fleet                                       | 11,324 | 11,469  | 10,599  | 9,444   | 9,037   | 51,873             |
| Facilities                                  | 8,290  | 30,282  | 24,070  | 29,392  | 29,755  | 121,789            |
| Information Technology                      | 3,454  | 3,011   | 2,586   | 450     | 450     | 9,951              |
| Division Total                              | 23,068 | 44,762  | 37,255  | 39,286  | 39,242  | 183,613            |
| <b>Office of City Manager</b>               |        |         |         |         |         |                    |
| Regina Revitalization Initiative            | 961    | -       | -       | -       | -       | 961                |
| <b>Civic Capital Total</b>                  | 83,190 | 117,477 | 131,860 | 109,514 | 108,432 | 550,473            |
| <b>Regina Police Service</b>                | 1,164  | 18,017  | 4,529   | 3,414   | 2,804   | 29,928             |
| <b>Total General Capital Expenditure</b>    | 84,354 | 135,494 | 136,389 | 112,928 | 111,236 | 580,401            |
| <b>Available Funding</b>                    | 84,354 | 76,699  | 92,556  | 60,592  | 55,321  | 369,522            |
| <b>Funding Shortfall</b>                    | -      | 58,795  | 43,833  | 52,336  | 55,915  | 210,879            |

Capital investments for the years 2013 – 2017 are identified in the table above. As noted in the individual divisional Capital Program Summaries, only a portion of the funding has been secured. The balance remains unfunded and is identified as “Funding Shortfall” in each table.

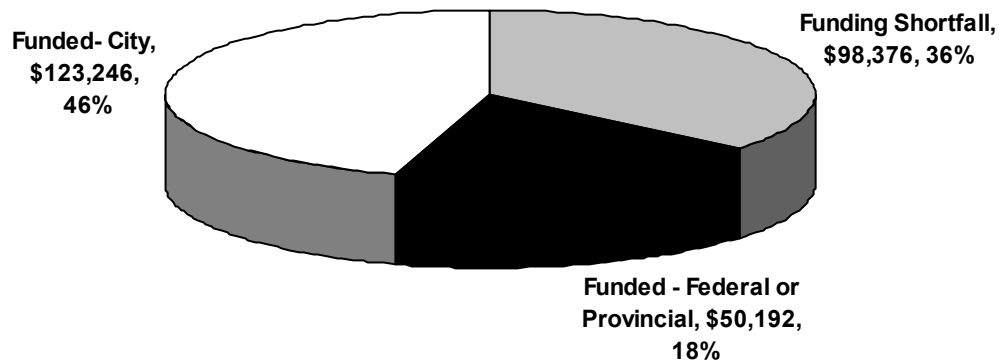
In November of 2011, the City of Regina implemented a re-organization whereby programs have been moved between Divisions to maximize efficiencies. This budget book reflects those changes. The re-organization has no impact on total funding or the allocation between programs.

## City Operations Division

### Capital Program Summary

| Capital Expenditures (\$000's)         | 2013          | 2014          | 2015          | 2016          | 2017          | Five Year Total |
|--|---------------|---------------|---------------|---------------|---------------|-----------------|
| Street Infrastructure Renewal          | 18,143        | 29,500        | 31,000        | 34,000        | 37,000        | 149,643         |
| Bridge Infrastructure Renewal          | 3,244         | 8,000         | 10,000        | 5,000         | 5,000         | 31,244          |
| Traffic Control and Safety             | 4,808         | 5,112         | 9,502         | 8,425         | 8,624         | 36,471          |
| Other Transportation Projects          | 350           | 3,770         | 80            | 80            | 80            | 4,360           |
| Landfill                               | 5,000         | 14,100        | 12,700        | 5,000         | -             | 36,800          |
| Waste Collection                       | 320           | 80            | 480           | 480           | 480           | 1,840           |
| Streetscape                            | 851           | 643           | 548           | 533           | 456           | 3,031           |
| Cemeteries                             | 120           | 90            | 100           | 115           | 100           | 525             |
| Golf Courses                           | 350           | 350           | 350           | 350           | 400           | 1,800           |
| Fire & Protective Services             | 20            | 555           | 445           | 65            | 65            | 1,150           |
| Other Capital Projects City Operations | 430           | 1,280         | 1,180         | 1,030         | 1,030         | 4,950           |
| <b>Total Expenditures</b>              | <b>33,636</b> | <b>63,480</b> | <b>66,385</b> | <b>55,078</b> | <b>53,235</b> | <b>271,814</b>  |
| <b>Funding Sources (\$000's)</b>       |               |               |               |               |               |                 |
| Current Contributions                  | 14,152        | 13,597        | 15,829        | 14,131        | 14,529        | 72,238          |
| Asset Revitalization Reserve           | 2,200         | -             | -             | -             | -             | 2,200           |
| Asphalt Plant Reserve                  | 400           | 150           | 150           | -             | -             | 700             |
| Cemetery Reserve                       | 120           | 90            | 100           | 115           | 100           | 525             |
| Fleet Replacement Reserve              | 350           | -             | -             | -             | -             | 350             |
| General Fund Reserve                   | -             | -             | -             | -             | 420           | 420             |
| Golf Course Reserve                    | 350           | 350           | 350           | 350           | 400           | 1,800           |
| Landfill Reserve                       | 5,320         | 14,180        | 12,760        | 5,060         | 60            | 37,380          |
| Gas Tax (GT)                           | 7,337         | 7,115         | 10,929        | 10,929        | 10,929        | 47,239          |
| Service Agreement Fees - Roads         | 1,288         | 418           | 3,118         | 418           | -             | 5,242           |
| Service Agreement Fees - Parks         | 666           | 508           | 441           | 409           | 367           | 2,391           |
| Provincial/Territorial                 | 1,453         | 1,500         | -             | -             | -             | 2,953           |
| <b>Available Funding</b>               | <b>33,636</b> | <b>37,908</b> | <b>43,677</b> | <b>31,412</b> | <b>26,805</b> | <b>173,438</b>  |
| <b>Funding Shortfall</b>               | <b>-</b>      | <b>25,572</b> | <b>22,708</b> | <b>23,666</b> | <b>26,430</b> | <b>98,376</b>   |

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources as well as the funding gap.



It should be noted that the capital expenditures proposed for street and bridge infrastructure renewal do not reflect the full investment required to maintain the roadway and bridge infrastructure at an optimal sustainable condition level or age. The expenditures shown for street infrastructure renewal have increased over several years in order to address the infrastructure needs of the city, and this expenditure does not represent the full total required to maintain infrastructure at its current level. This means the condition of the street infrastructure will continue to decline. To return to or maintain the average age and condition of the street infrastructure system closer to that expected at mid life, it is estimated that an additional investment in the order of \$60 million per year is required beyond the figures shown. For Bridge Infrastructure Renewal, an additional \$4 to \$5 million per year after 2012 is required to return the bridge infrastructure to an optimal level and maintain that level.

## Street Infrastructure Renewal

| Capital Summary (\$000's)                                |               |        |        |        |        | Five Year |
|--|---------------|--------|--------|--------|--------|-----------|
|  | 2013          | 2014   | 2015   | 2016   | 2017   | Total     |
| <b>Street Infrastructure Renewal</b>                     |               |        |        |        |        |           |
| Street Infrastructure Renewal                            | 15,643        | 29,500 | 31,000 | 34,000 | 37,000 | 147,143   |
| Smith Street Reconstruction (12th Avenue to 11th Avenue) | 2,500         | -      | -      | -      | -      | 2,500     |
| <b>Total</b>   | <b>18,143</b> | 29,500 | 31,000 | 34,000 | 37,000 | 149,643   |
| <b>Funding Sources</b>                                   |               |        |        |        |        |           |
| Current Contributions                                    | 10,853        | 7,197  | 9,920  | 9,860  | 10,360 | 48,190    |
| Gas Tax (GT)   | 5,837         | 7,115  | 10,929 | 10,929 | 10,929 | 45,739    |
| Provincial/Territorial                                   | 1,453         | 1,500  | -      | -      | -      | 2,953.0   |
| <b>Available Funding</b>                                 | <b>18,143</b> | 15,812 | 20,849 | 20,789 | 21,289 | 96,882    |
| <b>Funding Shortfall</b>                                 | <b>-</b>      | 13,688 | 10,151 | 13,211 | 15,711 | 52,761    |

## Current Year Programs

### Street Infrastructure Renewal

#### General Program

This program funds planning, design, project co-ordination, and contract administration for street infrastructure renewal projects. Activities include project coordinators salary and benefits; skill development and other training costs; engagement of consultants and contractors to provide engineering design, project management and construction services; co-ordination of street infrastructure projects with construction activities managed by other divisions or departments; collection of data on the physical condition of roads; enhancement of technology and supporting tools for strategic planning and program development to strengthen street infrastructure assets. Portion of funding could be available from the Gas Tax Fund, Provincial Territorial Fund, and from Saskatchewan MHI for Urban Highway Connector Program.

The program strengthens the street infrastructure which supports in our community public safety, economic development, commerce and industry, and the environment.

Based on public surveys, the road network rates as one of the highest in terms of importance for service delivery; however, it rates as the lowest in terms of service satisfaction.

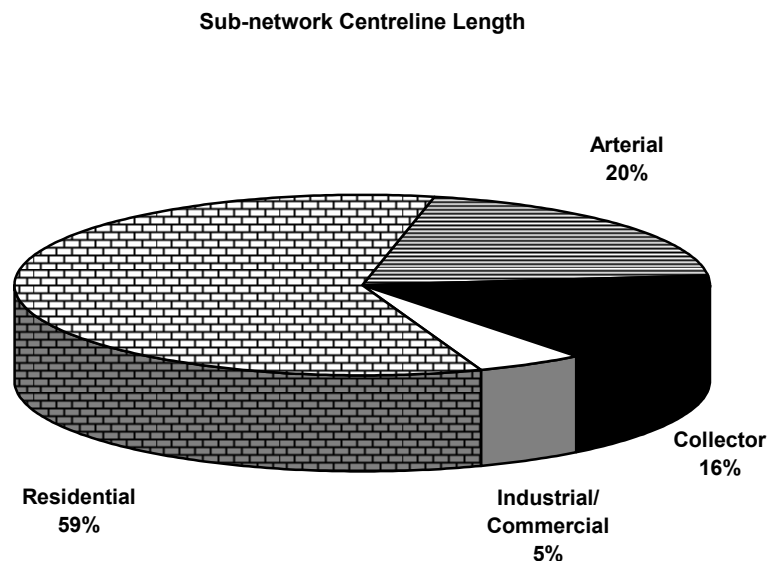
The road network infrastructure includes:

- 926 kilometres of paved roads,
- 27 kilometres of gravel roadways; and
- 1,289 kilometres of sidewalks.

The road network that serves the city of Regina is classified into four functional road categories or sub-networks:

- Arterial (major and minor arterials, expressways, highways, ramps and loops)
- Collector (major and minor collectors)
- Industrial/Commercial (major and minor industrial / commercial locals)
- Residential (residential locals)

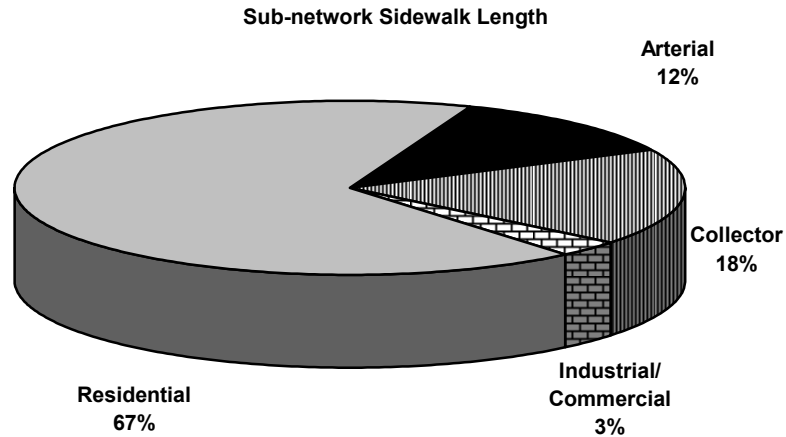
The functional classification of the road inventory in percentage of centreline length is shown in the following chart.



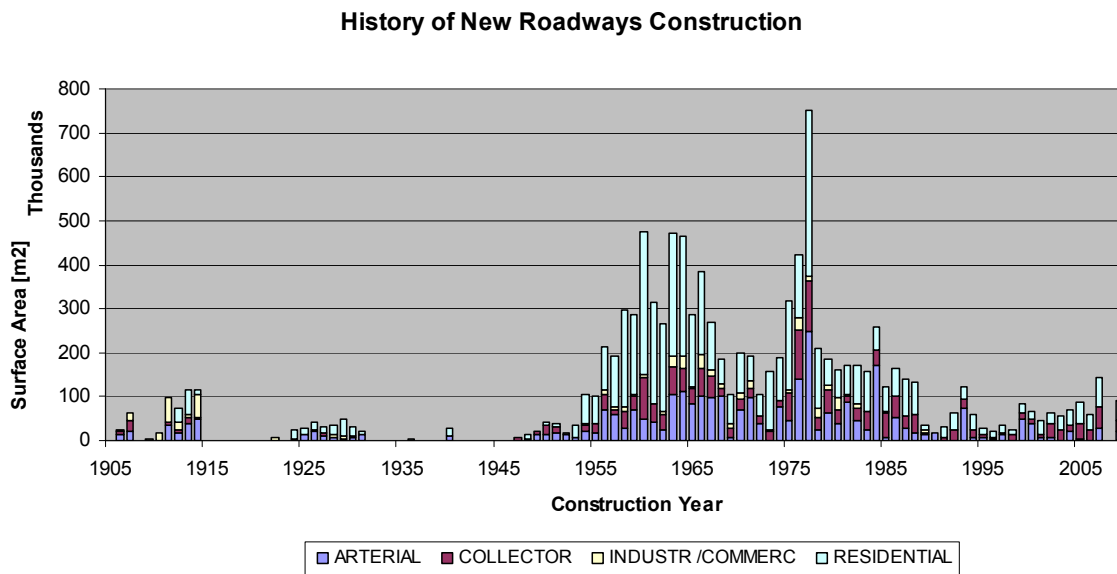
The sidewalks are part of road network infrastructure and they are classified in a similar way as the roads, e.g. the collector network includes sidewalks adjacent to roads that are classified as both major and minor collectors. In addition sidewalks are also classified as:

- Group A (high volume pedestrian traffic)
- Group B (low volume pedestrian traffic)

The functional classification of the sidewalks inventory in percentage of sidewalk length is shown in the following chart.

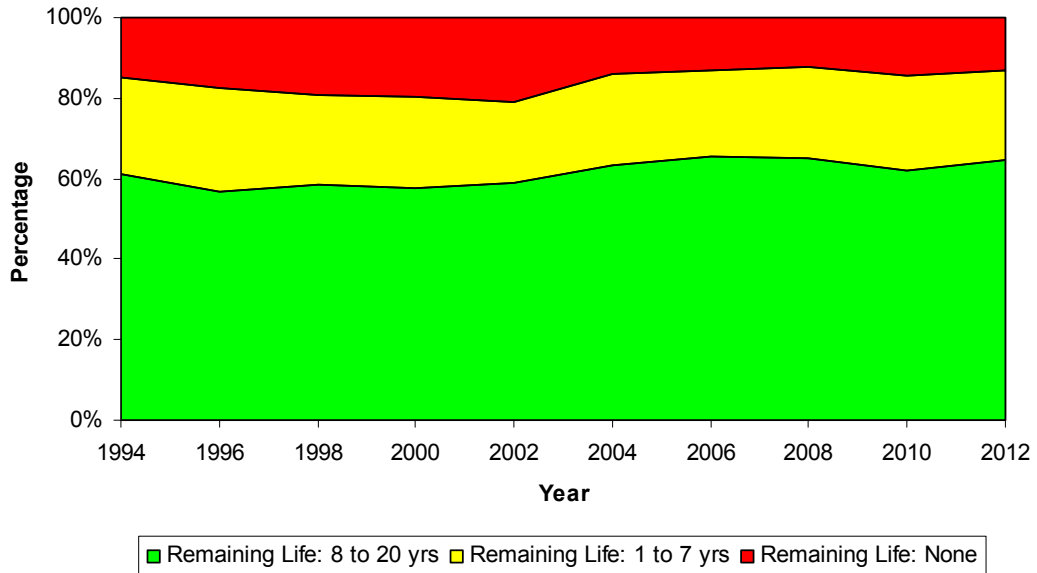


Much of the Regina's road network, as shown in below graph, was constructed between 1945 and 1985, with peaks between 1960 to 1965, and around 1977. The road network development was in conjunction with development of residential neighbourhoods.



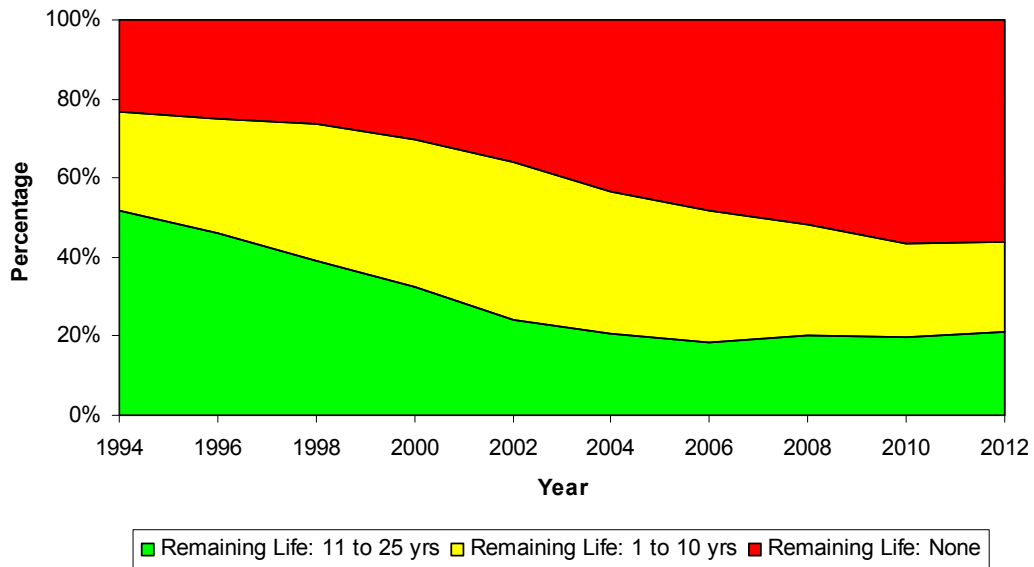
Using age as an indicator for the health of the road network approximately 85% of the asphalt surface of the arterial, collector, and industrial sub-network is currently in a fair or good condition, 15% of the asphalt surface is beyond its useful life as shown in the following chart.

### Surface Age - Arterials, Collectors, Industrial



Using age as an indicator approximately 45% of the asphalt surface of the residential network is currently in a fair or good condition, 55% of the asphalt surface is beyond its useful life as shown in chart below.

### Surface Age - Residential



Roads structures (i.e. base underlying the asphalt surface) are generally designed with an expected life-cycle of 45 to 60 years. In order for road structures to survive their full life expectancy, road preservation activities must be applied appropriately every 10 to 15 years until reconstruction is required at the end-of-life.

Typically under the Street Infrastructure Renewal program the following roadway treatment solutions are used to extend the road structure life:

- *Reconstruction.* The existing base structure and asphalt layer is removed and replaced with new material or the existing material is re-cycled in place and covered with a layer of new asphalt. The reconstruction is often combined with replacement of walk, curb and gutter. This is done under the Local Improvement Program (LIP), where property owners pay a portion of the sidewalk, curb and gutter replacement cost.
- *Rehabilitation (Asphalt Recap).* A portion of the existing asphalt layer is removed by milling and replaced with new asphalt. This treatment is applied when the road shows severe distresses, such as cracks, potholes, depressions, etc., however the base structure (support layer) under the asphalt is still in good shape. Concerns related to sidewalks are addressed as well.
- *Thin Lift Overlay.* This is paving of the road with a thin layer of asphalt on top of the existing pavement. This is applied where the road shows signs of wear, however is generally still in a good condition. Good drainage is a key factor, i.e. curb, gutter and sidewalks must be in a good condition.

Over the past 19 years, the average amount of road reconstruction has been ~1.7 km. The amount of road rehabilitation (reconstruction and resurfacing) that has been accomplished since 1994 is shown in the following table.

| Road Rehabilitation (Kilometres) |                        |               |            |                        |                      |
|----------------------------------|------------------------|---------------|------------|------------------------|----------------------|
| Year                             | Street Reconstruction  |               |            | Street Resurfacing     | Total Rehabilitation |
|                                  | Collectors & Arterials | Local Streets | Total      | Collectors & Arterials |                      |
| 1994                             | 0.3                    | 1.6           | 1.9        | 26.8                   | 28.7                 |
| 1995                             | 0.8                    | 1.5           | 2.3        | 8.5                    | 10.8                 |
| 1996                             | 0.3                    | 0.8           | 1.1        | 10.0                   | 11.1                 |
| 1997                             | 2.7                    | 1.3           | 4.0        | 12.2                   | 16.2                 |
| 1998                             | 0.8                    | 0.2           | 1.0        | 9.4                    | 10.4                 |
| 1999                             | 1.9                    | 1.3           | 3.2        | 16.6                   | 19.8                 |
| 2000                             | 2.0                    | 1.8           | 3.8        | 13.0                   | 16.8                 |
| 2001                             | 1.2                    | 1.4           | 2.6        | 17.0                   | 19.6                 |
| 2002                             | 0.9                    | 0.8           | 1.7        | 15.9                   | 17.6                 |
| 2003                             | 0.7                    | 0.0           | 0.7        | 20.3                   | 21.0                 |
| 2004                             | 0.5                    | 0.0           | 0.5        | 19.3                   | 19.8                 |
| 2005                             | 0.4                    | 0.0           | 0.4        | 24.1                   | 24.5                 |
| 2006                             | 2.2                    | 0.3           | 2.5        | 23.7                   | 26.2                 |
| 2007                             | 0.0                    | 2.4           | 2.4        | 25.9                   | 28.3                 |
| 2008                             | 0.5                    | 0.2           | 0.7        | 34.5                   | 35.2                 |
| 2009                             | 0.3                    | 0.3           | 0.6        | 26.6                   | 27.2                 |
| 2010                             | 0.0                    | 0.8           | 0.8        | 27.5                   | 28.3                 |
| 2011                             | 7.0                    | 1.1           | 1.8        | 21.8                   | 23.6                 |
| 2012                             | 0.5                    | 0.8           | 1.2        | 19.8                   | 21.0                 |
| <b>Annual Average</b>            |                        |               | <b>1.7</b> | <b>19.6</b>            | <b>21.4</b>          |

To maintain the road network life cycle we will require ideally an estimated investment of \$65-80 million annually over a 10 year period to bring the road network to realistic lifespan and eliminate current backlog. We realise that we cannot achieve this level of activity immediately, even if the funds were available (due to lack of capacity: personnel, consultants, materials, equipment, etc.)

Currently the Street Infrastructure Renewal program continues to focus on rehabilitation of major roadways in order to provide the most benefit to all motorists and commerce as 80% of the traffic is carried on 20% of the total road network. Therefore, funding for street infrastructure renewal is prioritized in the following order: expressways and arterial roadways, collector roadways and bus routes, major local roadways-

commercial, industrial, institutional, and then local roadways. Over the past three years, 70% of the Street Infrastructure Renewal Program budget has been allocated to arterial and collector roads, 25% to residential roads and 5% to industrial roads.

In the last 19 years, arterial roads have shown gradual improvement, and the residential local roads show a more rapid decline. Overall the average condition of the arterial and collector road sub-networks is relatively good, while the condition of the residential sub-network is significantly poorer.

### **Smith Street Reconstruction (12<sup>th</sup> Avenue to 11<sup>th</sup> Avenue)**

This project will plan and co-ordinate construction activities for Smith Street reconstruction. The reconstruction project supports and is required by the Downtown Neighbourhood Plan. To accommodate the Downtown Neighbourhood Plan, Transit required new bus routes on streets that do not have the structural capacity to carry the additional loading. This project addresses the need for additional structural capacity and accommodates operational needs for the City and external utility companies.

In order to build additional structural capacity, the project also requires upgrades to domestic sewer, storm, water infrastructure, IT and communications infrastructure, and traffic signals.

### **Bridge Infrastructure Renewal**

| <b>Capital Summary (\$000's)</b>      | <b>2013</b>  | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>Five Year<br/>Total</b> |
|---------------------------------------|--------------|-------------|-------------|-------------|-------------|----------------------------|
| <b>Capital Expenditures</b>           |              |             |             |             |             |                            |
| <b>Bridge Infrastructure Renewal:</b> |              |             |             |             |             |                            |
| Bridge Infrastructure Renewal         | <b>3,244</b> | 8,000       | 10,000      | 5,000       | 5,000       | 31,244                     |
| <b>Total</b>                          | <b>3,244</b> | 8,000       | 10,000      | 5,000       | 5,000       | 31,244                     |
| <b>Funding Sources</b>                |              |             |             |             |             |                            |
| Current Contributions                 | <b>1,744</b> | 2,800       | 3,200       | 1,450       | 1,400       | 10,594                     |
| Gas Tax (GT)                          | <b>1,500</b> | -           | -           | -           | -           | 1,500                      |
| Landfill Reserve                      | -            | -           | -           | -           | -           | -                          |
| Urban Highway Connector Provincial    | -            | -           | -           | -           | -           | -                          |
| <b>Available Funding</b>              | <b>3,244</b> | 2,800       | 3,200       | 1,450       | 1,400       | 12,094                     |
| <b>Funding Shortfall</b>              | <b>-</b>     | 5,200       | 6,800       | 3,550       | 3,600       | 19,150                     |

### **Bridge Infrastructure Renewal Program**

Bridge Rehabilitation Program plan over the next ten years is to increase the level of preservation and maintenance activity such that the level of service is improving rather than declining or remaining at status-quo. To achieve this plan, an average investment of \$8 Million is required annually (2012 dollars). The capacity to complete the required activity must be built-up over time, as such; the 2014 budget is \$8 Million and will increase year by year.

The 2013 proposed Bridge Infrastructure Renewal Program plan to conduct two major repairs/ rehabilitation at Ross Avenue over Ring Road and Argyle Street over Ring Road bridges along with minor repairs on various locations. The Program strengthens the bridge infrastructure which supports public safety, economic development, commerce and industry in our community, and the environment. Growth of the community and economic success is greatly influenced by bridge conditions and public perception. A healthy transportation infrastructure supports commercial and industrial activity

This account provides funds for implementation of engineering studies, designs, construction, construction management and administration to support the City's bridge infrastructure renewal program

The City's transportation network includes fifty-four bridges that included eight rail overpasses, three timber bridges and forty three concrete bridges. Concrete bridge structures are designed with an expected life-cycle of 70-80 years. In order to survive to their full life-expectancy, a combination of repairs and

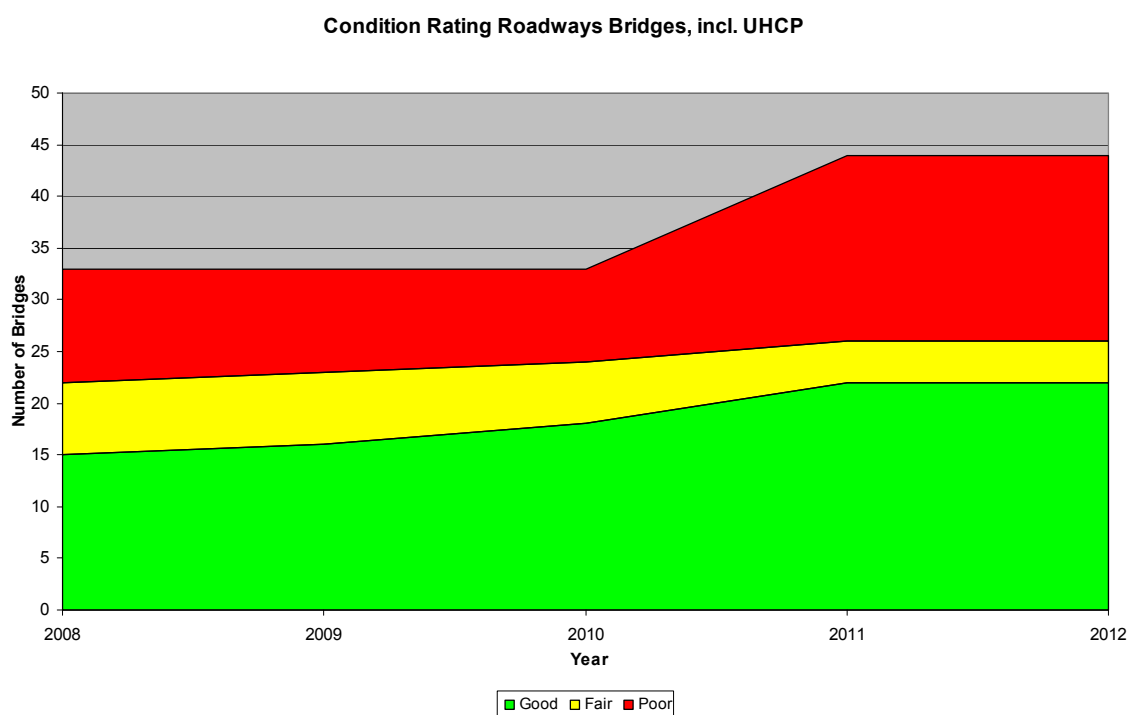


rehabilitation activities must be appropriately applied until replacement is required at the end-of-life. A bridge structure needs major repair/rehabilitation works in every 20-25 years in its life cycle.

Eleven bridges in the City bridge inventory are identified as Urban Highway Connector Program (UHCP) locations and eligible to receive funding from Saskatchewan Ministry of Highway and Infrastructure (MHI) for the rehabilitation. Capital projects on urban connectors are typically eligible for assistance from MHI at their respective provincial interest levels.

Beside roadway bridges, the City of Regina has an inventory of thirty-one pedestrian bridges.

Based on current structural conditions, the City Bridge Maintenance Program (BMP) identified that eighteen bridges need major repairs/rehabilitation by 2018. Among these 18 eighteen bridges, five bridges on urban connector network, therefore bridge rehabilitation projects will require an approval from the Ministry of Highway according to UHCP framework agreements.



## Traffic Control and Safety

| Capital Summary (\$000's)                 | 2013         | 2014         | 2015         | 2016         | 2017         | Five Year<br>Total |
|---|--------------|--------------|--------------|--------------|--------------|--------------------|
| <b>Capital Expenditures</b>               |              |              |              |              |              |                    |
| <b>Traffic Improvements:</b>              |              |              |              |              |              |                    |
| 9th Ave N Winnipeg to McDonald Safety     | 2,200        | -            | -            | -            | -            | 2,200              |
| Anti-Whistling                            | -            | 119          | 50           | 57           | 157          | 383                |
| Arcola Ave. Expressway Lighting           | 650          | -            | -            | -            | -            | 650                |
| Expressway Light Rehabilitation           | 135          | 470          | 470          | 470          | 470          | 2,015              |
| Noise Attenuation Program                 | -            | 50           | 85           | 5,000        | 5,000        | 10,135             |
| Pedestrian Protection                     | 272          | 252          | 257          | 257          | 262          | 1,300              |
| Quance St. Safety Improvements            | -            | 250          | -            | -            | -            | 250                |
| Residential Street Light Upgrading        | -            | 70           | 70           | 70           | 70           | 280                |
| Saskatchewan Dr. at Albert St.            | -            | 600          | 6,000        | -            | -            | 6,600              |
| Intersection Improvements                 |              |              |              |              |              |                    |
| Traffic Safety and Parking Infrastructure | 280          | 361          | 365          | 366          | 370          | 1,742              |
| <b>Traffic Signals:</b>                   |              |              |              |              |              |                    |
| Addition of Bucket Truck                  | -            | 215          | -            | -            | -            | 215                |
| Addition of Crane Truck                   | -            | 250          | -            | -            | -            | 250                |
| Addition of Two General Service Trucks    | -            | 120          | -            | -            | -            | 120                |
| LED Rehabilitation Program                | -            | 300          | 300          | 300          | 300          | 1,200              |
| LED Replacement Program                   | -            | 150          | -            | -            | -            | 150                |
| New/Enhanced Traffic Signals              | 826          | 810          | 810          | 810          | 900          | 4,156              |
| Program                                   | 50           | 100          | 100          | 100          | 100          | 450                |
| Traffic Signal Rehabilitation             | 395          | 995          | 995          | 995          | 995          | 4,375              |
| <b>Total</b>                              | <b>4,808</b> | <b>5,112</b> | <b>9,502</b> | <b>8,425</b> | <b>8,624</b> | <b>36,471</b>      |
| <b>Funding Source</b>                     |              |              |              |              |              |                    |
| Asset Revitalization Reserve              | 2,200        | -            | -            | -            | -            | 2,200              |
| Current Contributions                     | 1,320        | 1,643        | 2,043        | 2,322        | 2,415        | 9,743              |
| Service Agreement Fees - Roads            | 1,288        | 418          | 3,118        | 418          | -            | 5,242              |
| <b>Available Funding</b>                  | <b>4,808</b> | <b>2,061</b> | <b>5,161</b> | <b>2,740</b> | <b>2,415</b> | <b>17,185</b>      |
| <b>Funding Shortfall</b>                  | <b>-</b>     | <b>3,051</b> | <b>4,341</b> | <b>5,685</b> | <b>6,209</b> | <b>19,286</b>      |

There is significant infrastructure in place to provide for the safe and effective use of the transportation system. This infrastructure is intended to address the needs of traffic and pedestrian users of the system.

### Current Year Programs

#### 9<sup>th</sup> Avenue N Winnipeg to McDonald Safety Improvements

This project is to conduct a study of 9th Avenue North between Winnipeg Street and McDonald Street to ensure the roadway meets City standards for the volume and type of use. The preliminary study was completed in 2012 to develop the types of road configuration that are needed. A detailed study of the existing underground utilities, pipelines etc is being conducted in 2013 analyze and finalize the road configuration and determine detailed design and costs. Construction is scheduled for 2013. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

### **Arcola Avenue Expressway Lighting**

This project will install Expressway Lighting on the section of Arcola Avenue between Prince of Wales Drive and the East City Limits that currently does not have any expressway lighting. The primary objective of roadway lighting is to enhance vehicle safety by providing drivers with improved night time visibility of roadway conditions and potential hazards as well as to adequately illuminate both controlled and uncontrolled intersections. This new lighting provides expressway lighting uniformity along the Arcola Avenue corridor and will enhance the safe and efficient operation of Arcola Avenue during dusk, dawn and night. After the installation occurs the lighting along Arcola Avenue in within the project limits will meet the City's current minimum illumination standard (based on national guidelines available from the Transportation Association of Canada as well as the Illumination Engineering Society RP-8 standard). All labour, materials, supplies, equipment, and consulting/contracted services to complete this work are within the scope of this project.

### **Expressway Light Rehabilitation**

This program targets to rehabilitate the City's approximately 900 expressway poles and their associated control cabinets over a 10 year period. The goal of the program is a reduction in overall maintenance costs due to infrastructure failures and an increase in level of service and reliability. Location selection occurs annually based on the current condition of the assets as environmental conditions and rate of failure of the asset may impact the order of importance for replacement. The infrastructure replaced includes wiring, cabinets, cabinet components, luminaries and breakaway pole base components (replacement of concrete pole bases occurs under this program when the base has deteriorated to the point of failure). All labour, materials, supplies, equipment, and consulting/contracted services to complete this work are within the scope of the program.

This budget request for 2013 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual additional infrastructure related to growth. Typically the branch has been focussing on accommodating new developments which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

### **Pedestrian Protection**

This is an annual program to improve pedestrian accommodations and safety for the public throughout the City. Improvements include the installation and rehabilitation of pedestrian corridors (flashing red lights), pedestrian half signals, pedestrian crosswalk signs, no parking signs near schools, and the installation of pedestrian fencing adjacent to high speed roadways. Funding typically provides for the installation of one pedestrian corridor and three pedestrian crosswalks, and the rehabilitation of two pedestrian corridors. In 2012, funding was used to install pedestrian crosswalks and signs and no parking signs near schools. Locations for installation of new pedestrian corridors were selected and construction will begin in 2013. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

### **Traffic Safety and Parking Infrastructure**

This is an annual program consisting of multiple traffic safety projects aimed at improving the safety and/or efficiency of on street vehicle movements or support parking control infrastructure programs. Safety improvements include additional turning lanes, channelization, traffic calming, new or improved signing, or durable pavement markings. Intersection safety is also considered and intersections are analysed for improvements based on potential for collisions, traffic volumes, measured delay, public concerns and field observations. Labour, equipment, project management and consulting/contracted services to complete this work are within the scope of the program.

### **New/Enhanced Traffic Signals**

Based on new development and growth, changes in traffic flow, increasing traffic congestion, pedestrian accessibility needs and public transit schedule adherence considerations, new or enhanced traffic signals

are required. Projects included within this program are: traffic signal design and installation, new/additional/enhanced vehicle detection device installation, signal timing/phasing changes (including the addition of left turn signal displays), and accessible pedestrian signals installation and evaluation. Labour (including design and evaluation time), materials, supplies, equipment, analysis tools, software, and consulting/contracted services to complete this work are within the scope of the program.

In 2013 projected growth in the City and changes in traffic flow due to new developments requires the installation of up to five new traffic signals. Other planned enhancements and upgrades for 2013 could include Accessible Pedestrian Signals installation at five locations, new left-turn arrow installations at seven locations, additional vehicle detection devices and other miscellaneous upgrades. Location selection is annual based on traffic signal warrant analysis (calculated from traffic volume data collected by the City's traffic counting program), delay studies, safety evaluations and growth projections.

This budget for 2013 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual additional infrastructure related to growth. Typically the branch has been focussing on accommodating new developments which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

#### **Traffic Signal Detection Replacement Program**

Most of Regina's traffic signals require extensive vehicle detection systems to provide sufficient data to the traffic signal controller for effective traffic signal operation. The existing microwave detection units used extensively in the City are beyond their design life and are failing, which is resulting in an inefficient traffic signal operation. The inefficient traffic signal operation causes vehicular delay and increased driver frustration.

This program replaces failed or failing microwave vehicle detection units with the latest video image detection technology to achieve proper traffic signal operation and assure reliability. The recommended rehabilitation program is to replace the microwave detection units over a 10 year period (approximately six intersections per year). An annual budget of \$100,000 is required. Labour, equipment, software, and engineering services to complete this work are within the scope of the program.

#### **Traffic Signal Rehabilitation**

This is an ongoing annual program performing end of life asset replacement targeting rehabilitation of 4% of the City's signalized intersections per year. The program includes the replacement of traffic signal poles, ducts, wiring, controls, lights, detection equipment, audible pedestrian indications, software, other ancillary supplies and components based on the expected life spans of the individual component types. Electronic equipment has a shorter end of life and replacements occur based on a ten year end cycle after considering the current condition and functionality. Labour, materials, supplies, equipment, analysis tools, software, and consulting/contracted services to complete this work are within the scope of the program. Program locations are selected yearly based on the condition of the signals (and their components) and coordination with major roadway projects. At the end of 2011 approximately 33% of the City's traffic signals were over 25 years old and 14% were between 15 and 24 years old.

This budget for 2013 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual additional infrastructure related to growth. Typically the branch has been focussing on accommodating new developments which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

## **Future Years Planned Programs**

### **Anti-Whistling**

As required by federal law, railroads must sound their engine whistles while they approach any railway/roadway level crossing. Of the approximately 55 level crossings in Regina, 20 crossings have been identified as locations where anti-whistling would be beneficial to the surrounding community. All locations slated for anti-whistling must pass rigorous safety inspections that often result in upgrades or replacement of the warning devices, such as advanced warning devices and gates. The Capital funding is to cover the costs of safety audits and improvements such as signals, fencing and pedestrian crossings so railway crossings can meet the safety criteria at the locations where anti-whistling is planned. Labour, equipment, software, and consulting/contracted services to complete this work is also within the scope of the program.

### **Noise Attenuation Program**

This program is to develop a comprehensive road noise strategy and policy that addresses noise predictions and measurements for existing and future developments. The first phase completes a comprehensive noise abatement strategy to develop a needs assessment. The second phase of this program is a feasibility study to determine implementation costs and prioritize candidate locations. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

### **Quance Street Safety Improvements**

Quance Street was originally designed to function as a commercial collector to allow traffic to move with relative ease, from Truesdale Drive to Prince of Wales drive, and still have access to the surrounding businesses. The project will assess the overall elements that make up the Quance Street corridor from Truesdale Drive to Prince of Wales Drive. The route includes a number of large retail stores and shopping centres which all generate significant turning traffic volumes. In 2012 a traffic safety study was completed assessing the overall elements that make up the Quance Street corridor. This study reviewed traffic flow conditions, levels of service, crash history and pedestrian safety along the study segment and provided short term and long-term solutions to enhance safety on this segment of Quance Street. Short term improvements will be implemented in 2013 to address pedestrian safety and critical turning movements. Longer term improvements will be implemented as funding is made available. Labour, equipment, software and consulting services to complete this work are within the scope of the project.

### **Residential Street Light Upgrading**

This program manages and evaluates illumination levels for the City's residential streets with a goal of providing and ensuring residents, businesses and roadway users have adequate roadway illumination. Annual project selection occurs through two processes: residents, businesses and roadway users request additional street lights and City staff evaluates areas of the City with known or suspected deficient lighting levels. City staff establishes a yearly program based on both need and available budget. Once program locations have been identified the City requests SaskPower to design, install, and maintain these new assets, with funding provided by the City. The City's annual Operating Budget budgets for the electricity costs related to the new assets. These annual operating costs are \$203 per year per streetlight (based on the average cost of 18,176 total streetlights at a total estimated cost of \$3,689,620 in 2011).

### **Saskatchewan Drive at Albert Street Intersection Improvements**

This project provides upgrades to Saskatchewan Drive and Albert Street to increase the safety and capacity, of the intersection. Anticipated work includes reconfiguration of the intersection geometry and upgrades to the traffic signals and installation of new pavement & sidewalks. All labour, materials, project management, services, equipment, and consulting/contracted services as required for this project are within the project scope. Possible funding partnerships will be considered.

**Addition of Crane Truck**

This project acquires a crane truck for the Traffic Signals & Lighting Branch. As capital infrastructure work, maintenance work and rehabilitation projects increase due to continued growth and development within the City it has become necessary to add an additional vehicle capable of lifting large and heavy loads enabling two separate crews of staff to work on projects both requiring the use of a resource of this type. This additional vehicle ensures that when the current crane truck is out of service that projects are not delayed or omitted due to lack of resources.

**Addition of Bucket Truck**

This project acquires a bucket truck (aerial lift) for the Traffic Signals & Lighting Branch. As capital infrastructure work, maintenance work and rehabilitation projects increase due to continued growth and development within the City and due to aging infrastructure it has become necessary to add an additional aerial lift vehicle to support the multiple programs requiring the use of a resource of this type.

**Addition of Two General Service Trucks**

This project acquires two general service trucks for the Traffic Signals & Lighting Branch. As capital infrastructure and maintenance work increase due to continued growth and development in the City, we are utilizing smaller work crews dispatched to more locations in order to continue with the current level of service. This requires more vehicles to be available for use. Additionally, as on street safety becomes of greater concern and projects become larger in work zone size these additional vehicles provide resources to supplement the work zone set-up through the use of onboard arrow boards.

**LED Rehabilitation Program**

This is an on-going annual program performing end of life asset replacement of LED traffic signal lamps that were installed under the City's LED Replacement Program. It is expected that this on-going rehabilitation project will begin in 2014 as the industry standard expected useful life for an LED traffic signal lamp is 5-7 years. When an LED has been in operation for 5-7 years its intensity degrades to levels that no longer meet applicable standards and specifications for illumination properties. This useful life therefore requires approximately 20% of the lamps to be replaced annually, starting in 2014 upon completion of the five year capital LED Replacement which was started in 2009 and completes in 2013. Labour, materials, services, equipment, analysis tools and consulting/contracted services to complete this work are within the scope of the program.

**LED Replacement Program**

This is the continuation of a five year planned replacement program (installation began in 2009) to replace the City's estimated 8,300 incandescent traffic signal lamps with the LED equivalent. LED lamps are more efficient which results in lower electricity costs and less generation of greenhouse gases. It is estimated that this conversion process will result in an annual electricity cost savings of \$172,000 annually once the program is complete in 2013. LED lamps also provide enhanced reliability as the lamp does not burn out and can be replaced in a planned and systematic manner rather than requiring the current ad hoc replacements combined with a yearly program to preventatively replace incandescent bulbs prior to their failure. LED bulbs will result in increase reliability to the public. This program also complies with legislative requirements that will ban the manufacture of incandescent light bulbs. Labour, materials, services, equipment, analysis tools and consulting/contracted services to complete this work are within the scope of the program.

A portion of a full time equivalent position at a 25% level is required in 2013 to support this program and other traffic signal and lighting related programs which are related to additional infrastructure due to growth. A typical planning guideline estimates that one full time position is required for every 10 new traffic signals. Budget that was allocated in 2012 will be sufficient to support this 25% full time equivalent position combined with other 2013 budget requests.

## Other Transportation Projects

| Capital Summary (\$000's)              | 2013       | 2014         | 2015      | 2016      | 2017      | Five Year<br>Total |
|--|------------|--------------|-----------|-----------|-----------|--------------------|
| <b>Other Transportation Projects</b>   |            |              |           |           |           |                    |
| Civic Radio System Replacement         | -          | 3,690        | -         | -         | -         | 3,690              |
| Concrete SlipForm Replacement Purchase | 350        | -            | -         | -         | -         | 350                |
| Railway Crossing                       | -          | 50           | 50        | 50        | 50        | 200                |
| Ring Road Sign Rehabilitation          | -          | 30           | 30        | 30        | 30        | 120                |
| <b>Total</b>                           | <b>350</b> | <b>3,770</b> | <b>80</b> | <b>80</b> | <b>80</b> | <b>4,360</b>       |
| <b>Funding Sources</b>                 |            |              |           |           |           |                    |
| Current Contributions                  | -          | 1,320        | 26        | 23        | 22        | 1,391              |
| Fleet Replacement Reserve              | 350        | -            | -         | -         | -         | 350.0              |
| <b>Available Funding</b>               | <b>350</b> | <b>1,320</b> | <b>26</b> | <b>23</b> | <b>22</b> | <b>1,741</b>       |
| <b>Funding Shortfall</b>               | <b>-</b>   | <b>2,450</b> | <b>54</b> | <b>57</b> | <b>58</b> | <b>2,619</b>       |

## Current Year Programs

### Concrete SlipForm Replacement Purchase

The current concrete slipform is a 1985 Gomaco, it is over 25 years old. We continue to recognize increases in projected and scheduled work where the slipform is required. Interest in upgrading the local street network continues to be important, both through the local improvement project as well as looking for new ways to address the deteriorating local network. There are currently 15 Local Improvement proposals to be considered and in order for program to be sustainable we require replacement of our existing machine, recognized that it is nearing the end of its already extended life expectancy. The payback based on efficiencies would approximate \$150K for this season and for each season ahead. For the past three seasons, 21%, 32% and 29% of our work has been performed using the SlipForm. For the 2013 construction season, it is anticipated that 60% of the work to be undertaken while require the use of the SlipForm. In other words, \$6.0M of \$10.2M in scheduled spending will require the use of the SlipForm. Roadways Preservation has identified projections of continued commitment to perform four to five km of slip allocated work each construction season.

This also allows potential for revenue generation opportunity should consideration be given to new subdivision development and entering work for 3rd parties with both concrete and asphalt programs.

## Future Years Planned Programs

### Civic Radio System Replacement

In 2013, the current radio system, used corporately by Fire, Police, EMS, Parks & Open Space and outside agencies will be replaced with a new system. This will be required to replace any portable and mobile radios that we currently use, that will not be compatible with the new system.

The current system has undergone several upgrades since its inception approximately 10 years ago. Its last software release will be installed in 2010. However, no further upgrades will be available, making the purchase of new equipment mandatory.

Funding for the radio infrastructure will be requested through the Corporate Radio Committee; however each user agency is required to fund any user gear (portables, mobiles) via their own departmental budget. This budget is based on replacing MTX838 B7 portable radios at approximately \$4K/radio.

**Railway Crossing**

This program is to upgrade the roadway at railroad crossings to safe railway condition. This program is coordinated with Canadian National Railway and Canadian Pacific Railway programs to upgrade the railroad tracks at the crossings. Two or three crossings are upgraded every year. The activities involved in this program are engineering services, asphalt resurfacing, concrete repairs, and replacing railway seals.

Portion of cost will be shared with the Canadian National Railway and Canadian Pacific Railway. City liability for damages and injuries due to railway crossing condition may increase.

**Ring Road Sign Rehabilitation Program**

There are 44 large green information signs along Ring Road from Victoria Ave to Pasqua Street. These signs are beyond their design life and are deteriorating. This program's intent is to replace these signs with new, more visible and functional signs that meet national standards. The recommended rehabilitation program is to replace the signs over a 10 year period (approximately six signs per year). An annual budget of \$30,000 is required. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.



# Landfill

| Capital Summary (\$000's)                                | 2013         | 2014          | 2015          | 2016         | 2017     | Five Year<br>Total |
|--|--------------|---------------|---------------|--------------|----------|--------------------|
| <b>Capital Expenditures</b>                              |              |               |               |              |          |                    |
| <b>Fleet Street Landfill:</b>                            |              |               |               |              |          |                    |
| Landfill Capping and Closure                             | 1,000        | 2,500         | 2,500.0       | 1,000.0      | -        | 7,000              |
| Landfill Gas Collection                                  | 3,000        | 100           | 1,200         | -            | -        | 4,300              |
| <b>New Landfill:</b>                                     |              |               |               |              |          |                    |
| Landfill Development-Engineering Design and Construction | 1,000.0      | 11,500        | 9,000.0       | 4,000        | -        | 25,500             |
| <b>Total</b>   | <b>5,000</b> | <b>14,100</b> | <b>12,700</b> | <b>5,000</b> | <b>-</b> | <b>36,800</b>      |
| <b>Funding Sources</b>                                   |              |               |               |              |          |                    |
| Landfill Reserve   | 5,000        | 14,100        | 12,700        | 5,000        | -        | 36,800             |
| <b>Funding Total</b>                                     | <b>5,000</b> | <b>14,100</b> | <b>12,700</b> | <b>5,000</b> | <b>-</b> | <b>36,800</b>      |
| <b>Funding Shortfall</b>                                 | <b>-</b>     | <b>-</b>      | <b>-</b>      | <b>-</b>     | <b>-</b> | <b>-</b>           |

The City's landfill is located in the northeast corner of the city. The landfill has been in operation at the site since 1961. The entire site occupies approximately 124 hectares, with the approved footprint of the landfill disposal area covering approximately 80 hectares. The current height of the landfill is approximately 45 meters above the surrounding landscape.

## Current Year Programs

### Landfill Capping and Closure

The City has identified a need to update the previous closure plan, identify material to be used for construction, develop a closure progression schedule, engineering, design and construction of an engineered cover. Landfill capping and closure ensures compliance with the requirement of Saskatchewan Ministry of Environment (SMOE)'s Permit to Operate and the Waste Management regulations.

### Landfill Gas Collection

The Landfill Gas Collection and Flare System capture and destroy landfill generated methane which is a Greenhouse Gas. Work includes engineering design and construction of gas collection wells and piping and associated elements.

### Landfill Development-Engineering Design and Construction

This project provides for expansion of the Fleet Street Solid Waste Disposal and Recovery Facility (landfill) which is a critical component of the City's waste management infrastructure. Work includes engineering, design and construction of new landfill cell areas including environmental protection elements and associated improvements.

## Waste Collection

| Capital Summary (\$000's)               | 2013       | 2014      | 2015       | 2016       | 2017       | Five Year<br>Total |
|---|------------|-----------|------------|------------|------------|--------------------|
| <b>Capital Expenditures</b>             |            |           |            |            |            |                    |
| <b>Solid Waste</b>                      |            |           |            |            |            |                    |
| Rear Alley Cart Truck                   | 320        | -         | -          | -          | -          | 320                |
| Refuse Cart Replacement                 | -          | -         | 420        | 420        | 420        | 1,260              |
| Refuse Cart Population Growth           | -          | 60        | 60         | 60         | 60         | 240                |
| Waste Plan Regina - Implementation Plan | -          | 20        | -          | -          | -          | 20                 |
| <b>Total</b>                            | <b>320</b> | <b>80</b> | <b>480</b> | <b>480</b> | <b>480</b> | <b>1,840</b>       |
| <b>Funding Sources</b>                  |            |           |            |            |            |                    |
| Current Contributions                   | -          | -         | 134        | 122        | -          | 256                |
| General Fund Reserve                    | -          | -         | -          | -          | 420        | 420                |
| Landfill Reserve                        | 320        | 80        | 60         | 60         | 60         | 580                |
| <b>Available Funding</b>                | <b>320</b> | <b>80</b> | <b>194</b> | <b>182</b> | <b>480</b> | <b>1,840</b>       |
| <b>Funding Shortfall</b>                | <b>-</b>   | <b>-</b>  | <b>286</b> | <b>298</b> | <b>-</b>   | <b>584</b>         |

### Current Year Programs

#### Rear Alley Cart Truck

Solid Waste Collection requires the addition of a 27 yard garbage packer for cart collection in rear alleys. Alley collection is being converted from shared alley containers to individual cart collection. The current alley fleet of automated side loaders is being replaced with smaller capacity cart trucks which are able to maneuver in the alleys where the front street fleet cannot operate.

The alley fleet has always consisted of 10 automated collection trucks however; one was replaced in 2010 with a rear loader to provide redundancy for the manual collection operation. A minimum of 10 vehicles is needed for alley collection. Route sizes have been decreased to accommodate the new collection method of two sided alley collection, increased collection time and smaller capacity vehicles. An additional cart truck is needed to bring the alley fleet back up to 10 units to accomplish the work and certainty of service through adequate fleet redundancy.

### Future Year Programs

#### Refuse Cart Replacement

Carts have an expected lifetime of 10 years. Cart deployment began in 2006; therefore an annual replacement program will need to be initiated in 2015 to begin deployment in the following year.

#### Refuse Cart Population Growth

Purchase of 1,000 refuse carts annually for expected population growth.

#### Waste Plan Regina - Implementation Plan

The Implementation of Waste Plan Regina includes providing property-side recycling, bulky waste pick up and yard and leaf waste collection to 65,000 residences, conversion of back alley shared refuse containers to carts (30,000), construction of a permanent House Hold Hazardous Waste Facility and the creation of a utility billing system for solid waste collection.

# Streetscape

| Capital Summary (\$000's)                                   | 2013       | 2014       | 2015       | 2016       | 2017       | Five Year<br>Total |
|---|------------|------------|------------|------------|------------|--------------------|
| <b>Streetscape Development:</b>                             |            |            |            |            |            |                    |
| 9th Avenue North - McCarthy Blvd to Courtney St             | 623        | -          | -          | -          | -          | 623                |
| Arcola Avenue - Chuka Blvd to Chuka Creek                   | -          | -          | 320        | -          | -          | 320                |
| Arcola Avenue - Woodloand Grove to Chuka Blvd               | -          | 180        | -          | -          | -          | 180                |
| Courtney Street - North of Mapleford                        | -          | -          | -          | 125        | -          | 125                |
| Dewdney Avenue - Pilot Butte Creek to Prince of Wales Drive | -          | 100        | -          | -          | -          | 100                |
| Lewwan Drive - 25th Avenue to Regina Avenue                 | -          | -          | -          | -          | 270        | 270                |
| Pasqua Street North - Big Bear Blvd to Hwy 11               | -          | -          | -          | 180        | -          | 180                |
| Pasqua Street North - Rochdale Blvd to Diefenbaker Drive    | -          | 135        | -          | -          | -          | 135                |
| Plant Material Establishment Funding                        | 144        | 144        | 144        | 144        | 144        | 720                |
| <b>Streetscape Restoration:</b>                             |            |            |            |            |            |                    |
| Tree Replacement along Arterials, Buffers and Parks         | 84         | 84         | 84         | 84         | 42         | 378                |
| <b>Total</b>  | <b>851</b> | <b>643</b> | <b>548</b> | <b>533</b> | <b>456</b> | <b>3,031</b>       |
| <b>Capital Funding</b>                                      |            |            |            |            |            |                    |
| Current Contributions                                       | 185        | 47         | 34         | 36         | 25         | 327                |
| Service Agreement Fees (Parks)                              | 666        | 508        | 441        | 409        | 367        | 2,391              |
| <b>Available Funding</b>                                    | <b>851</b> | <b>555</b> | <b>475</b> | <b>445</b> | <b>392</b> | <b>2,718</b>       |
| <b>Funding Shortfall</b>                                    | <b>-</b>   | <b>88</b>  | <b>73</b>  | <b>88</b>  | <b>64</b>  | <b>313</b>         |

## Current Year Program

### 9<sup>th</sup> Avenue North – McCarthy Boulevard to Courtney Street

This project will encompass the design and construction of a landscaped buffer along 9th Avenue North, from McCarthy Boulevard to Courtney Street, completing the 9th Avenue North; McCarthy Boulevard to Pinkie Road Roadway Network Improvement Project., The development will include trees, shrubs, and earth berms.

### Plant Material Establishment Funding

Newly planted trees and shrubs in parks and open space in new developments are watered weekly for a three-year period to ensure establishment and survival of the new plant material. Any plantings that fail to survive this three-year period are replaced. Funded substantively through Servicing Agreement Fees, this program supports plant establishment, which significantly impacts and enhances the attractiveness of Regina's urban forest.

### Tree Replacement along Arterials, Buffers and Parks

Over the past several years, tree vacancy has become noticeable along arterial roads, buffers and within park space. Tree vacancy is a result of tree mortality subsequent to a three-year establishment period. Newly planted trees are maintained and watered during the establishment period. Subsequent to that, the trees do not receive further care. Most trees survive, however some die as a result of mechanical damage, vandalism, rodents, wildlife, environmental conditions and road construction. This program will replace these vacancies.

## Future Years Planned Programs

### Arcola Avenue – Chuka Boulevard to Chuka Creek

This project is comprised of street tree planting along both sides of Arcola Avenue, between Chuka Boulevard and Chuka Creek. Street tree planting along this major arterial roadway, adjacent to The Creeks and Greens on Gardiner subdivisions, will maintain current landscape standards.

**Arcola Avenue – Woodland Grove to Chuka Boulevard**

This project is comprised of street tree planting along both sides of Arcola Avenue, between Woodland Grove and Chuka Boulevard. Street tree planting along this major arterial roadway, adjacent to The Creeks and Greens of Gardiner subdivisions, will maintain current landscape standards.

**Courtney Street – North of Mapleford**

This project comprises of street tree planting along Courtney Street, from Mapleford, north 350 metres.

**Dewdney Avenue – Pilot Butte Creek to Prince of Wales Drive**

This project is comprised of street tree planting along Dewdney Ave, between Pilot Butte and Prince of Wales Drive. This streetscape will create a unified planting scheme and help create a gateway into adjacent neighbourhoods, easing the transition from prairie to urban landscape.

**Lewvan Drive – 25<sup>th</sup> Avenue to Regina Avenue**

This project is comprised of street tree planting along the west side of Lewvan Drive, between 25th Avenue and Regina Avenue. Street tree planting along this major arterial roadway adjacent to Harbour Landing, will maintain current landscape standards.

**Pasqua Street North – Big Bear Boulevard to Highway 11**

This project is comprised of street tree planting along Pasqua Street North between Big Bear Boulevard and Highway 11. Street tree planting along this major arterial roadway, adjacent to the new Hawkstone subdivision, will maintain current landscape standards.

**Pasqua Street North – Rochdale Boulevard to Diefenbaker Drive**

This project is comprised of street tree planting along the west side of Pasqua Street North, from Rochdale Boulevard to Diefenbaker Drive. Street tree planting along this major arterial roadway, adjacent to the Lakeridge subdivision extension, will maintain current landscape standards.

## Cemeteries

| Capital Summary (\$000's)                 | 2013       | 2014      | 2015       | 2016       | 2017       | Five Year<br>Total |
|---|------------|-----------|------------|------------|------------|--------------------|
| <b>Cemetery Improvements and Repairs:</b> |            |           |            |            |            |                    |
| Cemeteries General Allocation             | 120        | 90        | 100        | 115        | 100        | 525                |
| <b>Total</b>                              | <b>120</b> | <b>90</b> | <b>100</b> | <b>115</b> | <b>100</b> | <b>525</b>         |
| <b>Funding Sources</b>                    |            |           |            |            |            |                    |
| Cemetery Reserve                          | 120        | 90        | 100        | 115        | 100        | 525                |
| <b>Available Funding</b>                  | <b>120</b> | <b>90</b> | <b>100</b> | <b>115</b> | <b>100</b> | <b>525</b>         |
| <b>Funding Shortfall</b>                  | <b>-</b>   | <b>-</b>  | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>           |

## Current Year Programs

**Cemeteries General Allocation**

The Cemeteries General Allocation, funded entirely through the Cemeteries Reserve, is used to sustain the cemeteries' assets to ensure the cemetery program continues to effectively operate its two locations: Regina Cemetery and Riverside Memorial Park Cemetery. The work typically funded through the General Allocation includes the construction of monument strip foundations, columbarium purchases and installation, new and infill tree and shrub plantings, landscape upgrades, road repairs, sign installations, and irrigation restoration. The cemetery program operates on a cost-recovery basis. Fees and charges are established to offset annual operating costs, as well as the cemeteries' capital needs.

## Golf Courses

| Capital Summary (\$000's)            | 2013       | 2014       | 2015       | 2016       | 2017       | Five Year<br>Total |
|--------------------------------------|------------|------------|------------|------------|------------|--------------------|
| <b>General Golf Course Projects:</b> |            |            |            |            |            |                    |
| Golf Courses General Allocation      | 350        | 350        | 350        | 350        | 400        | 1,800              |
| <b>Total</b>                         | <b>350</b> | <b>350</b> | <b>350</b> | <b>350</b> | <b>400</b> | <b>1,800</b>       |
| <b>Funding Sources</b>               |            |            |            |            |            |                    |
| Golf Course Reserve                  | 350        | 350        | 350        | 350        | 400        | 1,800              |
| <b>Available Funding</b>             | <b>350</b> | <b>350</b> | <b>350</b> | <b>350</b> | <b>400</b> | <b>1,800</b>       |
| <b>Funding Shortfall</b>             | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>           |

## Current Year Programs

### Golf Courses General Allocation

The Golf Courses General Allocation, funded entirely through the Golf Course Reserve, is used to sustain the golf courses' assets to ensure that the golf course program continues to operate effectively at its four locations: TorHill, Murray, Joanne Goulet and Lakeview Par 3. The capital work typically funded through the General Allocation includes mitigation of water erosion, course restoration and improvements, tree removal and replacement and irrigation systems restoration. The Golf Course Management and Financial Plan, approved by City Council in 1999, establishes the capital development strategy for golf courses in the context of course revenues.

## Fire & Protective Services Department

| Capital Summary (000's)                       | 2013      | 2014       | 2015       | 2016      | 2017      | Five Year<br>Total |
|---|-----------|------------|------------|-----------|-----------|--------------------|
| <b>Other Equipment Fire</b>                   |           |            |            |           |           |                    |
| Fire Capital Equipment Restoration & Wellness | 20        | 65         | 65         | 65        | 65        | 280                |
| Thermal Imaging Cameras                       | -         | 110        | -          | -         | -         | 110                |
| Traffic Signal Pre-emption                    | -         | 130        | 130        | -         | -         | 260                |
| Training Props                                | -         | 250        | 250        | -         | -         | 500                |
| <b>Total</b>                                  | <b>20</b> | <b>555</b> | <b>445</b> | <b>65</b> | <b>65</b> | <b>1,150</b>       |
| <b>Funding Sources</b>                        |           |            |            |           |           |                    |
| Current Contributions                         | 20        | 194        | 142        | 19        | 18        | 393                |
| <b>Available Funding</b>                      | <b>20</b> | <b>194</b> | <b>142</b> | <b>19</b> | <b>18</b> | <b>393</b>         |
| <b>Funding Shortfall</b>                      | <b>-</b>  | <b>361</b> | <b>303</b> | <b>46</b> | <b>47</b> | <b>757</b>         |

## Current Year Programs

### Fire Capital Equipment Restoration & Wellness

This program addresses unfunded equipment replacement needs. Equipment life cycle analysis has identified funding gaps based on life expectancy and upgrades to equipment as identified by NFPA Standards, CSA Standards and Occupational Health and Safety regulations. With no identified funding programs to replace these assets this equipment is or has surpassed its safe working life or is functionally obsolete placing our employees and the citizens at risk. Items in this category are related to fire appliances, specialized tools and equipment.

The program also includes the wellness/fitness equipment that supports the implementation and sustainability of the department's peer fitness program that promotes fitness and well-being of employees

which allows them to meet the physical demands and challenges of the fire-fighting profession. The department cost shares fitness equipment with the employee organization.

## Future Years Planned Programs

### Thermal Imaging Cameras

The department currently has 11 thermal imaging cameras deployed on emergency response apparatus. This specialized equipment has proven invaluable in quickly locating fire victims, and/or fire and heat sources in extreme smoke and related emergency conditions. The thermal imaging camera is able to "see" through heavy smoke conditions during rescue or recognise heat within walls and partitions identifying fire extension. Due to the extreme conditions in which these cameras are required to function, they have a five-year life expectancy. Funding is for the replacement of all cameras.

### Traffic Signal Pre-emption

Traffic light pre-emption reduces intersection accident rates up to 70%, thereby decreasing costs related to accident liability and vehicle replacement. This system allows fire apparatus responding to incidents to control the flow of traffic. The reduction in response times increases with the number of controlled signalized intersections thereby increasing the effective radius of each station. Program expansion is requested due to population and property development growth. Additional devices are needed in order to maintain the Department's response time objective.

### Training Props

The department is developing a business plan in order to support mandatory personnel training programs. The props will assist in the delivery of the programs.

## Other Capital Projects

| Capital Summary (\$000's)                         | 2013       | 2014         | 2015         | 2016         | 2017         | Five Year<br>Total |
|---|------------|--------------|--------------|--------------|--------------|--------------------|
| <b>Capital Expenditures</b>                       |            |              |              |              |              |                    |
| <b>Asphalt Plant</b>                              |            |              |              |              |              |                    |
| Granular Material - Salt Management               | -          | 70           | -            | -            | -            | 70                 |
| Improvement of soil blending and storing facility | -          | 30           | -            | -            | -            | 30                 |
| Upgrade of major components of asphalt plant      | 400        | 150          | 150          | -            | -            | 700                |
| <b>Buildings &amp; Yards</b>                      |            |              |              |              |              |                    |
| Backstop Restoration                              | 30         | 30           | 30           | 30           | 30           | 150                |
| Snow Storage/Disposal Facility Development        | -          | 1,000        | 1,000        | 1,000        | 1,000        | 4,000              |
| <b>Total</b>                                      | <b>430</b> | <b>1,280</b> | <b>1,180</b> | <b>1,030</b> | <b>1,030</b> | <b>4,950</b>       |
| <b>Funding Source</b>                             |            |              |              |              |              |                    |
| Asphalt Plant Reserve                             | 400        | 150          | 150          | -            | -            | 700                |
| Current Contributions to Capital                  | 30         | 396          | 329          | 299          | 288          | 1,342              |
| <b>Funding Total</b>                              | <b>430</b> | <b>546</b>   | <b>479</b>   | <b>299</b>   | <b>288</b>   | <b>2,042</b>       |
| <b>Funding Shortfall</b>                          | <b>-</b>   | <b>734</b>   | <b>701</b>   | <b>731</b>   | <b>742</b>   | <b>2,908</b>       |

## Current Year Programs

### Upgrade of major components of asphalt plant

The 2013 portion of the asphalt plant upgrading project is to add equipment that would allow for recycling of asphalt slabs to produce hot mix asphalt during winter months for patching and cut repairs. The recycled asphalt would replace the cold mix. This initiative would generate 70% savings or up to \$50,000 per year.

**Backstop Restoration**

This program provides funding for the restoration or decommissioning of ball diamond backstops. Based on the recommendation of the Athletic Field Study, which provides principles, guidelines, standards and policies to guide the development and management of athletic surfaces, the Study includes criteria for prioritizing capital projects. Ball diamond backstops typically deteriorate as a result of significant use of the ball diamond. Restoration is prioritized by ball diamond use as well as consideration for the safety of users and spectators.

**Future Years Planned Programs****Asphalt Plant****Upgrade of major components of asphalt plant**

This is a general allocation for upgrading major components of the Asphalt Plant. Each component is evaluated periodically and scheduled for replacement during winter months if probability of total failure to occur within a year is high. The components selected for replacement due to economical reasons will be based on a cost/benefit ratio.

**Granular Material - Salt Management**

This project is to reduce the environmental impact of storing salt mixtures by eliminating or capturing runoff and removing salt prior to the water entering the sewer system. It will include engineering, procurement, and construction.

**Improvement of soil blending and storing facility**

Currently soil mixtures are stored outdoor and are exposed to rain. Wet soils are not workable and require increased labour and equipment time and substantial productivity losses for the landscape maintenance crews. It was estimated by the internal customers that the additional cost to handle wet soils is \$20,000 as compared to handling dry soils. The raw materials are stored on clay and after heavy rain the site is not accessible to blend soils for few days. This affects availability of the products to internal crews. To increase customers' satisfaction and reduce their down time it is proposed to pave the area where the materials are stored and build a roof over a portion of blended soils to secure the supply of dry materials for at least a week.

**Snow Storage/Disposal Facility Development - Phase I Site Design**

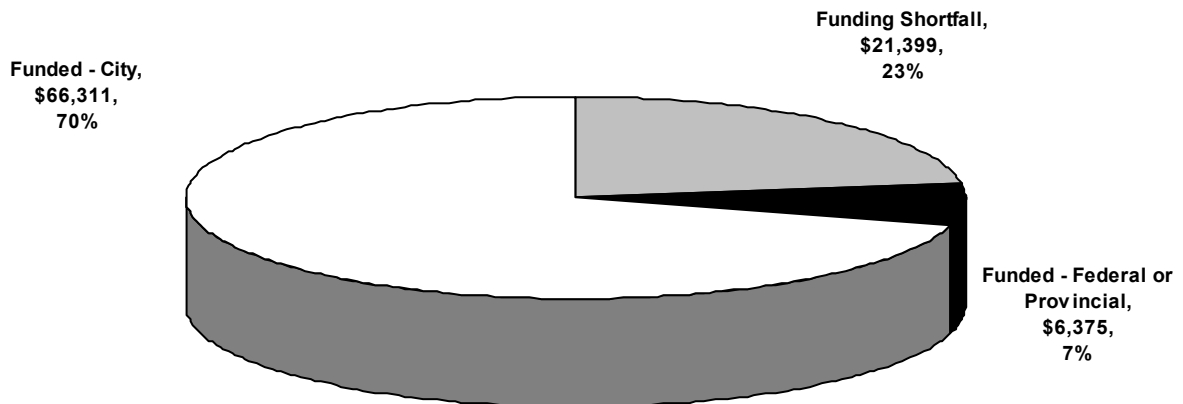
The City's vision is to develop an engineered, cost effective snow disposal system that will serve Regina's future needs. The City of Regina has an approved Salt Management Plan fulfilling the City's obligations under provincial and federal legislation. The City's stated goal in regard to snow disposal sites is to use TAC's Syntheses of Best Practices Road Salt Management - Snow Storage and Disposal.

## Community Planning & Development Division

### Capital Program Summary

| Capital Expenditures (\$000's)           | 2013          | 2014         | 2015          | 2016          | 2017          | Five Year<br>Total |
|--|---------------|--------------|---------------|---------------|---------------|--------------------|
| Land Development                         | 6,710         | 500          | 500           | 500           | -             | 8,210              |
| Official Community Plan                  | 350           | 450          | -             | -             | -             | 800                |
| City Centre Development                  | 150           | 650          | -             | -             | -             | 800                |
| Roadway Network Improvements             | 17,025        | 3,225        | 15,725        | 6,800         | 13,975        | 56,750             |
| Other Transportation Projects CP&D       | 95            | 530          | 150           | 250           | 150           | 1,175              |
| Recreation Facilities                    | 510           | 2,000        | 4,845         | 6,500         | 730           | 14,585             |
| Community Facilities                     | -             | 770          | 5,900         | -             | -             | 6,670              |
| Open Space Restoration                   | 625           | 1,050        | 1,100         | 1,100         | 1,100         | 4,975              |
| Open Space Upgrades & New<br>Development | 60            | 60           | -             | -             | -             | 120                |
| <b>Total</b>                             | <b>25,525</b> | <b>9,235</b> | <b>28,220</b> | <b>15,150</b> | <b>15,955</b> | <b>94,085</b>      |
| <b>Funding Sources (\$000's)</b>         |               |              |               |               |               |                    |
| Current Contributions                    | 1,831         | 1,524        | 2,656         | 2,352         | 2,787         | 11,150             |
| Deferred Revenue-Dedicated Lands         | -             | 385          | 2,950         | -             | -             | 3,335              |
| Fleet Replacement Reserve                | 60            | 60           | -             | -             | -             | 120                |
| General Fund Reserve                     | 319           | -            | -             | -             | -             | 319                |
| Land Development Reserve                 | 6,710         | 500          | 500           | 500           | -             | 8,210              |
| Urban Highway Connector Program          | 6,375         | -            | -             | -             | -             | 6,375              |
| Service Agreement Fees (Parks)           | 332           | 806          | 3,396         | 532           | 435           | 5,501              |
| Service Agreement Fees (Roads)           | 8,398         | 2,682        | 9,954         | 6,007         | 5,565         | 32,606             |
| Developer Contributions                  | 1,500         | 450          | 3,120         | -             | -             | 5,070              |
| <b>Available Funding</b>                 | <b>25,525</b> | <b>6,407</b> | <b>22,576</b> | <b>9,391</b>  | <b>8,787</b>  | <b>72,686</b>      |
| <b>Funding Shortfall</b>                 | <b>-</b>      | <b>2,828</b> | <b>5,644</b>  | <b>5,759</b>  | <b>7,168</b>  | <b>21,399</b>      |

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources as well as the funding gap.





## Land Development

| Capital Summary (\$000's)               | 2013         | 2014       | 2015       | 2016       | 2017     | Five Year<br>Total |
|---|--------------|------------|------------|------------|----------|--------------------|
| <b>Ross Industrial Land Development</b> |              |            |            |            |          |                    |
| Ross Industrial Land Development        | 6,310        | -          | -          | -          | -        | 6,310              |
| <b>North Argyle Land Development</b>    |              |            |            |            |          |                    |
| North Argyle Land Development           | 400          | 500        | 500        | 500        | -        | 1,900              |
| <b>Total</b>                            | <b>6,710</b> | <b>500</b> | <b>500</b> | <b>500</b> | <b>-</b> | <b>8,210</b>       |
| <b>Funding Sources</b>                  |              |            |            |            |          |                    |
| Land Development Reserve                | 6,710        | 500        | 500        | 500        | -        | 8,210              |
| <b>Available Funding</b>                | <b>6,710</b> | <b>500</b> | <b>500</b> | <b>500</b> | <b>-</b> | <b>8,210</b>       |
| <b>Funding Shortfall</b>                | <b>-</b>     | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b> | <b>-</b>           |

The City undertakes land development as required to ensure a supply of land is available such as industrial land.

Whenever the City undertakes land development the City pays all associated costs of the development such as servicing fees, development fees, and costs for infrastructure, surveying and design costs.

Funding for land development is from the Land Development Reserve which was created in 2010 as a dedicated funding source for the acquisition and land development project costs where the city is the developer. It is anticipated that over time real estate revenues will provide returns beyond what is required for the Land Development Reserve Fund. In the short term, funds in the reserve are required for the up front costs of land development that will generate long term income streams.

### Current Year Programs

#### Ross Industrial Land Development Phase

Demand for industrial land has been strong. Construction of the next phase of Ross Industrial Park is currently underway. This phase will create approximately 47 acres of saleable industrial lots. The construction will be completed and the land will be available to market in 2013.

#### North Argyle Land Development

The project will maximize the value of existing land and ensure the land is available to enable growth. The project will fulfill the expected demand for land in this area with development phased over a few years. The funds will support servicing of the land to accommodate residential and commercial demand.

# Official Community Plan

| Capital Summary (\$000's)                         | 2013       | 2014       | 2015     | 2016     | 2017     | Five Year<br>Total |
|---|------------|------------|----------|----------|----------|--------------------|
| <b>Development of the Official Community Plan</b> |            |            |          |          |          |                    |
| OCP Study   | 350        | 450        | -        | -        | -        | 800                |
| <b>Program Total</b>                              | <b>350</b> | <b>450</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>800</b>         |
| <b>Funding Sources</b>                            |            |            |          |          |          |                    |
| Current Contributions                             | 286        | 129        | -        | -        | -        | 415                |
| Service Agreement Fees (Parks)                    | 32         | 41         | -        | -        | -        | 73                 |
| Service Agreement Fees (Roads)                    | 32         | 41         | -        | -        | -        | 73                 |
| <b>Available Funding</b>                          | <b>350</b> | <b>211</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>561</b>         |
| <b>Funding Shortfall</b>                          | <b>-</b>   | <b>239</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>239</b>         |

## Current Year Programs

### OCP Study

As a result of provincially-legislation requirements (Planning and Development Act, 2007), review and revision of Part A of the Regina Development Plan, Bylaw No. 7877 into a new Official Community Plan (OCP) was identified in the Corporate Strategic Plan as a Key Area of Focus for the City for 2008-2012. This OCP will respond to current circumstances and trends and address future growth needs based on sustainability: environment/ecology, economics, culture and the social aspects of the community. This will be accomplished through the development of a comprehensive growth strategy and policy framework to tie together serviceability, community input and best practices that will determine principles and sequencing for future growth and change in the city. The non-utility component of this project is funded from Current Contributions (75%) and from Roads and Related Servicing Agreement Fees, and Parks and Recreational Facilities Servicing Agreement Fees (25%).

## City Centre Development

| Capital Summary (\$000's)                    | 2013       | 2014       | 2015     | 2016     | 2017     | Five Year<br>Total |
|--|------------|------------|----------|----------|----------|--------------------|
| <b>City Centre Development</b>               |            |            |          |          |          |                    |
| City Square Fountain                         | -          | 300        | -        | -        | -        | 300                |
| Downtown Streetscape Standards               | -          | 50         | -        | -        | -        | 50                 |
| Downtown Transportation Study Phase III      | -          | 150        | -        | -        | -        | 150                |
| Downtown Transportation Study Implementation | 150        | 150        | -        | -        | -        | 300                |
| <b>Total Expenditures</b>                    | <b>150</b> | <b>650</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>800</b>         |
| <b>Funding Sources</b>                       |            |            |          |          |          |                    |
| Current Contributions                        | 150        | 228        | -        | -        | -        | 378                |
| <b>Available Funding</b>                     | <b>150</b> | <b>228</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>378</b>         |
| <b>Funding Shortfall</b>                     | <b>-</b>   | <b>422</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>422</b>         |

## **Current Year Programs**

### **Downtown Transportation Study Implementation**

Phases One and Two of the Downtown Transportation Study will be completed in the spring of 2013. Some improvements to parking, pedestrian/cyclist accommodation, transit management and roads have been identified already with additional improvements expected to be recommended in early 2013. The 2013 funding would see the implementation of the recommendations from Phases One and Two which would include, but not limited to, the addition of way finding signage, improvements to transit facilities and improvements to traffic control devices in the downtown core between Victoria Avenue, Saskatchewan Drive, Broad Street and Albert Street.

## **Future Years Planned Programs**

### **City Square Fountain**

This project involves the installation of the state of the art fountain components purchased but not installed as part of the City Square plaza development.

### **Downtown Streetscape Standards**

Consulting services will be purchased to provide downtown streetscape standards and drawings per the Regina Downtown Neighbourhood Plan.

### **Downtown Transportation Study Phase III**

The project includes Phase Three of the Downtown Transportation Study which will provide a comprehensive review of traffic operations, traffic controls, transit needs, one-way conversions, asset conditions, and bike and pedestrian planning for all streets between Broad Street, Albert Street 13th Avenue and College Avenue.

# Roadway Network Improvements

| Capital Summary (\$000's)  | 2013          | 2014         | 2015          | 2016         | 2017          | Total         |
|--|---------------|--------------|---------------|--------------|---------------|---------------|
| <b>Roadway Network Improvements</b>                                      |               |              |               |              |               |               |
| Arcola Avenue Functional Study (College Avenue to Prince of Wales Drive) | -             | -            | -             | 300          | -             | 300           |
| Argyle St. North (Sangster Boulevard to Pipeline)                        | -             | -            | 2,200         | -            | -             | 2,200         |
| Argyle St. North (South of Pipeline to Rochdale)                         | -             | -            | 2,200         | -            | -             | 2,200         |
| Chuka Blvd (Green Apple Drive to Primrose Drive)                         | -             | 750          | -             | -            | -             | 750           |
| Chuka Blvd (Arcola Avenue to Green Apple Drive)                          | 5,700         | -            | -             | -            | -             | 5,700         |
| Chuka Blvd (Primrose Drive to Arens Road)                                | -             | -            | 3,000         | -            | -             | 3,000         |
| Diefenbaker Drive (McCarthy Boulevard to Skyview)                        | -             | 1,500        | -             | -            | -             | 1,500         |
| Lewvan Dr. and Dewdney Ave. Intersection                                 | -             | -            | -             | 275          | 2,750         | 3,025         |
| Parliament Ave. Extension (Harbour Landing Dr. to James Hill Rd.)        | 2,800         | -            | -             | -            | -             | 2,800         |
| Pasqua St. and Ring Rd. Intersection Improvements                        | -             | 500          | 4,000         | -            | 5,500         | 10,000        |
| Pasqua St. Corridor Improvements (Ring Rd. to North of Rochdale Blvd.)   | -             | 350          | 3,500         | -            | -             | 3,850         |
| Prince of Wales Drive (Eastgate Drive to Dewdney)                        | -             | -            | -             | -            | 200           | 200           |
| Ring Rd. Widening (Albert St. to McDonald St.)                           | -             | 100          | 500           | 5,000        | -             | 5,600         |
| Roadways Completion Program  | 25            | 25           | 25            | 25           | 25            | 125           |
| Rochdale Blvd. Extension (existing to Argyle St.)                        | -             | -            | -             | 1,200        | -             | 1,200         |
| Ross Avenue Ramp Extensions (Ross Avenue to Dewdney Avenue)              | -             | -            | -             | -            | 2,500         | 2,500         |
| Victoria Avenue East (Fleet St. to City Limits)                          | 8,500         | -            | -             | -            | -             | 8,500         |
| Wascana Pkwy. And Hwy 1 Interchange                                      | -             | -            | 300           | -            | 3,000         | 3,300         |
| <b>Total</b>   | <b>17,025</b> | <b>3,225</b> | <b>15,725</b> | <b>6,800</b> | <b>13,975</b> | <b>56,750</b> |
| <b>Funding Sources</b>   |               |              |               |              |               |               |
| Current Contributions  | 165           | 82           | 848           | 259          | 2,355         | 3,709         |
| Developer Contributions  | 1,500         | 450          | 3,120         | -            | -             | 5,070         |
| General Fund Reserve   | 319           | -            | -             | -            | -             | 319           |
| Servicing Agreement Fees (Parks)   | 300           | -            | -             | -            | -             | 300           |
| Servicing Agreement Fees (Roads)   | 8,366         | 2,541        | 9,954         | 5,907        | 5,565         | 32,333        |
| Urban Highway Connector Provincial                                       | 6,375         | -            | -             | -            | -             | 6,375         |
| <b>Available Funding</b>   | <b>17,025</b> | <b>3,073</b> | <b>13,922</b> | <b>6,166</b> | <b>7,920</b>  | <b>48,106</b> |
| <b>Funding Shortfall</b>   | <b>-</b>      | <b>152</b>   | <b>1,803</b>  | <b>634</b>   | <b>6,055</b>  | <b>8,644</b>  |

Roadway Network Improvements consist of new road construction for locations approved as part of the Regina Road Network Plan and include brand new roadways typically adjacent to new development areas and roadways widening projects in existing built areas of the city. Arterial roadways are typically funded through a cost share by the City, Servicing Agreement Fees and Developers, in accordance with the Administration of Servicing Agreement Fees and Development Levies Policy. Developers fund construction of new local and collector streets. The City road network grows by approximately four to six kilometres per year.

## Current Year Programs

### Chuka Boulevard (Arcola Avenue to Green Apple Drive)

This project includes the design and construction of Chuka Boulevard from Arcola Avenue to 400m north of Green Apple Drive, including upgrades to the Chuka Boulevard and Arcola Avenue intersection, facilitating development in the Greens on Gardiner subdivision and further north. The project may include roadway design and construction and landscaping. Funding for this road component of the project is provided through 60% Developer Contributions, 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Parliament Avenue Extension (Harbour Landing Drive to James Hill Road)**

This project includes the detailed design and construction of the extension of Parliament Avenue from Harbour Landing Drive to James Hill Road. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate development in Harbour Landing. Funding for this project is provided through 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees and 60% Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Roadways Completion Program**

This is an ongoing program to provide signs, permanent pavement markings, pedestrian crossings and similar low cost transportation related infrastructure along roadways and bikeways that were constructed within the last five years. The infrastructure to be provided as part of this fund consists of infrastructure that was missed during the initial design phase but is currently warranted or required. Funding is provided through 5% Current Contributions to capital and 95% Roads and Related Servicing Agreement Fees.

**Victoria Avenue East (Fleet Street to City Limits)**

This project is the construction of upgrades to Victoria Avenue East. The project includes additional lanes along Victoria Avenue between Fleet Street and the City limits. It also includes realignment of Eastgate Drive, bridge upgrades, intersection upgrades and completes the missing portion of the pedestrian pathway along Pilot Butte Creek. The capacity improvements provide a long term solution to manage traffic increases associated with development in east Regina and bedroom communities. The bridge construction will replace aging infrastructure that is approaching the end of its useful life. The pathway will complete a missing portion of the TransCanada Trail. Funding is provided through 3.75% Current Contributions to Capital and 21.25% Roads and Related Servicing Agreement Fees and 75% from Provincial Funding (exact splits subject to negotiation but City's contributions will not exceed 3.75%).

**Future Years Planned Programs****Argyle Street North (Sangster Boulevard to Pipeline)**

This project includes the detailed design and construction of Argyle Street North from Sangster Boulevard to halfway across the Pipeline Right-of-Way. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate development to the north of Argyle Park. Funding for this project is provided through 2.5% Current Contributions to Capital, 47.5% Roads and Related Servicing Agreement Fees and 50% from Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Argyle Street North (South of Pipeline to Rochdale Boulevard)**

This project includes the detailed design and construction of Argyle Street North from halfway across the Pipeline Right-of-Way to Rochdale Boulevard. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate development to the north of Argyle Park. Funding for this project is provided through 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees and 60% from Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Chuka Boulevard (Green Apple Drive to Primrose Drive)**

This project includes the design and construction of Chuka Boulevard from 400m north of Green Apple Drive to Primrose Drive facilitating development in the Greens on Gardiner subdivision and further north. The project may include roadway design, construction and landscaping. Funding for this project is provided through 60% Developer Contributions, 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Chuka Boulevard (Primrose Drive to Arens Road)**

This project includes the design and construction of Chuka Boulevard from Primrose Drive to Arens Road to facilitate The Towns development. This project may include roadway design, construction and landscaping. Funding for this project is provided through 2% Current Contributions, 38% Roads and Related Servicing Agreement Fees and 60% Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Diefenbaker Drive (McCarthy Boulevard to Skyview access)**

This project includes the detailed design and construction of Diefenbaker Drive from McCarthy Boulevard to the east Skyview subdivision access at the future Balzer Road. It will include road construction and landscaping. The road construction will help meet long term transportation needs in northwest Regina by providing a second access into the Skyview subdivision. Funding for this project is provided through 5% Current Contributions to Capital and 95% Roads and Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Lewvan Drive and Dewdney Avenue Intersection Modifications**

This project includes the detailed design and construction of capacity improvements at the Lewvan Drive and Dewdney Avenue intersection. It may include addition of turn lanes, relocation of utilities and detours during construction. The improvements will help improve capacity and meet long term traffic growth associated with development in northwest Regina. Funding for this project is provided through 59.5% Current Contributions to Capital and 40.5% Roads and Related Servicing Agreement Fees

**Pasqua Street and Ring Road Intersection Improvements**

This project includes the detailed design and construction of intersection improvements at the Pasqua Street and Ring Road. This project may include construction of a new intersection, relocation of utilities, construction of an interim intersection and detours. The capacity improvements will provide a permanent solution to meet long term traffic growth associated with development in northwest Regina. Funding for this project is provided through 15% Current Contributions to Capital and 85% Roads and Related Servicing Agreement Fees.

**Pasqua Street Corridor Improvements (Ring Road to North of Rochdale Boulevard)**

This project includes the detailed design and construction of capacity improvements along the Pasqua Street Corridor from Ring Road to north of Rochdale Boulevard. It may include addition of vehicle lanes along or intersecting the corridor and construction of future road works at the intersection of Pasqua Street and Ring Road. The capacity improvements will provide an interim solution to manage increases in traffic associated with development in northwest Regina. Funding for this project is provided through 82% Current Contributions to Capital and 18% Roads and Related Servicing Agreement Fees.

**Prince of Wales Drive (Eastgate Drive to Dewdney Avenue)**

This project includes the detailed design and construction of the east half of the existing Prince of Wales Drive. It may include addition of vehicle lanes, relocation of utilities and landscaping. The addition of these lanes will serve to meet increased traffic demands resulting from development in east Regina. Funding for this project is provided through 5% Current Contributions to Capital and 95% Roads and Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Ring Road Widening (Albert Street to McDonald Street)**

This project includes an initial study, detailed design and construction of a third eastbound lane along the Ring Road which is anticipated to be operating at or near its maximum capacity in the coming years. It may include addition of vehicle lanes, widening and lengthening of ramps, relocation of railway crossing lights, signs and utilities and reconstruction of bridge embankments. The capacity improvements will provide a long-term solution to manage increases in traffic associated with development in Ross Industrial Park as well as northwest Regina. Funding for this project is provided through 85% Roads and Related Servicing Agreement Fees and 15% Current Contributions to Capital

**Rochdale Boulevard Extension (Existing to Argyle Street)**

This project includes the detailed design and construction of the extension of Rochdale Boulevard to Argyle Street. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate the Hawkstone development to the north of Argyle Park. Funding for this project is provided through 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees and 60% from Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

**Ross Avenue Ramp Extensions (Ross Avenue to Dewdney Avenue)**

This project includes the detailed design and construction of the Ross Avenue Ramp extensions / third lane from Ross Avenue to Dewdney Avenue. The Ring Road corridor is experiencing significant delays and operational concerns related to traffic bound to and from the Ross Industrial Park. This project may include construction of ramps, relocation of utilities and installation of traffic control signals. The capacity improvements will help provide a permanent solution to meet long term traffic growth associated with expansion in the northeast Regina Industrial Lands. Funding for this project is provided by 82% from Current Contributions to Capital and 18% from Roads and Related Servicing Agreement Fees.

**Wascana Parkway and Highway 1 Interchange**

This project includes the detailed design and construction of interchange loops at the Wascana Parkway and Highway No.1 By-Pass interchange which experiences significant queuing and operational concerns related to traffic bound to the University of Regina and SIAST. It may include construction of ramps, relocation of utilities and changes to the traffic control signals. The capacity improvements will provide a permanent solution to meet long term traffic growth associated with expansion at the University of Regina, SIAST and southeast Regina. Funding for this project is provided through 82% Current Contributions to Capital and 18% Roads and Related Servicing Agreement Fees.

## Other Transportation Projects

| Capital Summary (\$000's)   | 2013      | 2014       | 2015       | 2016       | 2017       | Five Year<br>Total |
|---|-----------|------------|------------|------------|------------|--------------------|
| <b>Other Transportation Projects CP&amp;D</b>                                       |           |            |            |            |            |                    |
| Parking Enforcement Radios  | 30        | -          | -          | -          | -          | 30                 |
| Additional Parking Enforcement Vehicles   | 65        | -          | -          | -          | -          | 65                 |
| Balfour Walkway   | -         | 280        | -          | -          | -          | 280                |
| Missing Sidewalks Construction Program  | -         | 150        | 150        | 150        | 150        | 600                |
| Sustainable Infrastructure - Transportation and Road Right of Way Studies and Pilot | -         | 100        | -          | 100        | -          | 200                |
| <b>Total Expenditures</b>   | <b>95</b> | <b>530</b> | <b>150</b> | <b>250</b> | <b>150</b> | <b>1,175</b>       |
| <b>Funding Sources</b>  |           |            |            |            |            |                    |
| Current Contributions   | 95        | 151        | 48         | 44         | 42         | 380                |
| Service Agreement Fees (Roads)  | -         | 100        | -          | 100        | -          | 200                |
| <b>Total Funding</b>  | <b>95</b> | <b>251</b> | <b>48</b>  | <b>144</b> | <b>42</b>  | <b>580</b>         |
| <b>Funding Shortfall</b>  | <b>-</b>  | <b>279</b> | <b>102</b> | <b>106</b> | <b>108</b> | <b>595</b>         |

## Current Year Programs

### Parking Enforcement Radios

To accommodate the increase in the number of commissionaires, additional radios are required. These radios are used for the field officers to communicate to the main office and in emergency situations.

### Additional Parking Enforcement Vehicles

The City assumed responsibility for parking enforcement in January 2012. An additional 3 vehicles are required to provide parking enforcement services to suburban areas of the City and other high use areas such as the hospitals, neighbourhoods adjacent to the university and inner city neighbourhood with 2 hour non-metered parking zones.

## Future Years Planned Programs

### Balfour Walkway

The purpose of this project is to develop a 9 metre wide walkway connection adjacent to Balfour Collegiate between College Avenue and Broadway Avenue. As part of the Core Neighbourhood Sustainability Action Plan (2008) significant public engagement was undertaken and it was determined that a north-south pedestrian linkage to the grocery store on Broadway Avenue ranked as one of the neighbourhood's highest priorities.

### Missing Sidewalks Construction Program

This project provides for the construction of sidewalks and pathways along roads where either no sidewalks exists or is present only on one side of the road and require an upgrade to both sides. Construction of additional sidewalk would be evaluated and implemented based on pedestrian safety, public transit and budget. Funding is provided through Current Contributions to Capital.

### Sustainable Infrastructure – Transportation and Road Right of Way Studies and Pilot Projects

This project encompasses pilot projects and studies pertaining to pedestrian, cycling, transit and vehicle infrastructure. Projects and studies will be used to determine the future viability of new or innovative sustainable solutions to the City of Regina which may be ultimately incorporated into future development policy, guidelines and specifications. Studies or pilot projects will be focused within new growth areas and will either be independent from or augment new infrastructure construction. Funding for this project is provided through 100% from Roads and Related Servicing Agreement Fees.



## Recreation Facilities

| Capital Summary (\$000's)   | Five Year  |              |              |              |            | Total         |
|---|------------|--------------|--------------|--------------|------------|---------------|
|   | 2013       | 2014         | 2015         | 2016         | 2017       |               |
| <b>Recreation Facilities and Equipment</b>                        |            |              |              |              |            |               |
| CPTED Improvements  | 25         | -            | 25           | -            | -          | 50            |
| Outdoor Play Amenity Upgrades                                     | 100        | 150          | 150          | 150          | 150        | 700           |
| Recreation Equipment and Furnishings                              | 200        | 200          | 200          | 200          | -          | 800           |
| <b>Recreation Facility Plan</b>                                   |            |              |              |              |            |               |
| Athletic Fields/Sport Facilities Restoration, Repair and Upgrades | 185        | 250          | 250          | 250          | -          | 935           |
| Multi-Use Pathway   | -          | 400          | 580          | 580          | 580        | 2,140         |
| Recreation Facility Plan - Regent Par 3 Redevelopment             | -          | -            | 210          | 1,890        | -          | 2,100         |
| <b>North Central Shared Facility</b>                              |            |              |              |              |            |               |
| North Central Shared Facility                                     | -          | 1,000        | 3,430        | 3,430        | -          | 7,860         |
| <b>Total Expenditures</b>   | <b>510</b> | <b>2,000</b> | <b>4,845</b> | <b>6,500</b> | <b>730</b> | <b>14,585</b> |
| <b>Funding Source</b>   |            |              |              |              |            |               |
| Current Contributions   | 510        | 567          | 1,408        | 1,731        | 83         | 4,299         |
| Service Agreement Fees (Parks)                                    | -          | 380          | 446          | 532          | 435        | 1,793         |
| <b>Available Funding</b>  | <b>510</b> | <b>947</b>   | <b>1,854</b> | <b>2,263</b> | <b>518</b> | <b>6,092</b>  |
| <b>Funding Shortfall</b>  | <b>-</b>   | <b>1,053</b> | <b>2,991</b> | <b>4,237</b> | <b>212</b> | <b>8,493</b>  |

## Current Year Programs

### CPTED Improvements

The Crime Prevention through Environmental Design (CPTED) program involves evaluation of sites in response to safety concerns of stakeholders or the general public. Funds from this program provide for modification and renovation of existing facilities which can accommodate program opportunities and address safety issues.

### Outdoor Play Amenity Upgrades

The City's playground development program replaces existing structures that are in need of replacement, but still fulfill a need in the neighbourhood. The goal is to provide a structure within a reasonable distance (typically 800 metres) from the average household, with accessible components where possible and one fully accessible structure in each of the City's zones (north, west, central, south and east).

Currently, 44 of the City's 154 play structures are in need of replacement. Of the 44, 12 need to be replaced because they are wooden structures that no longer meet current Canadian Standards Association (CSA) Standards, 16 need to be replaced because parts are no longer available and 16 need to be replaced because they are metal structures with wood components in very poor condition. Over the next five years, the City will prioritize the 44 playgrounds that are in poor condition and through a community engagement process will continue to replace existing structures, remove structures that are no longer required in a specific location and add accessible components to the program where possible. In 2012, funds from this program were used to replace structures in Lakeridge Park and Parkridge Park as well as to remove the Rossie Fitness Centre in Parkridge Park.

### Recreation Equipment and Furnishings

The City of Regina operates a number of arts, culture, recreation and sport facilities. Funds from this program budget are used for the replacement, revitalization and sustainability of recreation equipment and furnishings. A life cycle replacement plan has been developed to guide purchases and ensure customers have access to safe reliable equipment that satisfies program needs and customer expectations.

### **Athletic Fields /Sport Facilities Restoration, Repair and Upgrades**

The City of Regina operates schedules and maintains athletic fields and sport facilities including 94 sport fields, 179 ball diamonds, and the Canada Games Athletic Complex. Funding is required each year to ensure that the playing fields and facilities are maintained in accordance with current operating standards and to ensure that participants and spectators have access to quality facilities. In 2013 the funding is required to complete improvements to Rambler Park, Mount Pleasant Park, and parking lot upgrades.

### **Future Years Planned Programs**

#### **Multi-Use Pathway**

Research conducted as background for the Recreation Facility Plan confirmed that pathway development is rated by Regina residents as the highest priority for recreation infrastructure. The current multi-use pathway system located on City owned land and in Wascana Centre includes 30 kilometres of paved pathway. Funds in 2012 were used to construct the North West Link Pathway from Ritter Avenue to Sherwood Drive. This pathway will connect residents in the northwest area of the city to the multi-use pathway system for recreational and commuting purposes. Pathway development for 2014 and beyond will be guided by the Transportation Master Plan, which is being developed as part of the Official Community Plan. Funding for this program is provided through 5% Current Contributions to Capital and 95% Parks and Recreational Facilities Servicing Agreement Fees.

#### **Recreation Facility Plan – Regent Par 3 Redevelopment**

The Coronation Park Neighbourhood is in a state of change and revitalization. In 2012 two lit basketball courts were constructed to improve on the Regent Pool site as a neighbourhood hub. In 2015, funds will be used to complete a community visioning process and detailed design to provide new recreation facilities at the Regent Par-3 site with construction planned for 2016.

#### **North Central Shared Facility**

This unique facility will showcase a new service concept that will utilize an integrated approach to provide a variety of community based cultural, social, educational, recreational and health services in one facility. This project represents a collaborative partnership with the Ministry of Education, Regina Public Schools, the Regina Public Library, the Regina Qu'Appelle Health Region, community organizations, service providers, and the community. This new integrated services approach will have a significant and positive impact on the North Central neighbourhood and the entire city. The funding being requested from 2013 to 2015 will provide the City's contribution to finish the detailed design and allow for construction of the North Central Shared Facility. Construction will begin in the fall of 2013 and the facility is expected to open in 2015.

## **Community Facilities**

| <b>Capital Summary (\$000's)</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>Five Year<br/>Total</b> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|----------------------------|
| <b>Community Facilities</b>      |             |             |             |             |             |                            |
| South East Zone Park             | -           | 770         | 5,900       | -           | -           | 6,670                      |
| <b>Total</b>                     | -           | 770         | 5,900       | -           | -           | 6,670                      |
| <b>Funding Source</b>            |             |             |             |             |             |                            |
| Dedicated Lands Reserve          | -           | 385         | 2,950       | -           | -           | 3,335                      |
| Service Agreement Fees (Parks)   | -           | 385         | 2,950       | -           | -           | 3,335                      |
| <b>Available Funding</b>         | -           | 770         | 5,900       | -           | -           | 6,670                      |
| <b>Funding Shortfall</b>         | -           | -           | -           | -           | -           | -                          |

## Future Years Planned Programs

### South East Zone Park

A new zone level park space will be created within the Towns Development to service the south east area of the city. Funding for this project is provided through 50% Current Contributions to Capital and 50% Parks and Recreational Facilities Servicing Agreement Fees.

## Open Space Restoration

| Capital Summary (\$000's)             | 2013       | 2014         | 2015         | 2016         | 2017         | Five Year Total |
|---------------------------------------|------------|--------------|--------------|--------------|--------------|-----------------|
| <b>Irrigation System Improvements</b> |            |              |              |              |              |                 |
| Irrigation System Restoration         | 200        | 400          | 400          | 400          | 400          | 1,800           |
| <b>Restoration:</b>                   |            |              |              |              |              |                 |
| City Square Plaza Restoration         | 30         | 30           | 30           | 30           | 30           | 150             |
| Multi-use Pathway Asphalt Recapping   | 195        | 195          | 195          | 195          | 195          | 975             |
| Parks and Open Space Restoration      | 200        | 400          | 450          | 450          | 450          | 1,950           |
| Water Features Restoration            | -          | 25           | 25           | 25           | 25           | 100             |
| <b>Total</b>                          | <b>625</b> | <b>1,050</b> | <b>1,100</b> | <b>1,100</b> | <b>1,100</b> | <b>4,975</b>    |
| <b>Funding Source</b>                 |            |              |              |              |              |                 |
| Current Contributions                 | 625        | 367          | 352          | 319          | 308          | 1,971           |
| <b>Available Funding</b>              | <b>625</b> | <b>367</b>   | <b>352</b>   | <b>319</b>   | <b>308</b>   | <b>1,971</b>    |
| <b>Funding Shortfall</b>              | <b>-</b>   | <b>683</b>   | <b>748</b>   | <b>781</b>   | <b>792</b>   | <b>3,004</b>    |

The City manages a diverse open space system with various levels of development and use. The open space ranges from high quality, high use parcels such as Kiwanis Park and Victoria Park to minimally developed open space such as utility parcels, pipeline rights-of-way, and storm channel fringes.

## Current Year Program

### Irrigation System Restoration

Funding is directed at restoring and replacing deteriorated irrigation system components to ensure effective operation in the City's parks and open space. This typically includes vandalism repairs, lifecycle replacement of quick coupler valves, sprinklers, automated valves, valve boxes, water lines, water service boxes including backflow devices, pump stations, computer system software and hardware, and the decommissioning and abandonment of water service boxes.

### City Square Plaza Restoration

This funding is used to restore or replace deteriorated, vandalized or damaged elements within the City Square Plaza. Funding is used to repair or replace the paving stone surface, plaza furniture and other components within the Plaza.

### Multi-use Pathway Asphalt Recapping

Residents and visitors enjoy 30 kilometres of multi-use pathway throughout Regina. Some sections of the pathway are in need of immediate recapping, with the remainder needing to be recapped over the next few years to keep them in usable and safe condition. This program started in 2010, as a project phased over 10 years. Recapping includes cleaning and applying tack oil to the area to be recapped and supplying and installing 50 mm of hot mix asphalt. The cost is \$65,100 per kilometre for a three metre wide path.

### Parks and Open Space Restoration

This funding is used to restore or replace deteriorated open space amenities to a safe and useable condition. Funding is used for activities such as major turf repair, furniture and fixture replacement, hard-surface pathway repairs, tree and shrub bed replacement, drainage improvements, and upgrades to the protective surfacing zones beneath play structures.

### Future Years Planned Programs

#### Restoration

#### Water Features Restoration

Water features, comprised of waterfalls and fountains at Wascana View Park, Kiwanis Waterfall Park, Lakewood Park, Rochdale Park and Queen Elizabeth II Courtyard, have reached their maturation point and do not operate as originally designed. Recommendations from a condition assessment on each of the water features will provide direction for repair, replacement or decommissioning. These recommendations will be phased in over five years.

### Open Space Upgrades & New Development

| Capital Summary (\$000's)             | 2013 | 2014 | 2015 | 2016 | 2017 | Five Year<br>Total |
|---------------------------------------|------|------|------|------|------|--------------------|
| <b>Upgrades &amp; New Development</b> |      |      |      |      |      |                    |
| Parks Turf Mowers - 11' (2 Units)     | 60   | 60   | -    | -    | -    | 120                |
| <b>Total</b>                          | 60   | 60   | -    | -    | -    | 120                |
| <b>Funding Source</b>                 |      |      |      |      |      |                    |
| Fleet Replacement Reserve             | 60   | 60   | -    | -    | -    | 120                |
| <b>Available Funding</b>              | 60   | 60   | -    | -    | -    | 120                |
| <b>Funding Shortfall</b>              | -    | -    | -    | -    | -    | -                  |

### Current Year Program

#### Parks Turf Mower

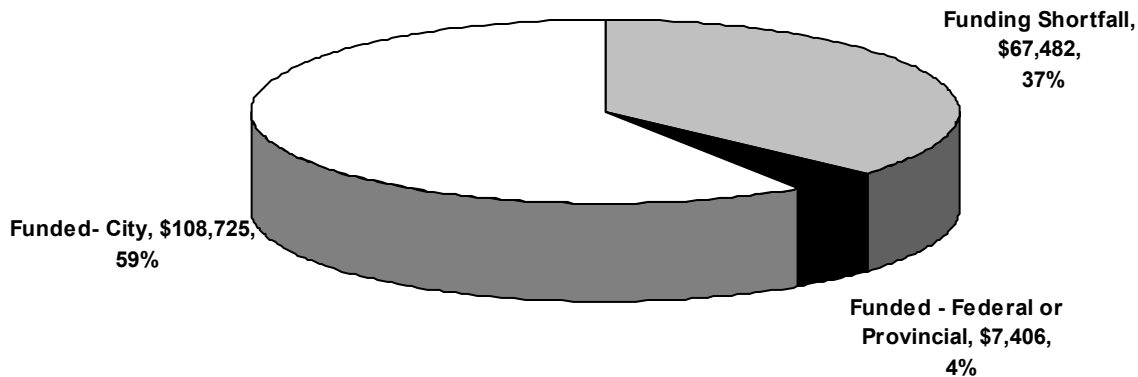
This funding will be used to purchase one 11' fine turf mower for mowing parks turf. As the total area of open space increases, additional equipment is required to meet current service level standards. The last acquisition of a wide area mower was in 2003. Since then, Parks has assumed responsibility for 111 additional hectares of open space.

## Corporate Services Division

### Capital Program Summary

| <b>Capital Expenditures (\$000's)</b> | <b>2013</b>   | <b>2014</b>   | <b>2015</b>   | <b>2016</b>   | <b>2017</b>   | <b>Total</b>   |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Fleet                                 | 11,324        | 11,469        | 10,599        | 9,444         | 9,037         | 51,873         |
| Facilities                            | 8,290         | 30,282        | 24,070        | 29,392        | 29,755        | 121,789        |
| Information Technology                | 3,454         | 3,011         | 2,586         | 450           | 450           | 9,951          |
| <b>Total</b>                          | <b>23,068</b> | <b>44,762</b> | <b>37,255</b> | <b>39,286</b> | <b>39,242</b> | <b>183,613</b> |
| <b>Funding Sources (\$000's)</b>      |               |               |               |               |               |                |
| Asset Revitalization Reserve          | 582           | -             | -             | -             | -             | 582            |
| Cemetery Reserve                      | -             | 10            | 10            | 10            | 10            | 40             |
| Current Contributions                 | 7,968         | 7,497         | 5,454         | 8,351         | 8,595         | 37,865         |
| Employer Parking Reserve              | 350           | 200           | 225           | 200           | 250           | 1,225          |
| Fleet Replacement Reserve             | 7,856         | 7,806         | 10,599        | 9,444         | 9,037         | 44,742         |
| Gas Tax (GT)                          | 3,743         | 3,663         | -             | -             | -             | 7,406          |
| Golf Course Reserve                   | 200           | 200           | 225           | 225           | 225           | 1,075          |
| Landfill Reserve                      | 1,150         | 10,000        | 7,900         | -             | -             | 19,050         |
| Other - Facilities Fee                | 600           | -             | -             | -             | -             | 600            |
| Other External                        | 250           | 250           | 250           | 250           | 250           | 1,250          |
| Servicing Agreement Fees (Parks)      | 144           | 1,548         | 379           | -             | -             | 2,071          |
| Technology Reserve                    | 225           | -             | -             | -             | -             | 225            |
| <b>Available Funding</b>              | <b>23,068</b> | <b>31,174</b> | <b>25,042</b> | <b>18,480</b> | <b>18,367</b> | <b>116,131</b> |
| <b>Funding Shortfall</b>              | <b>-</b>      | <b>13,588</b> | <b>12,213</b> | <b>20,806</b> | <b>20,875</b> | <b>67,482</b>  |

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources as well as the funding gap.



## Fleet Services

The Fleet Services Department of the Corporate Services Division manages all City vehicles and equipment, including those used by the Transit and Fire Departments but excluding those used by the Regina Police Service. The Fleet Services Department also manages and operates the Small Tools and Equipment program, which includes powered hand tools such as string trimmers, chainsaws, walk behind mowers, pumps, etc.

| Capital Summary (\$000's) |  | 2013          | 2014          | 2015          | 2016         | 2017         | Five Year<br>Total |
|---------------------------|--|---------------|---------------|---------------|--------------|--------------|--------------------|
| <b>Corporate Services</b> |  |               |               |               |              |              |                    |
| Civic Fleet Replacement   |  | 5,839         | 5,504         | 5,589         | 5,114        | 4,707        | 26,753             |
| Fire Fleet Replacement    |  | 900           | 1,580         | 1,000         | 850          | 850          | 5,180              |
| Fleet Training Truck      |  | 145           | -             | -             | -            | -            | 145                |
| Transit Fleet Replacement |  | 4,440         | 4,385         | 4,010         | 3,480        | 3,480        | 19,795             |
| <b>Total</b>              |  | <b>11,324</b> | <b>11,469</b> | <b>10,599</b> | <b>9,444</b> | <b>9,037</b> | <b>51,873</b>      |
| <b>Funding Sources</b>    |  |               |               |               |              |              |                    |
| Fleet Reserve             |  | 7,581         | 7,806         | 10,599        | 9,444        | 9,037        | 44,467             |
| Gas Tax (GT)              |  | 3,743         | 3,663         | -             | -            | -            | 7,406              |
| <b>Available Funding</b>  |  | <b>11,324</b> | <b>11,469</b> | <b>10,599</b> | <b>9,444</b> | <b>9,037</b> | <b>51,873</b>      |
| <b>Funding Shortfall</b>  |  | <b>-</b>      | <b>-</b>      | <b>-</b>      | <b>-</b>     | <b>-</b>     | <b>-</b>           |

## Current Year Programs

### Capital Projects

Each year, fleet vehicle and equipment assets that have reached or exceeded their planned economic life must be replaced to maintain an acceptable feet age, reliability, and maintenance costs. In 2013, a total of 95 fleet vehicles and mobile equipment units are planned to be replaced. Included are 77 Civic fleet units, 14 Transit fleet units (eight Transit buses and six Paratransit buses), and four Fire fleet units (one rescue truck and three support vehicles). The budgeted replacement cost is \$11,324,000. Replacement of these units will preserve an acceptable average fleet age and maintain acceptable vehicle availability, safety, reliability, productivity, and maintenance costs.

### Planned Acquisitions and Disposals

*(Does not include additions to the fleet that may be proposed by client departments)*

|                                     |                    | Planned Annual Turnover |           |           |           |            |
|-------------------------------------|--------------------|-------------------------|-----------|-----------|-----------|------------|
|                                     | Number of<br>Units | 2013                    | 2014      | 2015      | 2016      | 2017       |
| Light Trucks                        | 381                | 33                      | 17        | 8         | 17        | 24         |
| Turf & Light Equipment              | 248                | 22                      | 24        | 23        | 27        | 46         |
| Heavy Trucks                        | 113                | 5                       | 5         | 10        | -         | 1.0        |
| Heavy Equipment                     | 141                | 11                      | 9         | 24        | 23        | 12         |
| Trailers                            | 136                | 9                       | 16        | 9         | 3         | 6          |
| Transit Buses                       | 107                | 8                       | 8         | 7         | 6         | 6          |
| Paratransit Buses                   | 31                 | 6                       | 6         | 6         | 6         | 7          |
| Fire Apparatus & Emergency Response | 35                 | 1                       | 1         | 1         | 1         | 1          |
| <b>Total Fleet</b>                  | <b>1,192</b>       | <b>95</b>               | <b>86</b> | <b>88</b> | <b>83</b> | <b>103</b> |

## **Fleet Replacement Planning**

Vehicle replacement provides the opportunity to evaluate the composition and size of the fleet. It is important to take a broad view and use the opportunity to adjust the fleet so that it supports the client department's long-term operational plans. The fleet must be constantly adjusted to ensure that it can produce the quantity and quality of work needed to achieve client departments' operational goals. Adjustments to the fleet made possible by replacing identified units must be made in a rational way with the objective of maximizing the utilization of the core fleet and using short-term rentals or other arrangements to accommodate peak demands.

Fleet replacement decisions should be integrated with business planning. Business planning drives the operational aspects of fleet requirements. The client department makes its best estimates of the work that it will be performing and evaluates equipment needs based on those estimates. Integrating equipment replacements with client department business plans provides for systematic decisions that recognize financial constraints, maximize fleet utilization, and minimize fleet costs. Good replacement decisions also consider the operational, mechanical, and financial aspects of continued ownership of the existing vehicle as well as all alternatives.

There are three fundamental reasons why the fleet needs to be constantly renewed.

- Regular and adequate capital investments must be made to replace the fleet life used up in any given period. If not done, the result will be a downward spiral of increasing age, increasing cost, and decreasing reliability. Systematic, orderly, and ongoing replacement will ensure that the fleet retains its value as a productive asset that supports all client departments' operations.
- The average age of the fleet must be managed with care. Young fleets and old fleets exhibit different cost patterns, and it is easy to assume that the maintenance cost reductions for a young fleet are sustainable when in reality they are nothing more than provisions for the higher operating costs that come with the later years of the vehicle's economic life. An old fleet will present the opposite – it is difficult to maintain control when irregular replacement causes fleet average age to swing from young to old.
- Fleet performance is all about reliability, availability, productivity, and predictable costs. Every vehicle experiences deterioration and obsolescence. In the end, while competent policies for maintenance, repair and rebuild extend life, replacement is the only way to revitalize the fleet and maintain productive capacity.

Each year, the Fleet Services Department prepares a fleet replacement plan for the upcoming budget year using a collaborative process with client departments. The needs of client departments must be clearly understood, and Fleet Services' responsibility is to identify equipment and technology that can cost-effectively perform the tasks required. Ongoing replacement or renewal of fleet assets is required to ensure the fleet is reliable, suitable, cost effective, and available when needed.

## **Replacement Criteria**

Equipment replacement analysis involves determining the optimum economic life or "replacement cycle" for each type of equipment. This identifies the period in the life of the equipment where the equivalent annual cost is lowest. It is also recognized that individual vehicles can have unique lifecycles, depending on usage and operating environments.

The methodology for developing replacement criteria includes consideration of the following factors:

- **Service Life** – The length of time that the unit is capable of delivering its designed level of service. Deterioration is the degree to which the performance of the existing vehicle has declined in terms of reliability, uptime, and reparability.

- **Technological Life** – The decline in productivity of a unit compared with a new design in so far as productivity, quality of work performed, simplicity of operation, fuel efficiency, safety, and environmental compliance are concerned. Some factors, such as current workloads, deteriorating reliability, and increasing operating costs can be quantified. Others, such as future workloads, the benefits of the latest technologies, and improved productivity can only be estimated.
- **Economical Life** – The length of time the average annual cost of a unit declines or remains at a minimum. The financial aspects of the purchase decision, the future owning and operating costs of the existing vehicle, and the expected minimum lifecycle owning and operating costs of the replacement unit are all important. They must not, however, drive the decision and produce results that make no sense from an operational or mechanical point of view. It makes little sense to hold onto a vehicle for which there is little or no work simply because a substantial amount may have been spent recently on repairs.
- **Downtime Sensitivity** – The effect on program delivery when the equipment is not available for use. Analyzing the operational aspects of the decision to sell one piece of equipment and invest in another ensures that the decision is integrated in the best interests of the City as a whole.

### **Fleet Growth and Rationalization**

Fleet requirements are somewhat dynamic and a process must be in place to manage changing needs. In 2010 a Fleet Governance Committee was established; the committee's mandate includes reviewing all proposed acquisitions of additional vehicles and equipment and making a recommendation on these proposals to the Budget Advisory Groups.

The following controls are used to manage the fleet size:

- Departments are required to prepare a business case when requesting additional vehicles or enhanced replacements. Approval is contingent on meeting all of the following criteria:
  - The additional vehicle/equipment is required as a result of a change in the service delivery strategy or quantity of work to be done;
  - There are no other suitable fleet units that could be re-deployed, and
  - Ownership is the best option to obtain the equipment.
- Fleet replacements – Approval for replacement of fleet vehicles and equipment is contingent on satisfactory utilization of the equipment being replaced. Where the utilization of the existing equipment does not meet the minimum utilization criteria, the replacement must be supported by a business case.



## Fleet Distribution

| Fleet Distribution                                      |                     |
|---|---------------------|
| Division  | Fleet Size          |
| <u>City Operations (881 units)</u>                      |                     |
| Fire & Protective Services                              | 46                  |
| Open Space & Environment                                | 257                 |
| Roadways & Traffic                                      | 285                 |
| Transit   | 141                 |
| Water & Sewer Services                                  | 153                 |
| <u>Community Planning &amp; Development (190 units)</u> |                     |
| Community Development, Recreation & Parks               | 181                 |
| Construction & Compliance                               | 9                   |
| <u>Corporate Services (120 units)</u>                   |                     |
| Facilities Management Services                          | 58                  |
| Financial Services                                      | 5                   |
| Fleet Services  | 16                  |
| Motor Pool  | 39                  |
| Information Technology Services                         | 2                   |
| <b>Fleet Total</b>                                      | <b><u>1,192</u></b> |

*Note:*

*These figures include previously approved additions but do not include any new vehicles or equipment proposed to be added to the fleet.*

## Fleet Age

The success of achieving and maintaining the optimal fleet size is largely dependent on the ability to properly manage the age of the fleet. In the past, as the fleet aged and equipment reliability declined, some replaced vehicles were retained as spares to provide the required availability. The result was an old, large and under utilized fleet that was costly to maintain. An appropriate average fleet age requires fewer spare units, and consequently a smaller, better utilized and cost efficient fleet.

The ongoing challenge is to manage the age of the fleet in a planned and fiscally responsible manner. Replacements are prioritized based on highest cost benefit and urgent operating department needs. Each year, a replacement plan is produced that identifies replacements for the following year and projections for the next five and twenty years. This long-term planning is required to stabilize the capital requirements from year to year.

The following table shows the current and target age of the fleet.

| <u>Fleet Average Age (Years)</u>  |         |             |
|-----------------------------------|---------|-------------|
| Equipment Type                    | Current | Target      |
| Light Trucks                      | 6.2     | 6.0 – 7.0   |
| Heavy Trucks                      | 8.1     | 7.0 – 8.0   |
| Heavy Equipment                   | 7.5     | 8.0 – 10.0  |
| Turf & Light Industrial Equipment | 5.4     | 5.0 – 7.0   |
| Trailers                          | 11.0    | 10.0 – 12.0 |
| Transit Buses                     | 9.9     | 8.5 – 9.5   |
| Paratransit Buses                 | 2.9     | 2.5 – 3.0   |
| Fire Apparatus                    | 8.6     | 9.5 – 10.5  |
| Fire Rescue / Emergency Response  | 18.1    | 8.0 – 10.0  |

## Transit and Fire Fleets

The City currently operates a fleet of 107 Transit buses and three support vehicles. In recent years, the majority of capital funding for Transit has been provided by the Federal Public Transit Trust Fund for Saskatchewan. This program ended in 2009 and since then municipal funding has been required to fund future transit capital investments. Capital investment in the fleet is required to ensure that transit service is not negatively impacted. Without funds to renew the fleet, a shortage of vehicles may occur and cause service disruptions.

The Paratransit fleet consists of 31 buses in 2012, with 26 buses scheduled for regular service and five buses available as spares. The City owns the Paratransit buses, while bus maintenance and operation are provided by a contractor. Paratransit requires six new vehicles per year as these buses have a five year life expectancy. This standard should be maintained throughout the five-year capital program in order to maintain service levels. The Province has not provided funding for Paratransit buses since 2006.

The Fire & Protective Services Department fleet includes twenty front-line apparatus vehicles, eighteen rescue/ emergency response vehicles some of which are equipped for special purposes such as water rescue, investigation or public education, and eight other support vehicles including vans, trucks and trailers.

The condition of the Fire and Transit fleets was recognized by the City Administration in 2009 and a consultant was engaged to conduct an in-depth cross-functional Strategic Review of Fleet Services Delivery. The conclusions and recommendations of this study were presented and approved by the Administration in early 2010. The major findings were that the management of the Fire and Transit fleets will be centralized under the General Civic fleet management team, a Fleet Replacement Reserve Fund would be established for Fire and Transit as a basis for replacement funding stability, and that a modernization plan would be developed to bring the fleet ages within accepted industry guidelines. In 2010, the responsibility for managing Transit and Fire fleet assets was transferred to the Fleet Services Department; in January 2012 the responsibility for maintenance of the Transit and Fire fleets was also transferred to the Fleet Services Department. Previously, the Civic, Transit, and Fire fleets were managed independently with no significant interaction or communication and each fleet developed its own policies, procedures and strategies.

*A Five Year Funding Stabilization and Equipment Modernization Strategy* has been developed to provide a sustainable on-going funding mechanism for Fire and Transit fleet stability as well as a short-term modernization plan to reduce the average fleet age to accepted industry standards. Completion of the strategy will enable management of Transit and Fire fleet assets to be fully aligned with the equipment life-cycle planning and replacement reserve fund management basis used successfully by the Civic fleet.

It is important to note that the larger fleet required for increased service levels or additional service provision has not been funded within this plan. The proposed strategy is based on the assumption of providing fleet assets to support current service delivery levels only. Any proposed increase in service delivery levels or additional service provision would necessitate additional Fire trucks and Transit buses and would therefore impact the up-front capital and on-going Fleet Replacement Reserve funding requirements. Any plans for increased service levels or additional service provision should include requests for sufficient funding to acquire the additional fleet assets, as well as an incremental increase to contributions to the reserve for their eventual replacement.

## **Alignment with Corporate Strategy**

The 2013 Fleet Replacement Plan demonstrates alignment with the City of Regina Corporate Strategic Plan, including Council's vision of an attractive and sustainable community and the following strategic priorities:

- **Strengthen City Infrastructure and Manage Assets** – The 2013 Fleet Replacement Plan and 2013 – 2017 Fleet Capital Program demonstrates prudent lifecycle management of the City's investment in its fleet assets. The Transit fleet modernization strategy is consistent with the Transit Investment Plan which recognized that that a more aggressive fleet replacement program will be necessary over the next few years.
- **Achieve Operational Excellence** – Client departments rely on Fleet Services to provide vehicles and equipment that are available, reliable, suitable, and cost effective. Operating departments are able to provide their services most effectively and efficiently when provided with reliable equipment that is properly matched to the work performed. Replacing the vehicles identified in the 2013 Replacement Plan will help Fleet Services meet customer expectations.
- **Ensure Organizational Capacity and Effectiveness** – The Fleet Capital Program contributes to a contemporary workplace. Many City of Regina employees spend the majority of their working time operating or riding in vehicles. Timely replacement of fleet vehicles provides a comfortable, safe, and modern work environment for use by employees in the performance of their duties. A well-managed and maintained fleet can help attract and retain talent and improve employee morale, satisfaction, and productivity. The Five Year Funding Stabilization and Equipment Modernization Strategy for the Transit and Fire fleets will maintain the City's ability to deliver key Fire protection and Transit services to the public.

### **Fleet Training Truck**

The current Fleet Training truck has exceeded its economic life and is also no longer suitable for the training needed. It needs to be replaced with a truck similar to the trucks in the fleet that operators are being trained to operate.

# Facilities Management Services

| Capital Summary (\$000's)                            | 2013         | 2014          | 2015          | 2016          | 2017          | Five Year<br>Total |
|--|--------------|---------------|---------------|---------------|---------------|--------------------|
| <b>Major Projects</b>                                |              |               |               |               |               |                    |
| <b>Corporate Services</b>                            |              |               |               |               |               |                    |
| Asphalt Plant and Materials Yard Facility            | -            | -             | -             | 300           | 4,000         | 4,300              |
| Redevelopment  | 990          | -             | -             | -             | -             | 990                |
| City Hall - Elevator Modernization                   | 75           | 75            | 75            | 75            | 75            | 375                |
| Corporate Office Space for New Employees             | 250          | 250           | 250           | 250           | 250           | 1,250              |
| Mosaic Stadium Preservation                          | -            | 2,400         | 4,100         | 2,100         | 700           | 9,300              |
| Parks and Facilities Yard Facility Improvements      | -            | -             | -             | -             | -             | -                  |
| <b>Community Planning &amp; Development Services</b> |              |               |               |               |               |                    |
| Douglas Park/Leibel Field Support Facility           | -            | 2,600         | 405           | -             | -             | 3,005              |
| Mount Pleasant Entrance Road Upgrade                 | -            | 250           | -             | -             | -             | 250                |
| NWLC - Retaining Walls & Exterior Revitalization     | -            | 400           | -             | -             | -             | 400                |
| Parks Operational Facilities                         | -            | 40            | 400           | -             | -             | 440                |
| Sportplex Central Kiosk Feasibility Plan             | -            | 20            | 225           | -             | -             | 245                |
| Tennis Court Redevelopment                           | 275          | 623           | 205           | -             | -             | 1,103              |
| Transit - Maintenance Garage Relocation              | -            | -             | 200           | 18,000        | 14,000        | 32,200             |
| <b>City Operations</b>                               |              |               |               |               |               |                    |
| Fire Facilities - Pump Testing and Storage           | -            | 70            | 780           | -             | -             | 850                |
| Landfill Facility                                    | 1,150        | 10,000        | 7,900         | -             | -             | 19,050             |
| <b>Category Total</b>                                | <b>2,740</b> | <b>16,728</b> | <b>14,540</b> | <b>20,725</b> | <b>19,025</b> | <b>73,758</b>      |
| <b>Asset Revitalization &amp; Sustainability</b>     |              |               |               |               |               |                    |
| Cemeteries - Facility Revitalization                 | -            | 10            | 10            | 10            | 10            | 40                 |
| Employee Provided Parking Revital.(City Hall)        | 150          | -             | 25            | -             | 50            | 225                |
| Employee Provided Parking Revital.(Non City Hall)    | 200          | 200           | 200           | 200           | 200           | 1,000              |
| Facilities Asset Revitalization and Sustainability   | 4,100        | 7,019         | 7,230         | 7,447         | 7,670         | 33,466             |
| Golf Courses - Facility Revitalization               | 200          | 200           | 225           | 225           | 225           | 1,075              |
| Neil Balkwill Photo Lab Renovations                  | -            | -             | 40            | -             | -             | 40                 |
| New Transit Shelters                                 | -            | 25.0          | 25            | 25            | 25            | 100                |
| Outdoor Pools Program                                | 800          | 6,000.0       | 1,700         | 710           | 2,500         | 11,710             |
| Roof Fall Arrest Program                             | 100          | 100           | 75            | 50            | 50            | 375                |
| <b>Category Total</b>                                | <b>5,550</b> | <b>13,554</b> | <b>9,530</b>  | <b>8,667</b>  | <b>10,730</b> | <b>48,031</b>      |
| <b>Program Total</b>                                 | <b>8,290</b> | <b>30,282</b> | <b>24,070</b> | <b>29,392</b> | <b>29,755</b> | <b>121,789</b>     |
| <b>Funding Sources</b>                               |              |               |               |               |               |                    |
| Asset Revitalization Reserve                         | 582          | -             | -             | -             | -             | 582                |
| Cemetery Reserve                                     | -            | 10            | 10            | 10            | 10            | 40                 |
| Current Contributions                                | 5,014        | 6,533         | 4,627         | 8,220         | 8,469         | 32,863             |
| Employer Parking Reserve                             | 350          | 200           | 225           | 200           | 250           | 1,225              |
| Golf Course Reserve                                  | 200          | 200           | 225           | 225           | 225           | 1,075              |
| Landfill Reserve                                     | 1,150        | 10,000        | 7,900         | -             | -             | 19,050             |
| Other - Facilities Fee                               | 600          | -             | -             | -             | -             | 600                |
| Other External                                       | 250          | 250           | 250           | 250           | 250           | 1,250              |
| Service Agreement Fees (Parks)                       | 144          | 1,548         | 379           | -             | -             | 2,071              |
| <b>Available Funding</b>                             | <b>8,290</b> | <b>18,741</b> | <b>13,616</b> | <b>8,905</b>  | <b>9,204</b>  | <b>58,756</b>      |
| <b>Funding Shortfall</b>                             | <b>-</b>     | <b>11,541</b> | <b>10,454</b> | <b>20,487</b> | <b>20,551</b> | <b>63,033</b>      |

The Facilities Management Services Department is responsible for the space planning, construction project management, physical plant maintenance and the operation of the majority of City-owned facilities. The capital budget for Facilities consists of two general types of expenditures: those related to major capital projects and those related to the general capital maintenance and upgrade for facilities, referred to as Facility Revitalization and Sustainability expenditures.

## **Current Year Programs**

### **Major Projects**

#### **City Hall – Elevator Modernization**

This project includes an upgrade to the existing City Hall elevators with modernized electrical and mechanical components. The existing elevators are original to the building (1976) and have become less reliable and require frequent maintenance. One of the elevator cars also requires upgrades to improve freight transportation capabilities. Upgrades will provide improved elevator service and efficiency while reducing energy consumption through an improved elevator control and dispatch system. This project also includes elevator security enhancements to coincide with the City Hall Service and Security Project (Main Floor Renovations).

#### **Corporate Office Space for New Employees**

This funding is to support the creation, minor renovation and furnishing of office space to accommodate additional FTE's approved through the 2013 operating and capital budget process.

#### **Mosaic Stadium Preservation**

This program is required to keep the Mosaic Stadium facility in a reasonable state of repair such that programs can continue to effectively operate at the facility. The work includes all physical, structural, mechanical and electrical maintenance but does not include major enhancements or additions to the facility.

### **Community Planning and Development**

#### **Tennis Court Redevelopment**

The condition of all outdoor tennis courts has been assessed and a plan has been developed to prioritize those courts that best serve the needs of the public. This funding will be used to ensure that tennis courts are maintained to the appropriate standard in order to ensure the safety of all users. Funding in 2013, 2014 and 2015 will be used for maintenance and construction at the City's four primary outdoor sites, as outlined in the Recreation Facility Plan.

### **City Operations**

#### **Landfill Facility**

The Landfill Facility site and facility plan is a result of the collaborative design effort between the site stakeholders and the design team working on the Public Works Facilities Master Plan. The plan, when fully implemented, will provide a model of efficiency between the Landfill and Solid Waste Collection branches by sharing crew spaces and office support areas. The building will be designed so that all functions and pedestrian traffic, including truck parking, are indoors to make operations more efficient during severe weather conditions. The location of the building on the site provides a visual identity for customers as well as separating the public vehicle traffic from the Landfill and Solid Waste Collection trucks and equipment to mitigate traffic hazards. The facility has the capability for expansion to meet the future needs of Landfill and Solid Waste Collection. The facility also includes Fleet Training space to eliminate the need for a new Fleet Training facility next to the Landfill. Funding in 2013 is for design, with funding in 2014 and 2015 is for construction.

### **Asset Revitalization & Sustainability**

#### **Employee Provided Parking Revitalization (City Hall)**

This funding is for general repairs and upgrades to the City Hall parkade to keep it in good condition over the long term. Funding is from the Employee Parking Reserve (City Hall).

### **Employee Provided Parking Revitalization (Non City Hall)**

This funding is for general repairs and upgrades to the employee parking sites other than City Hall. Funding is from the Employee Parking Reserve (non-City Hall).

### **Facilities Asset Revitalization and Sustainability**

This funding is allocated to key facilities for projects identified in FMS' capital planning program (VFA) and other condition assessments. Projects include structural, architectural, mechanical, electrical and code or safety requirements in order to maintain the integrity of the facility systems such that the City programs and operations can continue to effectively operate. The work does not include enhancements, replacement or additions to facilities. Examples of Facilities that revitalization and sustainability funding is focused on includes City Hall, Fire Stations, Outdoor Pools, Yard Garages, Recreation Centres, Community Centres as well as the SSLC, NWLC and the Sportplex.

### **Golf Courses - Facility Revitalization**

Funding for this project will address high priority items identified in FMS' capital planning and condition assessment program (VFA). The Facilities in this category include the Tor Hill, Murray, Joanne Goulet and Lakeview Par 3 clubhouses and ancillary facilities. Funding is from the Golf Course Reserve.

### **Outdoor Pools Program**

The City owns and operates five outdoor pools which have all operated well past their expected lifecycles. Two of the five pools are 50 years old and the remaining three are 65 years old. The pools require significant capital investments (\$16.5 million over the next five years) to bring them to a condition deemed to be acceptable in relation to facilities management standards.

### **Roof Fall Arrest Program**

This project is an ongoing program to address Roof Fall Arrest deficiencies as identified in the 2011 Roof Fall Arrest study for all City facilities. This includes the implementation of the recommendations from the study based on the priorities identified. Projects include roof fall protection/prevention safety related systems and roof access systems and equipment in order to meet OH&S regulations.

## **Future Years Planned Programs**

### **Major Projects**

#### **Asphalt Plant and Materials Yard Facility Redevelopment**

This funding is for the redevelopment of facilities and material storage in the Asphalt Plant and Materials Yard in accordance with the recommendations from the Public Works Facilities Master Plan. Funding in 2016 is for initial design work, followed by funding in 2017 for construction.

#### **Parks and Facilities Yard Facility Improvements**

This project includes funding required to complete the consolidation of Facilities Management Services with Parks & Open Space in the Parks Yard. The remaining projects in this master plan include: construction of a new trades shop, construction of a new cold storage facility, demolition of redundant facilities and the construction of a new access road and storage compound in the yard.

### **Community Planning and Development**

#### **Douglas Park/Leibel Field Support Facility**

Douglas Park is home to Leibel Field, the Canada Games Athletic Complex, softball diamonds, a baseball diamond, lacrosse field, cricket pitch and cross country ski trails. Support facilities for these sport and recreation venues are at the end of their life expectancy and require replacement in order to meet community and user needs. In 2014 funds will be used to construct a new washroom and change room facility. The 2015 funding is for the demolition of the Douglas Park Washroom building and the expansion of the parking lot (including refurbishing the existing parking lot).

**Mount Pleasant Entrance Road Upgrade**

This project involves the paving of the existing gravel entrance road to Thunder Clubhouse and Kaplan Field. The work is to be coordinated with the new bulk water station.

**NWLC - Retaining Walls & Exterior Revitalization**

This project involves the rehabilitation of the retaining walls on the north side of the NWLC to ensure their structural integrity and eliminate the creosote coated timbers. In addition, landscaping berm work will be redeveloped as well as exterior facility foundation sheeting replacement.

**Parks Operational Facilities**

This project is for the expansion and enhancement of Parks and Open Space operational facilities. The work includes improvements to maintenance depots, pump houses and storage buildings. Part of the funding in 2014 (\$40,000) is for heating of District 1, 2 and 3 storage buildings (subject to operating budget increase of \$15,000 annually). Other funding is for the construction of a new District 4 depot.

**Sportplex Central Kiosk Feasibility Plan**

The Regina Sportplex complex includes the Fieldhouse and the Lawson Aquatic Centre. Each of these facilities has their own reception and cashier area. A redesign of the entrance area of the facility should allow for the amalgamation of the reception/cashier areas into one operational area. The purpose of this project is to determine whether or not it is feasible from both an operational and cost/benefit perspective to move forward with a design and construction project to complete the renovation.

**Transit - Maintenance Garage Relocation**

The existing Transit Maintenance Garage is currently served out of an aged facility in the Public Works Yard. The Transit Investment Plan has recommended that the Maintenance Garage function would be better served out of the Transit Operations (Winnipeg Street) location through an expansion to the existing facility at that site. The new Maintenance Garage addition would provide increased operating efficiency and reduced operating costs, as well as accommodate existing and future fleet requirements. The funding in 2015 will be used to determine the requirements for the Maintenance Garage relocation, with design and construction occurring in 2016 and 2017.

**City Operations****Fire Facilities - Pump Testing and Storage**

This project involves the construction of a new storage facility for storage and vehicles (80'x50'). Annual pump testing will be performed in this facility in a drafting pit which currently cannot be accommodated in winter months. Pump operations training can then be accommodated year-round.

**Asset Revitalization****Cemeteries - Facility Revitalization**

Funding for this project will address high priority items identified in FMS' capital planning and condition assessment program (VFA).

**Neil Balkwill Photo Lab Renovations**

The Neil Balkwill Civic Arts Center photo lab area will be re-developed to make better use of the area. The existing photo area consists of multiple dark rooms, training rooms and classrooms which don't meet the needs of the user groups anymore. This area will see a complete renovation including HVAC equipment, lighting and flooring replacement. The renovations to the existing Photography Room will allow for a larger and more user-friendly Digital Photography Room. The renovations and new amenities will allow for increased participation in existing programs, new digital arts programming and new rental opportunities. The projected increased revenue should off-set the renovation costs within five years.

**New Transit Shelters**

This is a multi-year program to upgrade and add new Transit shelters.

## Information Technology

| Capital Summary (\$000's)                 |              | Five Year    |              |            |            |              |
|---|--------------|--------------|--------------|------------|------------|--------------|
|   | 2013         | 2014         | 2015         | 2016       | 2017       | Total        |
| <b>Business Applications</b>              |              |              |              |            |            |              |
| Business Transformation Program           | 1,955        | 1,750        | 1,950        | -          | -          | 5,655        |
| Development Application and Permit        | 499          | -            | -            | -          | -          | 499          |
| eCity Re-design                           | -            | 186          | 186          | -          | -          | 372          |
| Intelligent Call Centre                   | -            | 230          | -            | -          | -          | 230          |
| M4 Upgrade to M5                          | 275          | -            | -            | -          | -          | 275          |
| Parking Ticket Handhelds                  | 50           | -            | -            | -          | -          | 50           |
| <b>Supporting Infrastructure</b>          |              |              |              |            |            |              |
| ITS Database Performance and Diagnostics  | 55           | -            | -            | -          | -          | 55           |
| ITS Network Operating System Migration    | 170          | -            | -            | -          | -          | 170          |
| ITS Sustainable Infrastructure            | 250          | 250          | 250          | 250        | 250        | 1,250        |
| Municipal Area Network Broadband Wireless | -            | 395          | -            | -          | -          | 395          |
| Technology Growth                         | 200          | 200          | 200          | 200        | 200        | 1,000        |
| <b>Program Total</b>                      | <b>3,454</b> | <b>3,011</b> | <b>2,586</b> | <b>450</b> | <b>450</b> | <b>9,951</b> |
| <b>Funding Sources</b>                    |              |              |              |            |            |              |
| Current Contributions                     | 2,954        | 964          | 826          | 131        | 126        | 5,001        |
| Fleet Replacement Reserve                 | 275          | -            | -            | -          | -          | 275          |
| Technology Reserve                        | 225          | -            | -            | -          | -          | 225          |
| <b>Available Funding</b>                  | <b>3,454</b> | <b>964</b>   | <b>826</b>   | <b>131</b> | <b>126</b> | <b>5,501</b> |
| <b>Funding Shortfall</b>                  | <b>-</b>     | <b>2,047</b> | <b>1,760</b> | <b>319</b> | <b>324</b> | <b>4,450</b> |

## Business Technology

The role of business technology is to enable business processes, encourage innovation and support the effective and efficient delivery of civic services. That includes water and sewer services, waste collection and disposal, traffic control, transit services, road and infrastructure maintenance, fire control, recreation facilities and program registration, land-use planning, permits, building inspections, property assessment and taxation, corporate systems for financial and human resources, regulatory functions and many others.

The City uses technology to enhance the quality and delivery of services for the benefit of citizens. The goal is to fully integrate all aspects of the City's business, including service delivery, workflow, staffing, front-line and support activities. Electronic service delivery initiatives allow city services to become more accessible and responsive to the needs of citizens. Technical initiatives such as provisioning employees with mobile equipment and suitable systems allow them to access current information and respond more quickly when working outside. Both types of initiatives support the efficiency, effectiveness, reliability, and affordability of service delivery.

The Business Technology capital program is developed based on the needs of the corporation. Project proposals are prepared by the business areas and then reviewed and prioritized by the Information Technology Project Evaluation Committee. This group, representing all areas of the Corporation, challenge initiatives regarding business readiness, ROI and completeness. Successful projects move on to the Information Technology Governance Committee, chaired by the Director of ITS and including Director-level representation from each business division. The ranking criteria at ITGC takes into consideration the initiative's fit with the sponsoring division or working groups' business plan, along with integration to the City's strategic priorities, the long-term technology plan and the corporate IT Guiding Principles. The allocation of funding and resources is targeted to the highest-ranking initiatives based on these criteria. The Business Technology portfolio of initiatives and priority ratings are updated regularly through internal reviews as well as reacting to external factors such as legislative changes.



Business Technology capital projects often span more than one fiscal year. Circumstances such as vendor delays, corporate priorities changing or refocusing on essential services can impact the specific timing of expenditures and project completions.

The initiatives planned and underway for 2013 are outlined in the following summaries. The initiatives are being funded from a combination of previously authorized capital plus the 2013 allocation. Some projects will extend beyond 2013, affecting the timing of these budgeted expenditures.

## **2013 Work in Progress**

### **eCity Redesign**

This project, making use of approved operational funding within Communications, will consist of two components. The first phase is a re-build of InSite, encompassing the complete technical, branding and design of the City's intranet. InSite is the foundation for business communication within the corporation, and it needs investment to become a productive contributor. The second phase will focus on integrating the public-facing site, Regina.ca.

### **Utility Information Management Program**

The Water and Sewer Department has funding to improve the way they do asset management and set utility rates. ITS is working with them to change their processes and technology to adopt a more contemporary approach that will focus on customer service expectations rather than asset condition to manage utility assets. This project is being funded by the Utility Capital Program.

## **Current Year Programs**

### **Business Applications**

#### **Business Transformation Program**

This multi-year program is based on the key tenets of: *Standardize* processes across the corporation, *Eliminate* both manual effort and duplicate data entry and *automate* the process where technically possible and achievable. It focuses on leveraging the newly upgraded Oracle eBusiness Suite as the foundation for continuous process improvements and tighter integration. The program will enable employee and manager self-service capabilities as well as automated workflows. The multi-year strategy will transform the City's business processes efficiently capturing the relevant data and effectively reporting on the results. The following projects are planned for 2013:

- **Requestor Self Serve** project will expand the use of on-line access for releases/receipting creation and PO/AP to a targeted group of requesters. This access will include on-line access to on-line forms necessary to perform inquiries of open purchase orders and payments, authorize payment through the receipt creation form and initiate releases. These efforts will build on previous successes and will provide for continued introduction of the on-line functionality.
- **Supply Chain Self Serve** project will provide the supply chain with on-line access to competitive bid documents through SaskTenders to shorten the competitive bid cycle time.
- **Procurement Card Holder Rollout** project will focus on streamlining the Procurement card process by improving the business processes and instilling cardholder accountability and flexibility to reconcile transactions. This will be achieved using improved, integrated technology and a re-designed policy that will provide structure and governance. Elimination of multiple transaction touch points and re-work will ensure data accuracy at the point of input and increase business efficiency.
- **Travel Expense Reporting and Tracking** project will standardize and streamline travel expense capture and entry processes. Documentation of current policies and processes will provide the requirements and decision point for implementation of self-service online entry of expense reports.

Online tracking of the expense report cycle as well as online approvals of expense reports will increase compliance with audit requirements and provide increased visibility and control of costs.

- **Supplier Procurement and Contract Lifecycle Management** project will provide advanced supply chain functionality to better manage competitive procurement and contract processes. Current processes related to the request for proposals, bid receipt and evaluation processes will be reviewed, revised and documented for implementing functionality within the corporate systems. In addition, the project will develop a standard library of contract content. Critical to the success of this project is establishing consistent business processes and policies for management of contracts.
- **Procurement Analytics** project will implement increased visibility into corporate spend as well as the complete procure-to-pay process, with comprehensive analysis of procurement performance, supplier performance, supplier payable trends and employee expenses.
- **Human Resource Management System** project is a multi-year initiative that will implement an integrated Core HR/Payroll and Time & Attendance system within the Oracle e-Business platform and position the City to implement future HR projects. This will implement a “single source of truth” for employee data. Human Resources Management System (HRMS) is considered a foundational project consisting of HR core, Payroll, and Time & Labour. Additional functionality related to employee and manager self-services, compensation and benefits, recruitment, performance management, workforce scheduling, and safety management have been for future consideration to increase efficiencies, provide value add services, and realize HR best practice.

#### **Development Application and Permit**

This initiative will configure and implement the Planning module for the Development Review Branch to standardize processes and efficiencies within the Branch and create the capacity to effectively track work flows.

#### **M4 Upgrade to M5**

M4 is the existing Fleet Management Information System application. The newer version is M5. This upgrade will assist with consistent management of vehicles within the centralized Fleet department.

#### **Parking Ticket Handhelds**

The City of Regina uses handheld devices and printers to issue parking tickets. With the expansion of parking services and an increase in the number of ticket issuers, additional handhelds are required.

#### **Supporting Infrastructure**

##### **ITS Database Performance and Diagnostics**

This project allows ITS to acquire Oracle Database Management Software to proactively monitor, troubleshoot and be alerted on a subset of the City's Oracle production databases.

##### **ITS Network Operating System Migration**

This project will lay the foundation to enable the City to consolidate its two separate network operating environments (Novell and Microsoft) into one single larger Microsoft based network.

##### **ITS Sustainable Infrastructure**

Provides the funding to replace aging and end of life ITS infrastructure components including hardware, software, storage and networking equipment.

##### **Technology Growth**

This project provides the funding to allow the City to deliver infrastructure services to new employees as well as existing employees just starting to use technology in their job. It also allows for business areas growth in usage of infrastructure services such as data storage and compute capacity.

## **Future Years Planned Programs**

### **Business Applications**

#### **Business Transformation Program**

This program will continue in future years improving business processes and automating workflows through the use of technology. The following projects are planned for future years within the Business Transformation Program:

- **Human Resources Management System (HRMS)**, the foundation project, consisting of HR core, Payroll, and Time & Labour will be completed in 2014. Additional functionality related to employee and manager self-services, compensation and benefits, recruitment, performance management, workforce scheduling, and safety management will be included in future consideration to increase efficiencies, provide value add services, and realize HR best practice.
- **Budget System Project** will simplify the budgeting process and allow managers to develop their budgets on-line. A budgeting system integrated with the financial tracking and accounting system will provide more accurate data, allow for more flexible budgeting cycles and provide easier forecasting by integrating our actual expenditures against the budget. A budgeting system that is integrated with the core HR and Financial systems will ensure corporate policy on position control is maintained. It will also provide the ability for "what-if" scenarios, multi-year budgeting and long range budget forecasting.
- **Project Costing Project** will improve the ability to track and report project costs and the allocation of grant dollars to those projects. Increased effectiveness in managing project budgets, streamlining processes, automating resource sharing, and capitalizing assets more efficiently will be achieved.
- **Business Intelligence and Analytics Project** will enhance financial reporting and analytics. Enhanced and simplified reporting technologies will provide more graphical and drill-down type reporting capabilities providing greater insight into our data and information for better decision making.

#### **Intelligent Call Centre**

This project will provide Service Regina's Customer Service Centre with an additional module. It will increase the effectiveness of the Call Centre staff by providing on screen scripted responses to most often asked questions. It will also provide an enhanced reporting system to ensure calls are being handled in the most efficient and effective manner through pre-determined performance measures.

### **Supporting Infrastructure**

#### **Municipal Area Network Broadband Wireless**

This multi-year initiative is connecting traffic signals to the wireless network as well as higher speed access for remote facilities not already included in the existing fibre network. Work remaining includes completing Zone 2 (north-east) in 2013, resulting in 80% of the City's traffic signals being covered. That will leave for 2014 Zone 6 (South Regina) and half a dozen traffic signals in the west.

## Office of City Manager

### Capital Program Summary

| <b>Capital Expenditures (\$000's)</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>Five Year<br/>Total</b> |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|----------------------------|
| Taylor Field Neighbourhood Studies    | 245         | -           | -           | -           | -           | 245                        |
| Stadium Project                       | 716         | -           | -           | -           | -           | 716                        |
| <b>Total Expenditures</b>             | <b>961</b>  | -           | -           | -           | -           | 961                        |
| <b>Capital Funding (\$000's)</b>      |             |             |             |             |             |                            |
| Available Funding                     | 961         | -           | -           | -           | -           | 961                        |
| Funding Shortfall                     | -           | -           | -           | -           | -           | -                          |

### Current Year Programs

#### Taylor Field Neighbourhood Studies

As part of the Regina Revitalization Initiative these activities will include a Mosaic Stadium decommissioning & recycling study, market study, noise and vibration study, and a high level Economic Pro-Forma for the RRI Taylor Field site. This project is in preparation for Taylor Field Neighbourhood development.

#### Stadium Project

Regina Revitalization Initiative was launched by the City of Regina in May, 2011 as a vision to redevelop two large areas of land in Regina's inner-city. The new stadium will be located at Evraz Place. Construction is planned to begin in 2014 and occupancy of the new stadium will be in 2017.

The amount budgeted for 2013 represents a proposed allocation of 2013's proposed property tax revenue which will be set aside and used in future years to fund the capital expenditures associated with the Stadium Project.

The Stadium Project and its associated funding model are being considered by City Council in a separate but concurrent approval process. The full details of the 2013 – 2017 stadium project activities will be combined with the 2013 – 2017 General Capital Budget and Investment Program once all Council decisions have been made.

## Regina Police Service

### Capital Program Summary

| Capital Expenditures (\$000's)        | 2013         | 2014          | 2015         | 2016         | 2017         | Five Year<br>Total |
|---------------------------------------|--------------|---------------|--------------|--------------|--------------|--------------------|
| Facilities Development                | 477          | 630           | 1,778        | 1,533        | 1,475        | 5,893              |
| Communications                        | -            | 2,263         | -            | -            | -            | 2,263              |
| Information Technology Infrastructure | 597          | 702           | 941          | 877          | 402          | 3,519              |
| Information Management Projects       | 250          | 382           | 425          | 215          | 240          | 1,512              |
| Emergency Services Equipment          | 120          | 164           | 74           | 123          | 21           | 502                |
| Municipal Justice Building            | 2,500        | 13,260        | 695          | -            | -            | 16,455             |
| Fleet                                 | 661          | 616           | 616          | 666          | 666          | 3,225              |
| <b>Total Expenditures</b>             | <b>4,605</b> | <b>18,017</b> | <b>4,529</b> | <b>3,414</b> | <b>2,804</b> | <b>33,369</b>      |
| <b>Capital Funding</b>                |              |               |              |              |              |                    |
| Current Contributions                 | 1,164        | 1,212         | 1,260        | 1,310        | 1,362        | 6,308              |
| Regina Police Service General Reserve | -            | -             | -            | -            | -            | -                  |
| <b>Available Funding</b>              | <b>1,164</b> | <b>1,212</b>  | <b>1,260</b> | <b>1,310</b> | <b>1,362</b> | <b>6,308</b>       |
| <b>Funding Shortfall</b>              | <b>3,441</b> | <b>16,805</b> | <b>3,269</b> | <b>2,104</b> | <b>1,442</b> | <b>27,061</b>      |

The information in this summary is based on the 2013 – 2017 Capital Budget submission to the Board of Police Commissioners. There is currently a \$3.4 million funding shortfall for 2013.

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# General Capital Investment Program Funding

# General Capital Investment Program Funding

## Capital Funding Summary

| Capital Funding Source (\$000's)           | 2013   | 2014    | 2015    | 2016    | 2017    | Five Year<br>Total |
|--|--------|---------|---------|---------|---------|--------------------|
| <b>Current Contributions to Capital</b>    |        |         |         |         |         |                    |
| Civic Capital Projects                     | 24,913 | 22,617  | 23,940  | 24,833  | 25,911  | 122,214            |
| Regina Police Service Capital Projects     | 1,164  | 1,212   | 1,260   | 1,310   | 1,362   | 6,308              |
|  | 26,077 | 23,829  | 25,200  | 26,143  | 27,273  | 128,522            |
| <b>Debt</b>                                | -      | -       | -       | -       | -       | -                  |
| <b>Internal Reserves &amp; Transfers</b>   |        |         |         |         |         |                    |
| Asphalt Plant Reserve                      | 400    | 150     | 150     | -       | -       | 700                |
| Asset Revitalization Reserve               | 2,782  | -       | -       | -       | -       | 2,782              |
| Cemetery Reserve                           | 120    | 100     | 110     | 125     | 110     | 565                |
| Deferred Revenue - Dedicated Lands Charges | -      | 385     | 2,950   | -       | -       | 3,335              |
| Employer Parking Reserve                   | 350    | 200     | 225     | 200     | 250     | 1,225              |
| Fleet Replacement Reserve                  | 8,266  | 7,866   | 10,599  | 9,444   | 9,037   | 45,212             |
| General Fund Reserve                       | 319    | -       | -       | -       | 420     | 739                |
| Golf Course Reserve                        | 550    | 550     | 575     | 575     | 625     | 2,875              |
| Landfill Reserve                           | 6,470  | 24,180  | 20,660  | 5,060   | 60      | 56,430             |
| Land Development Reserve                   | 6,710  | 500     | 500     | 500     | -       | 8,210              |
| Technology Reserve                         | 225    | -       | -       | -       | -       | 225                |
| Regina Police Service General Reserve      | -      | -       | -       | -       | -       | -                  |
|  | 26,192 | 33,931  | 35,769  | 15,904  | 10,502  | 122,298            |
| <b>Federal Funding</b>                     |        |         |         |         |         |                    |
| Gas Tax                                    | 11,080 | 10,778  | 10,929  | 10,929  | 10,929  | 54,645             |
| <b>Provincial Funding</b>                  |        |         |         |         |         |                    |
| Provincial/Territorial Base Fund           | 1,453  | 1,500   | -       | -       | -       | 2,953              |
| Urban Highway Connector Program            | 6,375  | -       | -       | -       | -       | 6,375              |
|  | 7,828  | 1,500   | -       | -       | -       | 9,328              |
| <b>External Funding</b>                    |        |         |         |         |         |                    |
| Service Agreement Fees (Roads)             | 9,685  | 3,100   | 13,072  | 6,425   | 5,565   | 37,847             |
| Service Agreement Fees (Parks)             | 1,142  | 2,861   | 4,216   | 941     | 802     | 9,962              |
| Developer Contributions                    | 1,500  | 450     | 3,120   | -       | -       | 5,070              |
| Other - Facilities Fee                     | 600    | -       | -       | -       | -       | 600                |
| Other External                             | 250    | 250     | 250     | 250     | 250     | 1,250              |
|  | 13,177 | 6,661   | 20,658  | 7,616   | 6,617   | 54,729             |
| <b>Total Available Funding</b>             | 84,354 | 76,699  | 92,556  | 60,592  | 55,321  | 369,522            |
| <b>Total General Capital Expenditures</b>  | 84,354 | 135,494 | 136,389 | 112,928 | 111,236 | 580,401            |
| <b>Funding Shortfall</b>                   | -      | 58,795  | 43,833  | 52,336  | 55,915  | 210,879            |



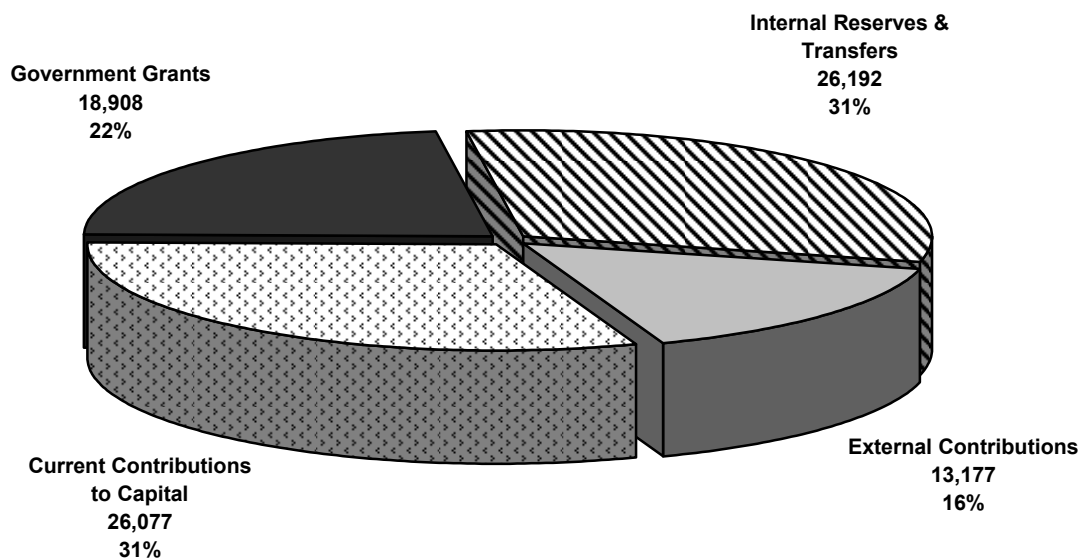
Key elements of the funding plan for the 2013 – 2017 General Capital Program include:

- **The 2013 – 2017 General Capital Budget was developed including only verified Federal and Provincial capital funding. This results in a funding shortfall of \$210.9 million over the five-year period.**

The funding plan incorporates the use of internal reserves such as the Landfill Reserve, Equipment Replacement Reserve, Technology Reserve, Golf Course Reserve, the Dedicated Land Reserve and Cemetery Reserve.

## 2013 General Capital Funding

**Sources of Capital Funding – 2013**  
(\$000's)



For the 2013 General Capital Budget, the current contributions to capital include:

- Current contributions to capital to fund the Regina Police Service Capital Program. **The projected amount available for 2013 is \$1,165,000, an increase of \$45,000 over 2012's current contributions.**
- The 2013 capital program submitted by the Board of Police Commissioners totals \$4,605,400. **As a result there is a potential funding shortfall of \$3,440,400.**
- This issue will be addressed during City Council's budget deliberations. City Council does not have the authority to make specific changes to the Regina Police Service budgets. However, City Council does determine the total expenditure envelope for the City. **When the 2013 budgets are ultimately approved, there will be no funding shortfall.**
- Current contributions to fund the general portion of the General Capital Program. **The current contributions to capital for 2013 for the general portion of the General Capital Program are \$24.9 million, an increase of \$5,010,000 over 2012's current contribution.**

## Internal Reserves

### General Fund Reserve

The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus and unexpended capital funds that are returned to the reserve. Future inflows to the General Fund Reserve may be reduced by creating a Land Development Reserve, by transferring operating surpluses to the Asset Revitalization Reserve and by using previous year's surplus to fund current year one-time operating expenditures. A General Fund Reserve balance of \$14 million to \$28 million representing 5% to 10% of budgeted revenues is the suggested preferred minimum balance. The following table provides a projection for the General Fund Reserve.

| <b><u>General Fund Reserve (\$000's)</u></b> |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|
|  | <b>2013</b>   | <b>2014</b>   | <b>2015</b>   | <b>2016</b>   | <b>2017</b>   |
| <b>Reserve Balance - Start of Year</b>       | 30,450        | 22,342        | 22,342        | 22,342        | 22,342        |
| <b>Projected Requirements:</b>               |               |               |               |               |               |
| CP Lands - Balance of Purchase Price         | (6,750)       | -             | -             | -             | -             |
| One-Time Operating Requirements              | (880)         | -             | -             | -             | -             |
| Funding Required for Capital Program         | (319)         | -             | -             | -             | -             |
| Completion of 2012 Innovation Initiatives    | (159)         | -             | -             | -             | -             |
| <b>Reserve Balance - End of Year</b>         | <b>22,342</b> | <b>22,342</b> | <b>22,342</b> | <b>22,342</b> | <b>22,342</b> |

### Land Development Reserve

A Land Development Reserve has been formally approved by City Council, decision CR11-2, as a method of funding land development, and separating those cash flows, which are subject to significant uncertainty from the projections for the General Fund Reserve. The following forecast has been prepared based on projections of land sales from the Real Estate Department.

| <b><u>Land Development Reserve (\$000's)</u></b>      |              |              |               |               |               |
|---|--------------|--------------|---------------|---------------|---------------|
|   | <b>2013</b>  | <b>2014</b>  | <b>2015</b>   | <b>2016</b>   | <b>2017</b>   |
| <b>Reserve Balance - Start of Year</b>                | 5,285        | 2,575        | 6,075         | 10,075        | 14,075        |
| Transfer from the General Fund Reserve                | -            | -            | -             | -             | -             |
| Contributions to the Reserve - Land Sales             | 4,000        | 4,000        | 4,500         | 4,500         | 4,500         |
| Funding Required for Land Development Capital Program | (6,710)      | (500)        | (500)         | (500)         | -             |
| <b>Reserve Balance - End of Year</b>                  | <b>2,575</b> | <b>6,075</b> | <b>10,075</b> | <b>14,075</b> | <b>18,575</b> |

## Asset Revitalization Reserve

A dedicated Asset Revitalization Reserve allocates dedicated funds to meet the strategic capital priorities of the City to assist in managing the growth and revitalization of the City. The vision and strategic plan, coupled with long-term financial planning including the development of special purpose reserves can assist the City in meeting its future growth and revitalization needs.

### Asset Revitalization Reserve (\$000's)

|  | 2013         | 2014         | 2015         | 2016         | 2017         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Reserve Balance - Start of Year</b>                                     | 5,154        | 2,387        | 2,402        | 2,417        | 2,432        |
| Energy Savings refund for City Hall 2nd Floor Reno Server Room (2012-2022) | 15           | 15           | 15           | 15           | 15           |
| Funding Required for Capital Program                                       | (2,782)      | -            | -            | -            | -            |
| <b>Reserve Balance - End of Year</b>                                       | <u>2,387</u> | <u>2,402</u> | <u>2,417</u> | <u>2,432</u> | <u>2,447</u> |

## Landfill Reserve

The Landfill Reserve is funded through a transfer from the General Operating Budget. The transfer is the net revenue from landfill operations (including an amount for the disposal of waste collected through the residential collection program) less the net cost of the waste minimization programs. A 20-year landfill financial model is maintained to determine landfill rates, taking into account revenues, operating costs, and capital requirements.

### Landfill Reserve (\$000's)

|  | 2013          | 2014         | 2015     | 2016         | 2017         |
|--|---------------|--------------|----------|--------------|--------------|
| <b>Reserve Balance - Start of Year</b> | 16,458        | 15,488       | 2,908    | -            | 5,640        |
| Contributions to the Reserve           | 11,700        | 11,700       | 18,952   | 11,700       | 11,700       |
| 9th Ave N Safety Improvements          | (2,200)       | -            | -        | -            | -            |
| Landfill Closure Liability             | (4,000)       | (100)        | (1,200)  | (1,000)      | (9,300)      |
| Funding Required for Capital Program   | (6,470)       | (24,180)     | (20,660) | (5,060)      | (60)         |
| <b>Reserve Balance - End of Year</b>   | <u>15,488</u> | <u>2,908</u> | <u>-</u> | <u>5,640</u> | <u>7,980</u> |

## Golf Course Reserve

The Golf Course Reserve is used to fund golf course capital projects. Contributions to the reserve are from the annual operations of the golf courses. The net revenue after deducting operating expenditures and an allowance for administrative costs is transferred to the reserve. The following table provides a projection for the reserve for the next five years.

### Golf Course Reserve (\$000's)

|  | 2013       | 2014       | 2015       | 2016       | 2017       |
|--|------------|------------|------------|------------|------------|
| <b>Reserve Balance - Start of Year</b> | 516        | 323        | 178        | 104        | 153        |
| Contributions to the Reserve           | 357        | 405        | 500        | 624        | 616        |
| Funding Required for Capital Program   | (550)      | (550)      | (574)      | (575)      | (625)      |
| <b>Reserve Balance - End of Year</b>   | <u>323</u> | <u>178</u> | <u>104</u> | <u>153</u> | <u>144</u> |

## Cemetery Reserve

The Cemetery Reserve is used to fund cemetery capital projects or a loss in the cemetery operations. The annual contribution to the reserve is the net revenue from the cemetery operations after deducting operating expenditures. The Cemetery Management Strategy, approved by Council in 1996, and the Cemetery Financial Plan serve as the primary planning tools in managing the operation of the two cemeteries. The condition of the Cemeteries Program and current developments in the industry requires review and a revised strategy to be prepared. The following table provides a projection for the reserve for the next five years.

| <b><u>Cemetery Reserve (\$000's)</u></b> |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|
|  | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
| <b>Reserve Balance - Start of Year</b>   | 247         | 207         | 252         | 306         | 366         |
| Contributions to the Reserve             | 80          | 145         | 164         | 185         | 185         |
| Funding Required for Capital Program     | (120)       | (100)       | (110)       | (125)       | (110)       |
| <b>Reserve Balance - End of Year</b>     | <b>207</b>  | <b>252</b>  | <b>306</b>  | <b>366</b>  | <b>441</b>  |

## Fleet Replacement Reserve

Formerly, the Equipment Replacement Reserve, the Fleet Replacement reserve was established in September 2010 by Bylaw 2010-49 to amalgamate the Equipment Replacement and Transit Equipment Reserves into one Fleet Replacement Reserve. The new reserve includes separate accounts for the Civic, Transit and Fire fleets.

The Fleet Replacement Reserve is used to fund the replacement of vehicles and equipment for the civic, transit and fire fleets including support vehicles. The reserve is used to fund the replacement of existing equipment, not to purchase new equipment. Additional equipment is funded separately through the capital program. The amount transferred to the reserve each year is represents the depreciation charged on the existing fleet of vehicles and equipment.

| <b><u>Fleet Replacement Reserve (\$000's)</u></b> |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
|   | <b>2013</b>  | <b>2014</b>  | <b>2015</b>  | <b>2016</b>  | <b>2017</b>  |
| <b>Reserve Balance - Start of Year</b>            | 2,902        | 3,373        | 5,254        | 5,432        | 6,765        |
| Contributions to the Reserve                      | 8,737        | 9,747        | 10,777       | 10,777       | 10,777       |
| Funding Required for Capital Program              | (8,266)      | (7,866)      | (10,599)     | (9,444)      | (9,037)      |
| <b>Reserve Balance - End of Year</b>              | <b>3,373</b> | <b>5,254</b> | <b>5,432</b> | <b>6,765</b> | <b>8,505</b> |

## Asphalt Plant Reserve

The Asphalt Plant Reserve funds the capital requirements and maintenance costs of the asphalt plant. The reserve is funded through a charge on the asphalt produced in the plant. The charge is \$5.00 per tonne. The charge includes \$2.50 per tonne for funding of capital requirements and \$2.50 per tonne for maintenance costs. The following table provides a projection for the reserve for the next five years.

| <b><u>Asphalt Plant Reserve (\$000's)</u></b> |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
|   | <b>2013</b>  | <b>2014</b>  | <b>2015</b>  | <b>2016</b>  | <b>2017</b>  |
| <b>Reserve Balance - Start of Year</b>        | 1,315        | 1,115        | 1,165        | 1,215        | 1,415        |
| Contributions to the Reserve                  | 200          | 200          | 200          | 200          | 200          |
| Funding Required for Capital Program          | (400)        | (150)        | (150)        | -            | -            |
| <b>Reserve Balance - End of Year</b>          | <b>1,115</b> | <b>1,165</b> | <b>1,215</b> | <b>1,415</b> | <b>1,615</b> |

## Employer Provided Parking Reserve

The Employer Provided Parking Reserve is funded from parking fees paid by employees. The net fees, after deducting operating costs, are transferred to the reserve to fund capital requirements for the parking facilities. The facilities include the parkade at City Hall and parking lots at other civic facilities.

| <b><u>Employer Provided Parking Reserve (\$000's)</u></b> |             |             |              |              |              |
|---|-------------|-------------|--------------|--------------|--------------|
|   | <b>2013</b> | <b>2014</b> | <b>2015</b>  | <b>2016</b>  | <b>2017</b>  |
| <b>Reserve Balance - Start of Year</b>                    | 569         | 665         | 911          | 1,132        | 1,378        |
| Contributions to the Reserve                              | 490         | 490         | 490          | 490          | 490          |
| Parking Lot Operating Expense                             | (44)        | (44)        | (44)         | (44)         | (44)         |
| Funding Required for Capital Program                      | (350)       | (200)       | (225)        | (200)        | (250)        |
| <b>Reserve Balance - End of Year</b>                      | <b>665</b>  | <b>911</b>  | <b>1,132</b> | <b>1,378</b> | <b>1,574</b> |

## Technology Reserve

The Technology Reserve is funded from the net revenue generated from the print and office services (computer leasing) programs. These services are budgeted to provide a small surplus to fund the replacement of equipment for the print and office services operations, and if required, to offset a shortfall in the operation of the services.

| <b><u>Technology Reserve (\$000's)</u></b>      |             |              |              |              |              |
|---|-------------|--------------|--------------|--------------|--------------|
|   | <b>2013</b> | <b>2014</b>  | <b>2015</b>  | <b>2016</b>  | <b>2017</b>  |
| <b>Reserve Balance - Start of Year</b>          | 871         | 981          | 1,316        | 1,651        | 1,986        |
| Contributions                                   | 35          | 35           | 35           | 35           | 35           |
| Transfer from General Utility Reserve           | 300         | 300          | 300          | 300          | 300          |
| Funding Required for Operating/Capital Programs | (225)       | -            | -            | -            | -            |
| <b>Reserve Balance - End of Year</b>            | <b>981</b>  | <b>1,316</b> | <b>1,651</b> | <b>1,986</b> | <b>2,321</b> |

## Regina Police Service General Reserve

The Regina Police Service General Reserve is used to fund any one-time operating expenditure included in the annual operating budget and transfers to fund capital projects as requested by the Board of Police Commissioners and approved by Council. Contribution to the reserve is the net revenue or expenditure from the annual operating budget of the Regina Police Service and unexpended capital funds from projects that are completed or not proceeding.

### Regina Police Service General Reserve (\$000's)

|  | 2013         | 2014         | 2015         | 2016         | 2017         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Reserve Balance - Start of Year</b> | 1,718        | 1,718        | 1,718        | 1,718        | 1,718        |
| Contributions to the Reserve           | -            | -            | -            | -            | -            |
| Funding Required for Capital Program   | -            | -            | -            | -            | -            |
| <b>Reserve Balance - End of Year</b>   | <u>1,718</u> | <u>1,718</u> | <u>1,718</u> | <u>1,718</u> | <u>1,718</u> |

## Servicing Agreement Fees and Development Levies

Servicing Agreement Fees and Development Levies (SAF) are established under *The Planning and Development Act, 2007* and are recognized as revenue when a developer and the City enter into a servicing agreement or development levy agreement even if some actual cash payments are received subsequent to the agreement signing. The agreements require a payment to the City of a predetermined amount per hectare of land within the development area. The funds are intended to be used towards the construction of regional infrastructure to support new development. Funds associated with a specific agreement are not necessarily managed on a specific project by project basis because infrastructure demands related to new development do not necessarily occur only within the particular development. For example, each new development places an indirect demand on wastewater treatment facilities and major arterials.

City policy determines the projects and the percentage of project costs eligible for Servicing Agreement Fee funding.

In the case of roadways, water, and sewer costs for development, the City would typically incur the costs prior to the full development of an area (cash outflows to fund projects usually occur before the development full built out). Parks and Recreation infrastructure costs are generally incurred later in the process.

In 2011, the City amended the Administration of Servicing Agreement Fees Policy to include provisions for development levies (for simplicity, they are simply referred to as SAFs) and completed a rate review to adopt a 2012 SAF Rate. The annual review of the Servicing Agreement Fee rate includes estimates of the capital requirements related to new development over the next 20 years to ensure the rate keeps pace with increases in the construction market and accurately reflects the extent of infrastructure that is necessary to support development in areas of the City where new development is planned and where SAFs are charged.

The fees increased by 1.3% from 2012 (\$238,946 per hectare) to a 2013 rate of \$241,958 per hectare of developed land. These per hectare fees are actually comprised of four basic parts - a separate fund for Utility projects, Parks and Recreation projects, and Roadways projects as well as an administration costs component. An accounting of the Utility SAF Reserve appears in the City's Water and Sewer Utility budget document. Despite the increase in fees, which now include a financing cost element, significant additional funding is required to support these new neighbourhoods, and there will be a significant cash outflow required by the City to fund its share of infrastructure, as well as to finance the infrastructure paid for through servicing agreement fees. This amount will be repaid through servicing agreement fees as new development proceeds.

Servicing agreement fee revenue is recognized when developers reach a Servicing Agreement with the City. In many instances capital projects eligible for servicing agreement fee funding have been undertaken ahead of the funds being received from developers. As such, there is currently a shortfall in servicing agreement fee funding, and shortfalls are projected over the next five years, although the shortfalls have been significantly reduced from previous projections as a result of the servicing agreement fee review and the rate increase. The fee projections have been based on the development of an average of 80 hectares per year over the next 20 years.

### Roadways Servicing Agreement Fees

Roadways Servicing Agreement Fees are pursuant to *The Planning and Development Act, 2007* and are recognized as revenue when a development agreement is entered into between the City and a developer. In 2013, the agreements require a payment to the City of \$73,824 per hectare of land within the development area for Roads and Related Infrastructure. Upon execution of a servicing agreement, 30% of the levy is paid, with another 40% within nine months and the balance within a further nine months.

The projections for Roads and Related servicing agreement fees appear below. The fee projections have been based on the development of an average of 80 hectares per year over the next 20 years

|                           | <b><u>Roadways SAF Reserve</u></b> |             |             |             |             |
|---------------------------|------------------------------------|-------------|-------------|-------------|-------------|
|                           | <b>2013</b>                        | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
| Beginning Balance         | 5,312                              | 3,504       | 8,691       | 4,619       | 7,533       |
| Projected Fees            | 8,569                              | 8,912       | 9,268       | 9,639       | 10,024      |
| Interest                  | (692)                              | (625)       | (268)       | (300)       | (300)       |
| Available Funds           | 13,189                             | 11,791      | 17,691      | 13,958      | 17,257      |
| Capital Spending          | (9,685)                            | (3,100)     | (13,072)    | (6,425)     | (5,565)     |
| Reserve Balance -Year End | 3,504                              | 8,691       | 4,619       | 7,533       | 11,692      |

### Parks and Recreation Servicing Agreement Fees

Parks and Recreation servicing agreement fees are pursuant to the *Planning and Development Act, 2007* and are recognized as revenue when a servicing agreement is entered into between the City and a developer. In 2013, the agreements require a payment to the City of \$27,316 per hectare of land within the development area. Within one year of the execution of a servicing agreement, 50% of the levy is paid, and remaining 50% balance within a further year.

The projections for Parks and Recreation servicing agreement fees appear below. The fee projections have been based on the development of an average of 80 hectares per year over the next 10 years.

**Parks & Recreation SAF Reserve**

|                           | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| Beginning Balance         | 4,665       | 5,034       | 3,744       | 1,204       | 1,996       |
| Projected Fees            | 1,327       | 1,380       | 1,435       | 1,492       | 1,552       |
| Interest                  | 184         | 191         | 241         | 241         | 241         |
| Available Funds           | 6,176       | 6,605       | 5,420       | 2,937       | 3,789       |
| Capital Spending          | (1,142)     | (2,861)     | (4,216)     | (941)       | (802)       |
| Reserve Balance -Year End | 5,034       | 3,744       | 1,204       | 1,996       | 2,987       |

**Deferred Revenue – Dedicated Lands Charges**

Pursuant to Section 187 of the *Planning and Development Act*, 2007, developers are required to dedicate a portion of a development as municipal reserve. The legislation provides that a developer may make a payment in lieu of dedicating the required lands. The funds received are held as deferred revenue until such time as the funds are expended on eligible expenditures. The funds are to be used for the purchase of land to be dedicated for public use or used for the development of and maintenance of existing municipal reserves.

**Deferred Revenue - Dedicated Lands Charges**

|                                    | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Beginning Balance                  | 1,245       | 1,394       | 1,157       | -           | 153         |
| Projected Revenue                  | 125         | 125         | 1,765       | 125         | 125         |
| Interest                           | 24          | 23          | 28          | 28          | 28          |
| Available Funds                    | 1,394       | 1,542       | 2,950       | 153         | 306         |
| Capital Spending                   | -           | (385)       | (2,950)     | -           | -           |
| Deferred Revenue Balance -Year End | 1,394       | 1,157       | -           | 153         | 306         |



## **Other External Capital Funding**

External contributions assumed in the 2013 General Capital Program include the following:

- \$250,000 in 2013 and future years from Rent Revenue generated at Mosaic Stadium which will fund the Mosaic Stadium Capital Program.

February 19, 2013

To: His Worship the Mayor  
and Members of City Council

Re: 2013 Water and Sewer Utility Budgets

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### RECOMMENDATION

1. That City Council approve the 2013 Water and Sewer Utility Operating Budget, as outlined in the attached 2013 Water and Sewer Utility Budget document.
2. That City Council approve the 2013 Water and Sewer Utility Capital Budget, as outlined in the attached 2013 Water and Sewer Utility Budget document.

### CONCLUSION

The proposed operating and capital budgets for the Water and Sewer Utility provide the funding necessary to meet the service goals of the water, wastewater and drainage services. On December 19, 2010, City Council approved rate increases of approximately 9% per year for the period from 2011 to 2013. The rates established for that time period are sufficient to fund the requirements for 2013.

In 2010, the 2010 – 2011 Water and Sewer Utility Business Plan was documented to capture the current state of the Utility business and outlines how the Utility supports the City's goals. The plan also establishes the foundation for ongoing evolution and improvement of the Utility business. The Utility Business Plan, along with the Corporate Strategic Plan and pertinent Division and Department business plans, guided the development of the 2013 Utility Budget. Aging infrastructure, changing provincial and federal regulatory standards, general industry construction, and material costs all contribute to increasing costs. Provision of the water, wastewater and drainage services is a duty of the City in the interest of public health and safety, responsible environmental stewardship, and exceptional customer service.

### BACKGROUND

The purpose of this report is to submit the Water and Sewer Utility Budgets (2013 Utility Operating Budget and 2013 – 2017 Utility Capital Budget) to City Council for consideration.

The Water and Sewer Utility is created pursuant to *The Cities Act*. Sections of the legislation applicable to the Water and Sewer Utility include:

- The definition of a public utility in Section 2(1)(cc) states that a “public utility means a system or works used to provide one or more of the following for public consumption, benefit, convenience or use.” The list includes water, wastewater and storm drainage;
- Section 8(1) states that “a city has a general power to pass any bylaws for city purposes that it considers expedient in relation to the following matters respecting the city.” The list of purposes includes public utilities;
- Section 8(3) states that “a power to pass bylaws given by this Act is to be interpreted as including the power to do all or any of the following.” The list of powers includes the authority to establish fees;

- Section 128(1) requires that “a council shall adopt an operating and a capital budget for each financial year.”

## DISCUSSION

### 2013 Water and Sewer Utility Budgets

While the proposed 2013 Budgets allocate the funding available to the City according to community priorities, it is not sustainable for the City to continue delivering our services at current service levels. In the past infrastructure maintenance and renewal has been deferred in an effort to maintain affordable services. The City’s aging infrastructure is now reaching a critical state in many areas and needs to be replaced. The wastewater treatment plant and the stadium are at the end of their lives, so we are rebuilding them.

When building this budget, City Administration took the following challenges into account: aging infrastructure, rising prices for supplies and services, continued growth, and residents’ service expectations.

There is some risk with the 2013 budgets. Many of the City’s revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, assessment appeals, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2013 due to these factors.

The attached document provides an overview of the three services funded through the Utility: water, wastewater and drainage. The mandate of the Utility as described in the *Water and Sewer Utility: 2010 – 2011 Business Strategy* is that “We will be recognized by our customers and beneficiaries for excellence in sustainable stewardship of our water resources and utility assets protecting public health, safety, property and the environment. We strive to maintain current service levels by managing Utility services based on needs assessments with reasonable rate increases.”

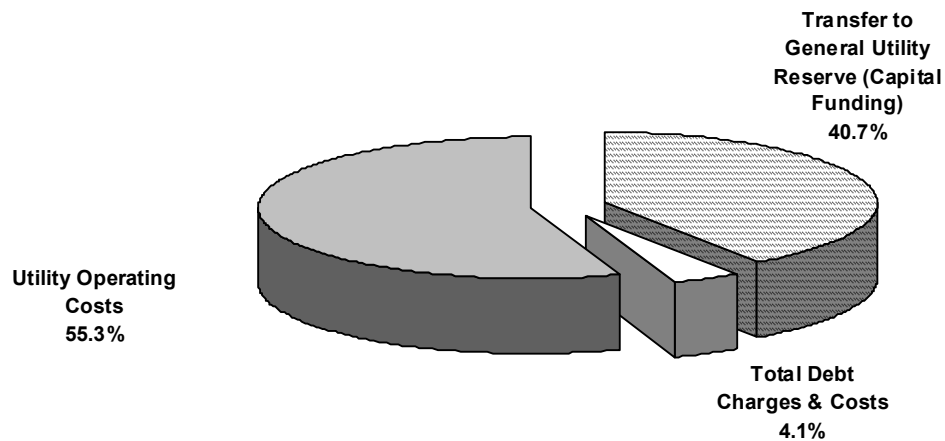
### **2013 Utility Revenues Budget**

Projected operating revenues for 2013 for the Utility are \$102.9 million, an increase of 9.3% over the 2012 budget. This reflects a 9% increase in utility rates, the impact of additional customers and a reduced wastewater revenues resulting from process changes for an industrial customer. Details on the rates for 2011 through 2013 are provided on pages 12 and 13 of the 2013 Water and Sewer Utility Budget document.

The proposed 2013 increase in the total annual utility charges for an average homeowner is 8.85% or about \$9.95 per month.

The following figure provides a summary of what the 2013 revenues will pay for:

### **Use of 2013 Utility Revenue**



#### **2013 Utility Operating Expenditures Budget**

Total operating expenses for the Utility are approximately \$61.1 million in 2013, an increase of about \$0.5 million or 0.8% from the 2012 budget. Details of the expenditure change are provided in the table on pages 21 through 23 of the attached document. The 2013 Utility Operating Budget provides the funding necessary to meet Council's service objectives for water, wastewater and drainage and regulatory requirements.

#### **2013 – 2017 Utility Capital Budget**

The 2013 Utility Capital Budget totals \$39.0 million with the 2013 – 2017 Utility Capital Budget totaling \$398.6 million over five years. The proposed five-year capital program is approximately \$61.1 million more than the five-year capital program approved in 2012, an increase of about 18%. While these are significant expenditures, they are not unreasonable considering recent construction cost escalations, and that the estimated replacement cost of the entire system is in excess of \$3.5 billion.

The proposed level of investment for 2013-2017 will provide adequate funding for water and wastewater plant upgrades, projects that support approved development plans and some investment in drainage system improvements. Further, the proposed five-year capital program provides for the renewal of underground infrastructure, both in conjunction with roadway renewal and some critical and at risk pipes, as well as some inspection and condition assessment of the existing infrastructure.

While the capital investment proposed for 2013 to 2017 is significant, the long-term requirements of the system will continue to put pressure on rate and debt requirements. The capital program for the next five years is focused on addressing the need to upgrade plants, invest in approved development, and manage essential infrastructure work, including collecting infrastructure condition data to support future decisions.

The decrease in the projected expenditures for 2013 results from an assessment of the current progress and capacity of the Utility to manage and deliver the increased capital work demands, which have increased substantially over the past number of years and are expected to continue at this level for the foreseeable future. A reduced program will allow time for currently approved projects and programs to be delivered, as well as provide time to increase capacity through retaining increased consultants and positions. The increase in the five year capital budget results from additional planning work being done in preparation for next year's rate review, which is consistent with issues that were identified in the 2010 rate review. The increase provides for projects and programs that were: missing or deferred within or beyond last year's financial model; operating transfers; or projects accelerated by developers to support the demands of growth.

The 2013 – 2017 Utility Capital Budget proposes a debt peak of approximately \$175 million by 2016 to meet these capital requirements. This total includes the repayment of \$43.1 million in debt reallocated from the Global Transportation Hub, which will be paid out in 2014, requiring refinancing for that portion of the overall debt. The timing of debt issues will largely depend upon the construction schedule for the wastewater treatment plant.

The Administration's current estimates predict a capital commitment of up to \$224.3 million for the design, construction, servicing, planning, procurement and project management costs that are required over the next five years to upgrade and expand the City's Wastewater Treatment Plant to meet more stringent provincial and federal regulations. While utility rates were increased in 2008 – 2010 and again for the 2011 – 2013 period to begin to address these and other capital pressures, the timing and magnitude of the increased revenue is insufficient to offset the timing and financial impact associated with such regulatory changes and other ongoing capital improvements.

While discussions continue with the federal and provincial governments on the new regulations and financial impact of the wastewater treatment plant expansion to meet those regulations, there is no certainty that such discussions will result in a shared funding agreement. Should no substantial funding be provided by other levels of government, the City may re-evaluate the proposed programs and budgets for 2014 and beyond for further possible deferrals in capital investments, substantial ongoing utility rate increases, alternative funding/delivery mechanisms, and/or potential reductions in level of service to utility customers.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

The budget implications for the Water and Sewer Utility are detailed in the attached document. In addition, a 20 year financial model is maintained for the Water and Sewer Utility. The model includes projections for operating and capital costs, along with Utility revenues. Key factors in the model are utility rates, the amount and timing of capital expenditures and the amount of debenture debt required to fund the capital program. Based on current cost and revenue projections, substantial debt funding is required for the proposed capital plan. The utility rates adopted for 2011 – 2013 are also reflected in this budget.

Environmental Implications

Although not a regulation, Regina's City Council passed a resolution in 2008 to reduce greenhouse gas emissions (GHG) 15% below 1990 levels by 2012. Though this target has not been met, it is recognized that the Utility, in particular pumping and treatment operations, accounts for approximately 50% of the Corporation's GHG emissions. As a result, energy consumption is a key consideration as capital projects are designed and implemented.

Strategic Implications

Approval of this budget will allow the City to continue to implement its strategic plan and move closer to realizing its vision.

Other Implications

None identified in this report.

Accessibility Implications

None identified in this report.

COMMUNICATIONS

On January 11, 2013, the Administration held a media technical briefing on the budget, followed by a media conference hosted by City Manager Glen Davies. A budget summary and the complete proposed General Operating, General Capital and Water & Sewer Utility Budgets have been posted on Regina.ca. Print and online ads direct residents to Regina.ca for complete information. The print ads and online information invited residents to attend the January 21, 2013 Special Executive Committee meeting and the February 19, 2013 Special City Council meeting regarding the Administration's proposed 2013 budgets.

Customers will be notified of the new rates through the City Page, the City's website and in an information piece to be included in the water bill for the first billing period for the new rates.

DELEGATED AUTHORITY

This report requires City Council approval.

Respectfully submitted,



Brent Sjoberg,  
Deputy City Manager & CFO

Respectfully submitted,



for

Glen B. Davies  
City Manager

**2013**

**CITY OF REGINA**

**WATER AND SEWER UTILITY BUDGET**

**PROPOSED**



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January 21, 2013

To: His Worship the Mayor,  
and Members of City Council

Re: Water and Sewer Utility Budget

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Each year City Council is required to adopt operating and capital budgets including the General Operating Budget, the Water and Sewer Utility Budget and the General Capital Budget. This document is the Water and Sewer Utility Budget, which includes the 2013 Utility Operating Budget and the 2013 – 2017 Utility Capital Budget.

### **Budget Highlights**

- Utility rates for 2013 were adopted by City Council concurrently with the 2011 Water and Sewer Utility Budget. For a typical residential customer, the 2013 rates result in an 8.9% increase or about \$10 per month. The increase for a sample commercial customer is 8.9% or about \$65 per month.
- The overall revenue increase for 2013 is 9.2%. This reflects a 9% increase in utility rates, the impact of additional customers and reduced wastewater revenues resulting from process changes for an industrial customer. Details on the rates for 2011 through 2013 are provided on pages 12 and 13 of this document. In addition to the rate related increase, \$1.5 million is budgeted for a grant through the Saskatchewan Infrastructure Growth Initiative Program, as well as \$2 million to reflect the anticipated interest earned on Utility investments in 2013.
- The 2013 Utility Operating Budget provides the funding necessary to meet legislative requirements and Council's service objectives for water, wastewater and drainage. The total 2013 Operating budget for the Utility, excluding debt and the transfer to the general operating fund, is \$49.5 million, which is an increase of 8.0% from 2012. This increase is largely offset by a decrease in the expenditures required to service debt, resulting in a net operating budget in 2013 of \$61.0 million, a 0.8% increase from 2012. Cost increases in the operating budget largely arise from the increased cost of operating aging infrastructure. The Utility Operating Budget also provides for the continued development of asset management, business planning and performance metrics to achieve sustainable infrastructure investment strategies.
- The 2013 – 2017 Utility Capital Program totals \$398.6 million, with 2013 totaling \$39.0 million. In 2012, the total capital investment over the same five years and in 2013 were expected to be \$303.2 million and \$58.7 million respectively. The decrease in the projected expenditures for 2013 results from an assessment of the current progress and capacity of the Utility to manage and deliver the increased capital work demands. A reduced program will allow time for currently approved projects and programs to be delivered, as well as provide time to increase capacity through

retaining additional consultants and positions. The increase in the five year capital budget results from additional planning work being done in preparation for next year's rate review, which is consistent with issues that were identified in the 2010 rate review. The increase provides for projects and programs that were: missing or deferred within or beyond last year's financial model; operating transfers; or projects accelerated by developers to support the demands of growth.

- The 2013 – 2017 Utility Capital Budget proposes total debt of \$175-180 million by 2016 to meet these capital requirements. While the capital program for the next five years includes work on both the water and wastewater treatment plants as well as investing in approved development, and managing essential infrastructure work, the timing of debt issues will largely depend upon the construction schedule for the wastewater treatment plant.
- Each year an amount is transferred to the General Operating Fund, representing a payment in lieu of taxes and access fee. Any organization or utility operating in a municipality would be required to pay the municipality either property taxes or an access fee for operating rights. Regina's transfer is the total of 7.5% of the previous year's budgeted revenues for billed water consumption, wastewater charges and drainage infrastructure levy plus an amount (\$675,000) estimated to be 3/7ths of the GST rebate received by the Utility. This amount is the additional rebate provided by the Federal Government starting in 2004. For 2013, these budgeted amounts total \$7.4 million.

## Public Reporting

In 2005, the Province adopted new regulations in Part V.1 of *The Cities Regulations* regarding Public Reporting on Municipal Waterworks. The regulations apply only to waterworks, however since the Utility includes water, wastewater and drainage services, the information required by the regulations is provided for the entire utility. The information requirements include:

- Information on the rate policy and capital investment strategy as adopted pursuant to sections 22.3 and 22.4 of the regulations. The information required with respect to the City's rate policy is provided on pages 10 through 13 of this document. Information on the capital investment strategy is included in the Utility Capital Program Section of this document and in particular, the Infrastructure Overview Section starting on page 49.
- A financial overview providing the information outlined in the regulations. The data outlined in the regulations is included in the Introduction Section of this document on page 1. More detailed information on the revenues and expenditures is provided in the detailed Utility Revenue and Utility Expenditure sections. The regulations also require a comparison of the Utility revenues to expenditures and debt payments, expressed as a ratio in accordance with the following formula:

$$\frac{\text{Revenues}}{(\text{Expenditures} + \text{Debt Payments})}$$

For 2013, based on the definitions in the regulations, the ratio for the Water and Sewer Utility is 1.92, based on revenues of \$102,889,800, expenditures of \$52,160,100 and debt repayments of \$1,506,000. In accordance with the definition in the regulations, expenditures include the interest cost on the debt, while debt payments are the principal repayments on the debt.

For 2013, the ratio indicates that revenues exceed expenditures and debt repayments by 92%. This is a positive result that indicates the Utility is recovering its operating costs as well as providing investment for future capital requirements. In 2014, this ratio will drop to 1.10 due to the repayment of debt taken through the provincial SIGI program. After 2015, the ratio is projected to increase to approximately 2.0 over the next several years as additional funding is generated to fund large capital projects such as the Wastewater Treatment Plant Expansion, along with on-going requirements such as infrastructure investment.

- Information on the current reserves and deferred revenue, capital plans for infrastructure projects and the sources of funding for the capital projects are detailed in the Utility Capital Program section of this document.

### **Capital Requirements and Funding**

Regina's location, in a sensitive natural environment far from a major water source, affects the standards and costs for water supply and wastewater treatment and disposal. Additional information on the Utility services and systems in Regina is provided in the Introduction and Expenditure Sections of this document and in the Water and Sewer Utility Business Plan.

The 2013 Utility Capital Budget totals \$39.0 million with the 2013 – 2017 Utility Capital Budget totaling \$398.6 million over five years. The proposed five-year capital program is approximately \$95.4 million more than the five-year capital program approved in 2012; an increase of about 31.5%. The 2013 program is smaller than the 2012 program to ensure sufficient time and resources are put in place to effectively and responsibly manage the existing and proposed capital programs and budgets largely because of a more focused effort to manage the completion of funded projects that are in progress. The five year program, conversely, has grown from the 2012 five year program because the 20 year capital model was rebuilt as part of the 2013 budget process. While these are significant expenditures, they are not unreasonable considering recent construction cost escalations, and that the estimated replacement cost of the entire system exceeds \$3.5 billion.

While the capital investment proposed for 2013 to 2017 is significant, the long term requirements of the system will continue to put pressure on rate and debt requirements. The capital program for the next five years is focused on addressing the need to upgrade plants, invest in approved development, and manage essential infrastructure work, including the collection of infrastructure condition data to support sound decision making and the implementation of industry best asset management practices.


While the 20 year Utility Model has been improved to include a number of projects and investments that were not quantified or included in past models, the proposed model is still founded on some conservative or optimistic assumptions regarding the timing and cost of a number of projects, and it still does not include incremental investments that may be needed to support the new Official Community Plan, redevelopment projects or additional reductions in green house gas emissions. The assumptions create some risks for the City, particularly in relation to the amount of debt that is expected or may be required, particularly in relation to the borrowing capacity and other needs of the City.

Capital requirements include an expansion to the Wastewater Treatment Plant to meet the Federal Government requirements under The Canadian Environmental Protection Act and The Fisheries Act as well as to comply with Saskatchewan Environment Regulations. Improvements are also required under

the Provincial Water Quality Standards. The capital cost of this work, based on the value at the mid-point of construction in 2015, is expected to be \$207 million. In addition to the regulatory requirements, numerous components of the plant require replacement or refurbishment. While Utility rates were increased in 2008 – 2010 and again in 2011 – 2013 to begin to address these and other capital pressures, the timing and magnitude of the increased revenue is insufficient to offset the timing and financial impact associated with such regulatory changes and other ongoing capital requirements.

Maintenance of the water, wastewater and drainage systems is a duty of the City in the interest of public health and safety. Aging infrastructure and changing regulatory standards contribute to the increasing need for revenue, which result in a requirement to increase rates. The City has a duty to be responsible stewards of these essential utilities to ensure regulatory compliance, and to promote the health, well being and economic prosperity of the community.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'G. Davies'.

Glen B. Davies  
City Manager

## Introduction

# Introduction

## Utility Operating Budget Summary (\$000's)

| Details (\$000's)  | 2012 Budget | 2012 Actual <sup>(1)</sup> | 2013 Budget      | Budget Change      |                    |
|--|-------------|----------------------------|------------------|--------------------|--------------------|
|  |             |                            |                  | Dollar Change (\$) | Percent Change (%) |
| <b>Operating Revenue:</b>                                |             |                            |                  |                    |                    |
| Water  | 45,931.1    | -                          | <b>50,346.8</b>  | 4,415.7            | 9.6                |
| Wastewater   | 33,341.2    | -                          | <b>36,088.0</b>  | 2,746.8            | 8.2                |
| Drainage   | 10,775.5    | -                          | <b>11,906.6</b>  | 1,131.1            | 10.5               |
| Other  | 4,118.4     | -                          | <b>4,548.4</b>   | 430.0              | 10.4               |
| Total Operating Revenue                                  | 94,166.2    | -                          | <b>102,889.8</b> | 8,723.6            | 9.3                |
| <b>Operating Expenditures:</b>                           |             |                            |                  |                    |                    |
| Water, Wastewater & Drainage Operations and Construction | 24,409.0    | -                          | <b>25,256.0</b>  | 847.0              | 3.5                |
| Wastewater Treatment                                     | 6,228.4     | -                          | <b>7,869.6</b>   | 1,641.2            | 26.4               |
| Engineering and Operations                               | 7,035.4     | -                          | <b>7,679.4</b>   | 644.0              | 9.2                |
| Utility Administration                                   | 8,132.8     | -                          | <b>8,680.0</b>   | 547.2              | 6.7                |
| Access Fees  | 6,881.2     | -                          | <b>7,380.9</b>   | 499.7              | 7.3                |
| Total Operating Expenditures                             | 52,686.8    | -                          | <b>56,865.9</b>  | 4,179.1            | 7.9                |
| <b>Other Expenditures:</b>                               |             |                            |                  |                    |                    |
| Debt Costs   | 7,888.7     | -                          | <b>4,181.1</b>   | (3,707.6)          | (47.0)             |
| Total Expenditures                                       | 60,575.5    | -                          | <b>61,047.0</b>  | 471.5              | 0.8                |
| Net Utility Reserve Transfer                             | 33,590.7    | -                          | <b>41,842.8</b>  | 8,252.1            | 24.6               |

Note:

1. Actual results for 2012 will be reported in the final budget document.

## 2013 Budget Overview

The 2013 Water and Sewer Utility Operating and 2013 – 2017 Utility Capital Budgets reflect Regina's commitment to maintaining safe and secure Utility operations. Across North America, water and sewer rates are increasing as utilities face challenges relating to:

- assessment and replacement of aging infrastructure
- expansion of capacity
- improvements required to meet enhanced and/or more stringent regulations and standards.

The 2013 – 2017 Utility Capital Program totals \$398.6 million, with 2013 totaling \$39.0 million. In 2012, the total capital investment over the same five years and in 2013 were expected to be \$303.2 million and \$58.7 million respectively. The decrease in the projected expenditures for 2013 results from an assessment of the current progress and capacity of the Utility to manage and deliver the increased capital work demands, which have increased substantially over the past number of years and are expected to continue at this level for the foreseeable future. A reduced program will allow time for currently approved projects and programs to be delivered, as well as provide time to increase capacity through retaining increased consultants and positions.

The increase in the five year capital budget results from additional planning work that is being done in preparation for next year's rate review, which is consistent with issues that were identified in the 2010 rate

review. The increase provides for projects and programs that were: missing or deferred within or beyond last year's financial model; operating transfers; or projects accelerated by developers to support the demands of growth.

While the capital investment proposed for 2013 – 2017 is significant, the long term requirements of the system will continue to put pressure on rate and debt requirements. The capital program for the next five years is focused on addressing the need to upgrade plants, invest in approved development, and manage essential infrastructure work, including collecting infrastructure condition data to support future decisions.

Capital requirements include an expansion to the Wastewater Treatment Plant to meet the Federal Government requirements under *The Canadian Environmental Protection Act* and *The Fisheries Act* as well as to comply with Saskatchewan Environment Regulations. Improvements are also required under the Provincial Water Quality Standards. The capital cost of this work, based on the value at the mid-point of construction in 2015, is expected to be \$207 million. In addition to the regulatory requirements, numerous components of the plant require replacement or refurbishment. While Utility rates were increased in 2008 – 2010 and again in 2011 - 2013 to begin to address these and other capital pressures, the timing and magnitude of the increased revenue is insufficient to offset the timing and financial impact associated with such regulatory changes and other ongoing capital improvements.

In 2013, the Utility has budgeted for \$1.465 million in provincial grant revenue from the Saskatchewan Infrastructure Growth Initiative Program (SIGI). This revenue is equivalent to the debt servicing cost for \$43.1 million in debt financing originally provided by the SIGI Program to finance the Global Transportation Hub. This funding was transferred to the Utility in 2010.

In 2013, after the 9% increase, the price of a cubic metre of water will be \$1.47. This volume of water is equivalent to two thousand 500 millilitre bottles, which would cost at least \$3,000.

## **2013 Budget Process**

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involve the establishment of priorities. Many Canadian cities are developing multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2013 budget was developed based on priorities established through City Council's Vision for Regina, the Corporate Strategic Plan and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2013 Budget focused on identifying strategic priorities and allocating resources to those priorities to avoid having budget limitations drive the strategy. Divisions identified requirements for ongoing and one-time initiatives and evaluated them according to the strategic priorities. Divisions also identified opportunities where existing resources could be reallocated toward the strategic priorities.

# Corporate Strategic Planning and Performance Management Process

City Council has adopted the following Vision for Regina:

Canada's most...  
Vibrant,  
Inclusive,  
Attractive,  
Sustainable community  
Where people live in Harmony  
And Thrive in opportunity.

To achieve the vision the City has established an accountability framework. This framework demonstrates that both Council and the administration have a role in strategic planning – Council sets the Vision, the administration develops strategic and business plans to align their activity to the Vision.

## City of Regina Accountability Framework



## Corporate Strategic Plan

While the Vision identifies the long term direction for the City of Regina, in order to achieve the Vision, a number of challenges have to be addressed in the short term. In 2012 and again for 2013, within the context of the Vision, the City of Regina has focused on the issue of financial sustainability.

Administration has developed the short-term strategic focus, *"that we will have narrowed the gap between current and expected service levels and our ability to deliver them."* This focus recognizes that the current resources available to the City do not support the sustainable delivery of the current portfolio of services at the current level. Administration is considering areas where services can be reduced or eliminated, where revenues can be increased and where services can be delivered in different ways to improve their



affordability. In 2013, the City will be consulting with citizens to more fully understand their expectations, including the trade-offs they are prepared to make to maintain the most important services.

Perhaps the most urgent issue related to the financial sustainability of the City of Regina is the issue of infrastructure. In an effort to maintain affordable services for Regina taxpayers, the City of Regina (similar to most other municipalities in Canada) has chosen to defer on-going life-cycle maintenance and renewal of infrastructure. The issue has reached a critical point where deferral could result in service or infrastructure failures.

Council endorsed the strategic focus and its key deliverables in March, 2012. The Administration has developed a performance measurement system to support the new strategic focus and has cascaded accountabilities for results throughout the organization.

One of the key issues that is being addressed by the strategic focus is the resourcing of infrastructure renewal. The strategy has created the capacity to move additional resources to respond to this pressing gap. In the 2012 budget, by managing or reducing costs in other areas, the City was able to increase its tax-funded investment in infrastructure by 32%. The City is working to achieve another significant increase in this investment in 2013.

During 2013, the City of Regina will be developing a strategic plan for the 2014-2017 period. The scope of this plan will incorporate the strategic focus of 2012 and 2013 but will be broadened to more fully respond to the Vision and the Community Priorities that were identified as part of the Design Regina process.

## **Business Planning**

As part of the strategy development, targets were cascaded throughout City of Regina divisions and departments. Divisional and departmental business planning used the corporate targets as a basis for planning. In addition to this “top-down” approach, Divisions also incorporated their knowledge of customer and citizen priorities, facility and infrastructure requirements, and their daily analysis of risks and opportunities resulting from ongoing operations – a more “bottom-up” approach. The two approaches working together ensure that the corporate strategic approach will integrate into Divisional and departmental business plans that are both strategic and responsive.

As planning cascades through the organization, the level of engagement and detail will become increasingly refined. Participants in the planning sessions are cross functional to ensure an integrated approach and a ‘de-siloing’ of the organization.

Some areas within the City of Regina have undertaken business planning in the past. What is new for these groups is that they now have a longer term corporate Vision, Mission, Values and Strategic Directions to provide better context for their planning efforts.

In 2010, the first Water and Sewer Utility Business Plan was documented to capture the current state of the Utility business and outline how the Utility supports the City’s goals. This plan also established the foundation for ongoing evolution and improvement of the Utility business. The Water and Sewer Utility: 2010-2011 Business Strategy, along with the Corporate Strategic Plan and pertinent Division and Department business plans, guided the development of the 2013 Utility Budget.

## **2013 Strategic Focus and Business Improvement Strategy**

In line with the City strategy, the Utility has identified Asset Management as its approach to help narrow the gap and set the stage for continued high performance and sustainability. Asset Management (AM) is a way of doing business that ensures we invest our resources wisely over the long term by continually balancing

performance, risk, and expenditures in a way that ensures we meet customer service levels and effectively and efficiently achieve our organizational strategic plan.

The Utility has received approval for 9% rate increases from 2008 -- 2013 but it is recognized that such increases may be unsustainable over the longer term. Thus, beyond the larger City initiative to “narrow the gap”, the Utility must ensure that it is operating as efficiently and effectively as it can while responding to customer expectations appropriately. Through the development of a comprehensive business improvement strategy (through the filter of AM), the Utility will be better able to quantify the required renewal and investment programs and better understand the linkage between investment and the customer outcomes it delivers. This strategy will allow the Utility to understand and demonstrate the value that it is providing for money to customers. Any rate increases beyond 2013 will be based on performance based information and linked to customer outcomes.

The Utility retained CH2M HILL Canada Ltd. (CH2M HILL) to provide consulting support for the design and planning of this project. The study focused on the three Divisions that make up the Utility: Planning & Development, Public Works and Corporate Services. The objectives of the study were to work with Utility staff to understand the current situation with respect to asset management performance and to develop a Roadmap to improve Utility management and performance. The Roadmap has guided the work of the Utility throughout 2012 and will continue to identify the priority initiatives of the AM project plan, known as the Business Improvement Strategy. The business improvement strategy will provide the foundation for the 2013 Rate Review, which will be the basis for Utility rate setting for the next 4 year period.

## Utility Service Overview

The Water and Sewer Utility provides water, wastewater and drainage services primarily to customers in Regina. The services provided through the Utility include:

- **Water Supply, Pumping and Distribution**

The water system provides water for residential, institutional, commercial and industrial customers as well as water for fire protection. The system serves a population of approximately 200,000 including some customers outside the City limits. Service goals include:

- Providing water that meets or exceeds Provincial water quality standards and objectives.
- Providing water at adequate pressure and in sufficient quantity to satisfy the requirements for domestic and commercial use, irrigation and fire protection.
- Identifying and implementing improvements to the water system through long range planning, monitoring, improved operation, capital works and new technology.
- Participating in Communities of Tomorrow and National Research Council's Centre for Sustainable Infrastructure Research to develop new technologies and improve practices.

- **Wastewater Collection and Treatment**

The wastewater system collects wastewater from all residential, institutional, commercial and industrial customers in the City, and treats wastewater to meet Provincial and Federal environmental regulations and industry standards. Service goals include:

- Collecting domestic, commercial and industrial wastewater in the City and reliably delivering it to wastewater treatment facilities.

- Producing a treated wastewater effluent that is biologically and chemically safe for the environment and meets the requirements of the provincially issued operating permit.
- Ensuring pollutants removed from the wastewater are treated and disposed of in an environmentally responsible manner.

- **Drainage**

The drainage system controls water runoff resulting from rainfall and melting snow in and around the city. The system serves approximately 65,000 residential, institutional, commercial and industrial properties. Service goals include:

- Operating and maintaining the drainage system to control run-off water within the city to minimize inconvenience, property damage and danger to the public.
- Monitoring the potential for flood conditions in Wascana Creek and the storm channels and carrying out flood control measures as required.
- Providing environmental monitoring of storm water quality.

The Water and Sewer Utility is responsible for diverse infrastructure including water mains, storage reservoirs, pumping stations, building service connections, wastewater treatment plant, wastewater and storm drainage sewers, and drainage channels and creeks. The City of Regina is also a joint owner of the Buffalo Pound Water Treatment Plant with the City of Moose Jaw.

## **Regional Setting**

Regina is the centre of an economic region comprised of approximately 40 communities. Initiatives are underway to strengthen partnerships and to collaborate on mutual opportunities and interests. Regina's Utility systems provide some regional services and over time their role may increase. Regina's landlocked status is unique among major Canadian cities and impacts the standards and costs for water supply and wastewater treatment and disposal.

The Utility's water supply and wastewater treatment systems are intended to provide treatment that is appropriate to its natural setting and to minimize the city's influence on the receiving environment and its downstream neighbours. Regina's water supply originates with snow melt and rainfall in the eastern Rocky Mountains that feed the tributaries of the South Saskatchewan River. Buffalo Pound Lake is the source of treated water for Regina, Moose Jaw and several surrounding communities. Regina's treated wastewater effluent and stormwater run-off ultimately end up in Wascana Creek, a seasonal stream that originates to the east of Regina and flows through the City. For much of the year these sources are the only water that feeds Wascana Creek, and without these sources, the creek would be dry.

## Regulatory Environment

Saskatchewan Watershed Authority is responsible for management of Saskatchewan's surface water and ground water resources. The Authority regulates the allocation of water, establishes management plans for the province's river basins and is responsible for land drainage and wetland preservation and enhancement.

Saskatchewan's Ministry of Environment regulates water supply and distribution, and wastewater collection, treatment and disposal. Permits for the construction and operation of water and wastewater systems require specific standards to protect human health, to ensure consistent water quality, and to minimize impacts on the natural environment. Requirements outlined in the provincial regulations include mandatory operator certification, routine facility inspections, testing and reporting to ensure compliance.

The Federal Government's Fisheries Act prohibits the discharge of any "deleterious substance" that may affect fish or fish habitat. Ammonia is designated a "toxic" substance that is part of the federal governments proposed national standards to regulate municipal wastewater effluents. The Utility's wastewater treatment plant (WWTP) requires a capital upgrade to meet the acute toxicity requirement.

The provinces may impose additional regulations beyond the federal requirements and the Province of Saskatchewan does require the Utility to meet standards beyond the proposed federal standard. Utility staff and Saskatchewan Ministry of Environment are in broad agreement on the principle that treated effluent standards for the Utility's upgraded wastewater treatment plant should consider environmental effects in the downstream environment. To address this principle, the Utility continues to carry out a significant monitoring program to document current conditions and help project future conditions in the downstream environment as well as initiating engineering for the WWTP upgrade. Should the Province decide to make standards even more stringent, further significant capital costs would be required. The Utility supports the principle of shared fiscal responsibility with respect to protection of the environment. Currently, no provincial or federal funding is provided to meet increased regulatory standards.

It is recognized that the Utility, in particular pumping and treatment operations, accounts for approximately 50% of the corporation's overall GHG emissions. The feasibility of alternatives and associated costs are being considered to achieve reductions that are largely realized by decreasing energy consumption or changing the energy source. Energy consumption is a key consideration in the development of the wastewater treatment plant upgrade.

## **Utility Operating Revenues**

## Utility Operating Revenues

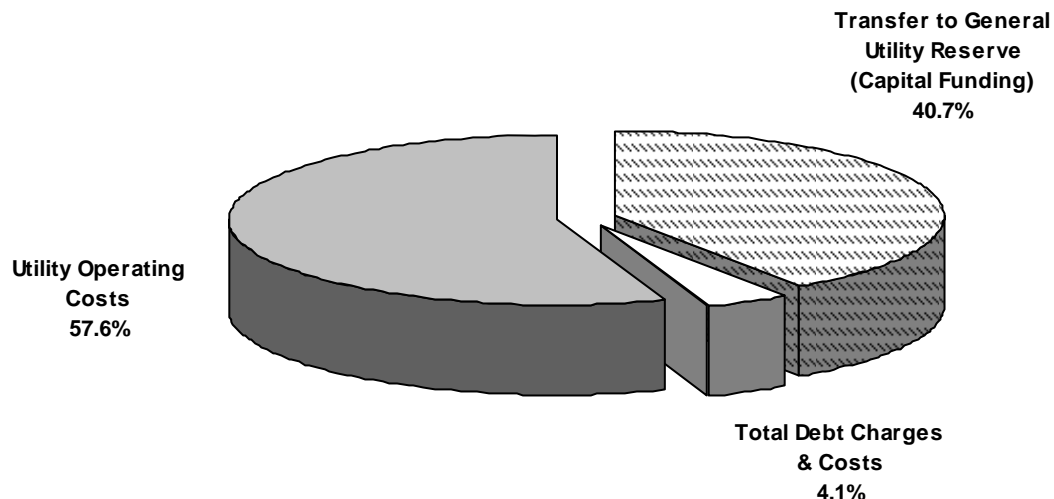
### Utility Operating Revenue Summary (\$000's)

| Revenue Details (\$000's)                | 2012 Budget     | 2012 Actual <sup>(1)</sup> | 2013 Budget      | Budget Change      |                  |
|--|-----------------|----------------------------|------------------|--------------------|------------------|
|  |                 |                            |                  | Dollar Change (\$) | Percent Change % |
| <b>Water Revenue</b>                     |                 |                            |                  |                    |                  |
| Metered Water Charges                    | 45,395.1        | -                          | <b>49,810.8</b>  | 4,415.7            | 9.7              |
| Unmetered Water Charges                  | 50.0            | -                          | <b>50.0</b>      | -                  | -                |
| Service Connections<br>(New/Replacement) | 486.0           | -                          | <b>486.0</b>     | -                  | -                |
| Subtotal                                 | 45,931.1        | -                          | <b>50,346.8</b>  | 4,415.7            | 9.6              |
| <b>Wastewater Revenue</b>                |                 |                            |                  |                    |                  |
| Wastewater Charges                       | 33,241.2        | -                          | <b>35,988.0</b>  | 2,746.8            | 8.3              |
| Wastewater Service Surcharge             | 100.0           | -                          | <b>100.0</b>     | -                  | -                |
| Subtotal                                 | 33,341.2        | -                          | <b>36,088.0</b>  | 2,746.8            | 8.2              |
| <b>Drainage Infrastructure Levy</b>      | 10,775.5        | -                          | <b>11,906.6</b>  | 1,131.1            | 10.5             |
| <b>Other Revenues:</b>                   |                 |                            |                  |                    |                  |
| Provincial Grant - SIGI                  | 1,465.4         | -                          | <b>1,465.4</b>   | -                  | -                |
| Interest Earned on Investments           | 1,600.0         | -                          | <b>2,000.0</b>   | 400.0              | 25.0             |
| Account Service Fees                     | 280.0           | -                          | <b>300.0</b>     | 20.0               | 7.1              |
| Delinquency & Collection Admin.          | 257.0           | -                          | <b>267.0</b>     | 10.0               | 3.9              |
| Meter Administration Fees                | 105.0           | -                          | <b>105.0</b>     | -                  | -                |
| SAF Administration Fees                  | 384.0           | -                          | <b>384.0</b>     | -                  | -                |
| Other Revenues                           | 27.0            | -                          | <b>27.0</b>      | -                  | -                |
| Subtotal                                 | 4,118.4         | -                          | <b>4,548.4</b>   | 430.0              | 10.4             |
| <b>Total Utility Revenues</b>            | <b>94,166.2</b> | <b>-</b>                   | <b>102,889.8</b> | <b>8,723.6</b>     | <b>9.3</b>       |

Note:

1. Actual results for 2012 will be reported in the final budget document.

### Use of 2013 Utility Revenue



## Utility Rates and Rate Policies

Section 22.3 of *The Cities Regulations* requires Council to adopt a rate policy that sets out the rates or fees to be charged to consumers for the use of water. The policy must include the method used to determine those rates or fees. In establishing Utility rates, the following policies have been adopted in the past by City Council:

1. Utility rates are to be established such that they are sufficient, based on long term projections, to fully fund Utility operating costs, interest cost and debt repayments, capital requirements, and transfer policies, taking into account the operating and infrastructure requirements of the Utility required to meet the service goals of the Utility, as determined by City Council or prescribed by legislation. The objectives for the Utility's rate structure are:
  - **Financial Self Sufficiency** – Utility rates must generate revenue adequate to meet all operating and capital costs of the Utility in both the short and the long term.
  - **Conservation** – Utility rates should encourage customers to use water responsibly.
  - **Reduction of Peak Demand** – The Utility rates should encourage water conservation during summer months, reducing the need for infrastructure investment and higher rates.
  - **Equity** – The Utility rates should result in a charge to customers according to the cost of services utilized.
2. The rate structure for water and wastewater will include a base fee that varies according to the size of the water meter. The variation in the base rate by meter size will be based on the schedule recommended by the American Water Works Association (AWWA). The ratios for the base rate based on meter size are shown in the following table.

**Water and Wastewater Base Fee Ratios**

| <u>Meter Size</u> | <u>AWWA Standard Ratio</u> |
|-------------------|----------------------------|
| 15 mm             | 1.0                        |
| 18 mm             | 1.0                        |
| 25 mm             | 1.4                        |
| 40 mm             | 1.8                        |
| 50 mm             | 2.9                        |
| 75 mm             | 11                         |
| 100 mm            | 14                         |
| 150 mm            | 21                         |
| 200 mm            | 29                         |

3. The rate structure for water and wastewater will include a uniform rate for each cubic metre of water consumed and each cubic metre of deemed wastewater flow. For water, the uniform rate is applied to all consumption. For wastewater, the deemed volume is a percentage of the water consumption. The percentages are:
  - For residential customers, the wastewater volume is 82% of the water consumption;
  - For multiple unit residential properties, the percentage is 95% of the water consumption; and,
  - For institutional, commercial and industrial properties, the percentage is 98% of the water consumption.

4. The rate structure for the storm drainage infrastructure levy will be based on the size of the property, with larger properties paying a higher levy. The ratios approved by City Council in 2001 (CR01-189) are shown in the following table. The drainage levy applies irrespective of whether the property is connected to the water or wastewater systems.

**Drainage Infrastructure Rate Ratios**

| <u>Area of Property</u>         | <u>Rate Ratio</u> |
|---------------------------------|-------------------|
| 0 to 1,000 m <sup>2</sup>       | 1.0               |
| 1,001 to 3,000 m <sup>2</sup>   | 2.0               |
| 3,001 to 5,000 m <sup>2</sup>   | 4.0               |
| 5,001 to 7,000 m <sup>2</sup>   | 6.0               |
| 7,001 to 9,000 m <sup>2</sup>   | 8.0               |
| 9,001 to 11,000 m <sup>2</sup>  | 10.0              |
| 11,001 to 13,000 m <sup>2</sup> | 12.0              |
| 13,001 to 15,000 m <sup>2</sup> | 14.0              |
| 15,001 to 17,000 m <sup>2</sup> | 16.0              |
| 17,001 to 19,000 m <sup>2</sup> | 18.0              |
| 19,001 to 21,000 m <sup>2</sup> | 20.0              |
| 21,001 to 23,000 m <sup>2</sup> | 22.0              |
| 23,001 to 25,000 m <sup>2</sup> | 24.0              |
| 25,001 to 27,000 m <sup>2</sup> | 26.0              |
| 27,001 to 29,000 m <sup>2</sup> | 28.0              |
| 29,001 to 31,000 m <sup>2</sup> | 30.0              |
| Over 31,000 m <sup>2</sup>      | 32.0              |

Regardless of actual property size, the rate for properties up to 1,000 m<sup>2</sup> is applied to all locations designated as “standard residential properties.”

5. **In the setting of rates, the Utility must at minimum present a balanced budget**, with any surplus intended for the following purposes:

- **Transfer to the General Utility Reserve** –The purpose of the reserve is to provide a source of financing for capital projects and to provide a contingency to fund emergency expenditures. The balance of the Utility’s surplus, after other transfers, is transferred to the General Utility Reserve. For 2013, the transfer is budgeted at **\$41.8 million**. Through the use of the Utility Model, an overall requirement for capital funding is established. Utility rates are set in order to provide sufficient surpluses to cover the capital costs over the next twenty years.

In the event that the Utility incurs an operating deficit in a given year, the deficit would also be funded from the reserve.

6. **The Utility Operating Expenses also include an ‘Access Fee,’ which is a transfer to the City’s General Operating Fund.** Any organization or Utility operating in a municipality would be required to pay the municipality either property taxes or an ‘Access Fee’ for the rights to use or access civic assets in the delivery of service. Policies on these types of fees vary from city to city. Calgary’s Utility pays 10% of revenue plus a 10% return on equity. The City of Saskatoon’s Utility pays a franchise fee based on 10% of revenue. Winnipeg’s is also 10%, with dividends paid. Moose Jaw’s rate is 5% of revenue. Regina’s transfer is the total of the following amounts:

- 7.5% of the previous years budgeted revenues for billed water consumption, wastewater charges and drainage infrastructure levy; and,



- The amount of \$675,000, estimated to be 3/7<sup>th</sup> of the GST rebate received by the Utility. This amount is the additional rebate provided by the Federal Government starting in 2004.

For 2013, these amounts total \$7.4 million.

City Council's practice has been to establish Utility rates every three years, with a three-year schedule of rates adopted. Rates for water, wastewater and drainage for 2011 - 2013 were approved in conjunction with the 2011 Utility Budget.

The approved Utility rates for 2011 through 2013 are shown in the following tables. Rates are billed monthly and are based on a daily fixed charge.

#### **Water Rates**

|                           | <b>Approved Rate Schedule</b> |           |              |
|---------------------------|-------------------------------|-----------|--------------|
|                           | 2011 (\$)                     | 2012 (\$) | 2013 (\$)    |
| <b>Daily Base Fee:</b>    |                               |           |              |
| 15 mm/18 mm water meter   | 0.52                          | 0.57      | <b>0.62</b>  |
| 25 mm water meter         | 0.73                          | 0.80      | <b>0.87</b>  |
| 40 mm water meter         | 0.94                          | 1.03      | <b>1.12</b>  |
| 50 mm water meter         | 1.51                          | 1.65      | <b>1.80</b>  |
| 75 mm water meter         | 5.72                          | 6.27      | <b>6.82</b>  |
| 100 mm water meter        | 7.28                          | 7.98      | <b>8.68</b>  |
| 150 mm water meter        | 10.92                         | 11.97     | <b>13.02</b> |
| 200 mm water meter        | 15.08                         | 16.53     | <b>17.98</b> |
| <b>Volume Charge:</b>     |                               |           |              |
| Charge per m <sup>3</sup> | 1.24                          | 1.35      | <b>1.47</b>  |

#### **Wastewater Rates**

|                           | <b>Approved Rate Schedule</b> |           |              |
|---------------------------|-------------------------------|-----------|--------------|
|                           | 2011 (\$)                     | 2012 (\$) | 2013 (\$)    |
| <b>Daily Base Fee:</b>    |                               |           |              |
| 15 mm/18 mm water meter   | 0.40                          | 0.44      | <b>0.48</b>  |
| 25 mm water meter         | 0.56                          | 0.62      | <b>0.67</b>  |
| 40 mm water meter         | 0.72                          | 0.79      | <b>0.86</b>  |
| 50 mm water meter         | 1.16                          | 1.28      | <b>1.39</b>  |
| 75 mm water meter         | 4.40                          | 4.84      | <b>5.28</b>  |
| 100 mm water meter        | 5.60                          | 6.16      | <b>6.72</b>  |
| 150 mm water meter        | 8.40                          | 9.24      | <b>10.08</b> |
| 200 mm water meter        | 11.60                         | 12.76     | <b>13.92</b> |
| <b>Volume Charge:</b>     |                               |           |              |
| Charge per m <sup>3</sup> | 1.11                          | 1.21      | <b>1.32</b>  |

### Storm Drainage Rates

| Daily Base Fee                  | Approved Rate Schedule |           |              |
|---------------------------------|------------------------|-----------|--------------|
|                                 | 2011 (\$)              | 2012 (\$) | 2013 (\$)    |
| 0 to 1,000 m <sup>2</sup>       | 0.35                   | 0.38      | <b>0.41</b>  |
| 1,001 to 3,000 m <sup>2</sup>   | 0.70                   | 0.76      | <b>0.82</b>  |
| 3,001 to 5,000 m <sup>2</sup>   | 1.40                   | 1.52      | <b>1.64</b>  |
| 5,001 to 7,000 m <sup>2</sup>   | 2.10                   | 2.28      | <b>2.46</b>  |
| 7,001 to 9,000 m <sup>2</sup>   | 2.80                   | 3.04      | <b>3.28</b>  |
| 9,001 to 11,000 m <sup>2</sup>  | 3.50                   | 3.80      | <b>4.10</b>  |
| 11,001 to 13,000 m <sup>2</sup> | 4.20                   | 4.56      | <b>4.92</b>  |
| 13,001 to 15,000 m <sup>2</sup> | 4.90                   | 5.32      | <b>5.74</b>  |
| 15,001 to 17,000 m <sup>2</sup> | 5.60                   | 6.08      | <b>6.56</b>  |
| 17,001 to 19,000 m <sup>2</sup> | 6.30                   | 6.84      | <b>7.38</b>  |
| 19,001 to 21,000 m <sup>2</sup> | 7.00                   | 7.60      | <b>8.20</b>  |
| 21,001 to 23,000 m <sup>2</sup> | 7.70                   | 8.36      | <b>9.02</b>  |
| 23,001 to 25,000 m <sup>2</sup> | 8.40                   | 9.12      | <b>9.84</b>  |
| 25,001 to 27,000 m <sup>2</sup> | 9.10                   | 9.88      | <b>10.66</b> |
| 27,001 to 29,000 m <sup>2</sup> | 9.80                   | 10.64     | <b>11.48</b> |
| 29,001 to 31,000 m <sup>2</sup> | 10.50                  | 11.40     | <b>12.30</b> |
| Over 31,000 m <sup>2</sup>      | 11.20                  | 12.16     | <b>13.12</b> |

## Utility Customers

The Utility provides services to a population of approximately 200,000 including service to some customers and communities outside of the City limits. The following tables provide information on the number and categories of Utility customers.

### Water and Sewer Utility Customers

|                        | Water<br>Customers | Wastewater<br>Customers | Drainage<br>Customers |
|------------------------|--------------------|-------------------------|-----------------------|
| Residential            | 60,783             | 60,773                  | 60,975                |
| Multi-Unit Residential | 848                | 846                     | 825                   |
| Commercial             | 3,221              | 3,082                   | 3,298                 |
| Irrigation             | 165                | 38                      | -                     |
| Total                  | <u>65,017</u>      | <u>64,739</u>           | <u>65,098</u>         |
| Within City Limits     | 64,932             | 64,701                  | 65,098                |
| Outside City Limits    | 85                 | 38                      | -                     |
| Total                  | <u>65,017</u>      | <u>64,739</u>           | <u>65,098</u>         |

**Water Customers**

| <b>Water</b> | <b>Residential</b> | <b>Multi-Unit<br/>Residential</b> | <b>Commercial</b> | <b>Irrigation</b> | <b>Total</b>  |
|--------------|--------------------|-----------------------------------|-------------------|-------------------|---------------|
| 15 mm - 5/8" | 57,933             | 22                                | 1,230             | 11                | 59,196        |
| 18 mm - 3/4" | 2,696              | 223                               | 1,065             | 20                | 4,004         |
| 25 mm - 1"   | 142                | 362                               | 415               | 58                | 977           |
| 40 mm - 1.5" | 11                 | 119                               | 166               | 23                | 319           |
| 50 mm - 2"   | 1                  | 65                                | 201               | 48                | 315           |
| 75 mm - 3"   | -                  | 57                                | 117               | 3                 | 177           |
| 100 mm - 4"  | -                  | -                                 | 16                | 2                 | 18            |
| 150 mm - 6"  | -                  | -                                 | 8                 | -                 | 8             |
| 200 mm - 8"  | -                  | -                                 | 3                 | -                 | 3             |
| <b>Total</b> | <b>60,783</b>      | <b>848</b>                        | <b>3,221</b>      | <b>165</b>        | <b>65,017</b> |

**Wastewater Customers**

| <b>Wastewater</b> | <b>Residential</b> | <b>Multi-Unit<br/>Residential</b> | <b>Commercial</b> | <b>Irrigation</b> | <b>Total</b>  |
|-------------------|--------------------|-----------------------------------|-------------------|-------------------|---------------|
| 15 mm - 5/8"      | 57,933             | 22                                | 1,197             | 8                 | 59,160        |
| 18 mm - 3/4"      | 2,688              | 223                               | 1,042             | 2                 | 3,955         |
| 25 mm - 1"        | 141                | 362                               | 399               | 11                | 913           |
| 40 mm - 1.5"      | 10                 | 117                               | 154               | 7                 | 288           |
| 50 mm - 2"        | 1                  | 65                                | 160               | 8                 | 234           |
| 75 mm - 3"        | -                  | 57                                | 112               | 2                 | 171           |
| 100 mm - 4"       | -                  | -                                 | 11                | -                 | 11            |
| 150 mm - 6"       | -                  | -                                 | 5                 | -                 | 5             |
| 200 mm - 8"       | -                  | -                                 | 2                 | -                 | 2             |
| <b>Total</b>      | <b>60,773</b>      | <b>846</b>                        | <b>3,082</b>      | <b>38</b>         | <b>64,739</b> |

### Drainage Customers

| <u>Drainage</u>                 |    | <u>Residential</u> | <u>Multi-Unit<br/>Residential</u> | <u>Commercial</u> | <u>Total</u>  |
|---------------------------------|----|--------------------|-----------------------------------|-------------------|---------------|
| 0 to 1,000 m <sup>2</sup>       | 1  | 60,865             | 389                               | 1,475             | 62,729        |
| 1,001 to 3,000 m <sup>2</sup>   | 2  | -                  | 309                               | 840               | 1,149         |
| 3,001 to 5,000 m <sup>2</sup>   | 3  | -                  | 63                                | 333               | 396           |
| 5,001 to 7,000 m <sup>2</sup>   | 4  | -                  | 31                                | 168               | 199           |
| 7,001 to 9,000 m <sup>2</sup>   | 5  | -                  | 15                                | 119               | 134           |
| 9,001 to 11,000 m <sup>2</sup>  | 6  | -                  | 12                                | 81                | 93            |
| 11,001 to 13,000 m <sup>2</sup> | 7  | -                  | 9                                 | 52                | 61            |
| 13,001 to 15,000 m <sup>2</sup> | 8  | -                  | 4                                 | 55                | 59            |
| 15,001 to 17,000 m <sup>2</sup> | 9  | -                  | 1                                 | 44                | 45            |
| 17,001 to 19,000 m <sup>2</sup> | 10 | -                  | 3                                 | 25                | 28            |
| 19,001 to 21,000 m <sup>2</sup> | 11 | -                  | 3                                 | 33                | 36            |
| 21,001 to 23,000 m <sup>2</sup> | 12 | -                  | 2                                 | 17                | 19            |
| 23,001 to 25,000 m <sup>2</sup> | 13 | -                  | 1                                 | 12                | 13            |
| 25,001 to 27,000 m <sup>2</sup> | 14 | -                  | 1                                 | 8                 | 9             |
| 27,001 to 29,000 m <sup>2</sup> | 15 | -                  | -                                 | 12                | 12            |
| 29,001 to 31,000 m <sup>2</sup> | 16 | -                  | -                                 | 6                 | 6             |
| Over 31,000 m <sup>2</sup>      | 17 | -                  | 1                                 | 109               | 110           |
| Total Properties                |    | <u>60,865</u>      | <u>844</u>                        | <u>3,389</u>      | <u>65,098</u> |

## Utility Rate History and Comparisons

The following tables detail the history of Utility rates since 2003, and the annual cost and annual cost increase for a sample residential customer with 360 cubic metres of water consumption a year.

### Water Rate History

| <u>Year</u> | <u>Fixed Annual<br/>Charge (\$)</u> | <u>Volume Charge<br/>(\$/Cubic Metre)</u> | <u>Cost for Sample Customer</u>                    |                                  |
|-------------|-------------------------------------|---|--|----------------------------------|
|             |                                     |   | <u>Annual Charge for<br/>360 Cubic Metres (\$)</u> | <u>Per Cent<br/>Increase (%)</u> |
| 2003        | 109.50                              | 0.79                                      | 393.90   | 3.1                              |
| 2004        | 117.00                              | 0.81                                      | 408.60   | 3.7                              |
| 2005        | 123.00                              | 0.83                                      | 421.80   | 3.2                              |
| 2006        | 129.00                              | 0.85                                      | 435.00   | 3.1                              |
| 2007        | 135.05                              | 0.88                                      | 451.85   | 3.9                              |
| 2008        | 146.00                              | 0.96                                      | 491.60   | 8.8                              |
| 2009        | 160.60                              | 1.05                                      | 538.60   | 9.6                              |
| 2010        | 175.20                              | 1.14                                      | 585.60   | 8.7                              |
| 2011        | 189.80                              | 1.24                                      | 636.20   | 8.6                              |
| 2012        | 208.05                              | 1.35                                      | 694.05   | 9.1                              |
| <b>2013</b> | <b>226.30</b>                       | <b>1.47</b>                               | <b>755.50</b>                                      | <b>8.9</b>                       |

### Wastewater Rate History

| Year        | Fixed Annual Charge (\$) | Volume Charge (\$/Cubic Metre) | Cost for Sample Customer                |                       |
|-------------|--------------------------|--------------------------------|---|-----------------------|
|             |                          |                                | Annual Charge for 360 Cubic Metres (\$) | Per Cent Increase (%) |
| 2003        | 81.00                    | 0.67                           | 278.78                                  | 3.9                   |
| 2004        | 87.00                    | 0.69                           | 290.69                                  | 4.3                   |
| 2005        | 93.00                    | 0.72                           | 305.54                                  | 5.1                   |
| 2006        | 99.00                    | 0.75                           | 320.40                                  | 4.9                   |
| 2007        | 102.20                   | 0.78                           | 332.46                                  | 3.8                   |
| 2008        | 116.80                   | 0.85                           | 364.07                                  | 9.5                   |
| 2009        | 124.10                   | 0.93                           | 398.64                                  | 9.5                   |
| 2010        | 135.05                   | 1.01                           | 433.20                                  | 8.7                   |
| 2011        | 146.00                   | 1.11                           | 473.67                                  | 9.3                   |
| 2012        | 160.60                   | 1.21                           | 517.79                                  | 9.3                   |
| <b>2013</b> | <b>175.20</b>            | <b>1.32</b>                    | <b>564.86</b>                           | <b>9.1</b>            |

### Drainage Infrastructure Levy Rate History

| Year        | Property Category                  | Annual Levy (\$) | Percentage Increase (%) |
|-------------|------------------------------------|------------------|-------------------------|
| 2003        | 1,000 square metres or less        | 60.00            | 22.0                    |
| 2004        | 1,000 square metres or less        | 72.00            | 20.0                    |
| 2005        | 1,000 square metres or less        | 78.00            | 8.3                     |
| 2006        | 1,000 square metres or less        | 84.00            | 7.7                     |
| 2007        | 1,000 square metres or less        | 91.25            | 8.6                     |
| 2008        | 1,000 square metres or less        | 98.55            | 8.0                     |
| 2009        | 1,000 square metres or less        | 105.85           | 7.4                     |
| 2010        | 1,000 square metres or less        | 116.80           | 10.3                    |
| 2011        | 1,000 square metres or less        | 127.75           | 9.4                     |
| 2012        | 1,000 square metres or less        | 138.70           | 8.6                     |
| <b>2013</b> | <b>1,000 square metres or less</b> | <b>149.65</b>    | <b>7.9</b>              |

## Customer Impact of Utility Rates

Rates for water, wastewater and drainage for 2011 - 2013 were approved in conjunction with the 2011 Utility Budget. Examples of the impact of the 2013 rates are provided below.

### Average Home Owner

The following chart illustrates the impact of the 2013 rates on a homeowner who uses 360 cubic metres of water per year. The water consumption is typical for a family of two adults and two children, in a home with two bathrooms, a dishwasher and washing machine, on a lot with typical landscaping for Regina. The cost increase resulting from the 2013 rates is about \$9.95 per month for the average homeowner.

#### 2013 Rate Impact - Sample Home Owner

|  | 2012 (\$) | 2013 (\$)       | Dollar<br>Change (\$) | Per Cent<br>Change (%) |
|--|-----------|-----------------|-----------------------|------------------------|
| <b>Water</b>                               |           |                 |                       |                        |
| Annual Basic Charge                        | 208.05    | <b>226.30</b>   | 18.25                 |                        |
| Annual Volume Charge                       | 486.00    | <b>529.20</b>   | 43.20                 |                        |
| Total Annual Water                         | 694.05    | <b>755.50</b>   | 61.45                 | 8.85                   |
| <b>Wastewater</b>                          |           |                 |                       |                        |
| Annual Basic Charge                        | 160.60    | <b>175.20</b>   | 14.60                 |                        |
| Annual Volume Charge                       | 357.19    | <b>389.66</b>   | 32.47                 |                        |
| Total Annual Wastewater                    | 517.79    | <b>564.86</b>   | 47.07                 | 9.09                   |
| <b>Annual Drainage Infrastructure Levy</b> | 138.70    | <b>149.65</b>   | 10.95                 | 7.89                   |
| <b>Total Annual Utility Charges</b>        | 1,350.54  | <b>1,470.01</b> | 119.47                | 8.85                   |

### Sample Commercial Customer

The following chart illustrates the impact of the 2013 rates on a commercial customer with a 40 mm meter that uses 3,000 cubic metres of water per year, with a property size in the range of 3,001 to 5,000 square metres. This water consumption would be typical for a strip-mall with a restaurant and a hair salon with a parking lot and minimal landscaping.

#### 2013 Rate Impact - Sample Commercial Owner

|  | 2012 (\$) | 2013 (\$)       | Dollar<br>Change (\$) | Per Cent<br>Change (%) |
|--|-----------|-----------------|-----------------------|------------------------|
| <b>Water</b>                               |           |                 |                       |                        |
| Annual Basic Charge                        | 375.95    | <b>408.80</b>   | 32.85                 |                        |
| Annual Volume Charge                       | 4,050.00  | <b>4,410.00</b> | 360.00                |                        |
| Total Annual Water                         | 4,425.95  | <b>4,818.80</b> | 392.85                | 8.88                   |
| <b>Wastewater</b>                          |           |                 |                       |                        |
| Annual Basic Charge                        | 288.35    | <b>313.90</b>   | 25.55                 |                        |
| Annual Volume Charge                       | 3,557.40  | <b>3,880.80</b> | 323.40                |                        |
| Total Annual Wastewater                    | 3,845.75  | <b>4,194.70</b> | 348.95                | 9.07                   |
| <b>Annual Drainage Infrastructure Levy</b> | 554.80    | <b>598.60</b>   | 43.80                 | 7.89                   |
| <b>Total Annual Utility Charges</b>        | 8,826.50  | <b>9,612.10</b> | 785.60                | 8.90                   |

## Rate Comparison - Sample Residential Customer

The following chart compares the 2012 rates for Regina and other cities for a sample residential customer. The sample customer is a home owner who uses 360 cubic metres of water per year. The water consumption is typical for a family of two adults and two children, in a home with two bathrooms, a dishwasher and washing machine, on a lot with typical landscaping for Regina.

### Sample Residential Customer - 2012 Rates<sup>1</sup>

| <u>Utility Bill Details</u>                | <u>Regina</u>      | <u>Calgary</u>     | <u>Edmonton</u>    | <u>Saskatoon</u> | <u>Winnipeg</u>    |
|--|--------------------|--------------------|--------------------|------------------|--------------------|
| <b>Water</b>                               |                    |                    |                    |                  |                    |
| Annual Basic Charge                        | \$ 208.05          | \$ 163.68          | \$ 78.60           | \$ 137.76        | \$ 76.65           |
| Annual Volume Charge                       | 486.00             | 535.54             | 628.14             | 338.91           | 486.00             |
| Total Annual Water                         | 694.05             | 699.22             | 706.74             | 476.67           | 562.65             |
| <b>Wastewater</b>                          |                    |                    |                    |                  |                    |
| Annual Basic Charge                        | 160.60             | 150.36             | 93.24              | 137.76           | -                  |
| Annual Volume Charge                       | 357.19             | 311.62             | 534.31             | 180.45           | 756.00             |
| Total Annual Wastewater                    | 517.79             | 461.98             | 627.55             | 318.21           | 756.00             |
| <b>Annual Drainage Infrastructure Levy</b> | 138.70             | 100.32             | 155.39             | 113.86           | -                  |
| <b>Total Annual Utility Charges</b>        | <u>\$ 1,350.54</u> | <u>\$ 1,261.51</u> | <u>\$ 1,489.68</u> | <u>\$ 908.74</u> | <u>\$ 1,318.65</u> |

Note:

1. 2013 rates for the majority of these cities were not available at the time that this information was compiled.

## Rate Comparison - Sample Commercial Customer

The following chart compares the 2012 rates for Regina and other cities for a sample commercial customer. The commercial customer has a 40 mm meter, uses 3,000 cubic metres of water per year, with a property size in the range of 3,001 to 5,000 square metres. This water consumption would be typical for a strip-mall with a restaurant and a hair salon with a parking lot and minimal landscaping.

### Sample Commercial Customer - 2012 Rates<sup>1</sup>

| <u>Utility Bill Details</u>         | <u>Regina</u>      | <u>Calgary</u>     | <u>Edmonton</u>    | <u>Saskatoon</u>   | <u>Winnipeg</u>     |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>Water:</b>                       |                    |                    |                    |                    |                     |
| Annual Basic Charge                 | \$ 375.95          | \$ 441.72          | \$ 267.12          | \$ 1,455.84        | \$ 105.85           |
| Annual Volume Charge                | 4,050.00           | 3,354.60           | 3,577.62           | 2,266.14           | 3,763.20            |
| Total Annual Water                  | 4,425.95           | 3,796.32           | 3,844.74           | 3,721.98           | 3,869.05            |
| <b>Wastewater:</b>                  |                    |                    |                    |                    |                     |
| Annual Basic Charge                 | 288.35             | 150.36             | 93.24              | 1,455.84           | -                   |
| Annual Volume Charge                | 3,557.40           | 2,460.00           | 4,452.60           | 1,861.44           | 6,300.00            |
| Total Annual Wastewater             | 3,845.75           | 2,610.36           | 4,545.84           | 3,317.28           | 6,300.00            |
| <b>Drainage Infrastructure Levy</b> | 554.80             | 100.32             | 1,553.88           | 839.88             | -                   |
| <b>Total Annual Utility Charges</b> | <u>\$ 8,826.50</u> | <u>\$ 6,507.00</u> | <u>\$ 9,944.46</u> | <u>\$ 7,879.14</u> | <u>\$ 10,169.05</u> |

Note:

1. 2013 rates for the majority of these cities were not available at the time that this information was compiled.

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## **Utility Operating Expenditures**

## Utility Operating Expenditures

### Utility Operating Expenditure Summary (\$000's)

| Expenditure Details (\$000's)                                       | 2012 Budget | 2012 Actual <sup>(1)</sup> | 2013 Budget     | Budget Change      |                    |
|---|-------------|----------------------------|-----------------|--------------------|--------------------|
|   |             |                            |                 | Dollar Change (\$) | Percent Change (%) |
| <b>Water, Wastewater &amp; Drainage Operations and Construction</b> |             |                            |                 |                    |                    |
| Water Operations  | 10,902.0    | -                          | <b>12,016.7</b> | 1,114.7            | 10.2               |
| Water & Sewer Construction  | 8,820.9     | -                          | <b>8,015.8</b>  | (805.1)            | (9.1)              |
| Sewer & Drainage Operations   | 4,686.1     | -                          | <b>5,223.5</b>  | 537.4              | 11.5               |
| Subtotal  | 24,409.0    | -                          | <b>25,256.0</b> | 847.0              | 3.5                |
| <b>Wastewater Treatment</b>   | 6,228.4     | -                          | <b>7,869.6</b>  | 1,641.2            | 26.4               |
| <b>Engineering &amp; Operations</b>                                 |             |                            |                 |                    |                    |
| Strategic and Business Services                                     | 1,439.8     | -                          | <b>1,559.4</b>  | 119.6              | 8.3                |
| Water, Wastewater Collection & Drainage Engineering                 | 1,970.5     | -                          | <b>2,069.0</b>  | 98.5               | 5.0                |
| Environmental Engineering   | 1,110.9     | -                          | <b>1,429.5</b>  | 318.6              | 28.7               |
| Construction & Compliance   | 2,275.6     | -                          | <b>2,382.9</b>  | 107.3              | 4.7                |
| Facilities  | 238.6       | -                          | <b>238.6</b>    | -                  | -                  |
| Subtotal  | 7,035.4     | -                          | <b>7,679.4</b>  | 644.0              | 9.2                |
| <b>Utility Administration</b>                                       |             |                            |                 |                    |                    |
| Customer Service, Billing & Collection                              | 3,782.4     | -                          | <b>3,971.7</b>  | 189.3              | 5.0                |
| Access Fee  | 6,881.2     | -                          | <b>7,380.9</b>  | 499.7              | 7.3                |
| Utility Administration Charge                                       | 4,350.4     | -                          | <b>4,708.3</b>  | 357.9              | 8.2                |
| Subtotal  | 15,014.0    | -                          | <b>16,060.9</b> | 1,046.9            | 7.0                |
| <b>Total Operating Expenditures</b>                                 | 52,686.8    | -                          | 56,865.9        | 4,179.1            | 7.9                |
| <b>Other Expenditures</b>   |             |                            |                 |                    |                    |
| Debt Costs  | 7,888.7     | -                          | <b>4,181.1</b>  | (3,707.6)          | (47.0)             |
| <b>Total Expenditures</b>   | 60,575.5    | -                          | 61,047.0        | 471.5              | 0.8                |
| <b>Net Utility Reserve Transfer</b>                                 | 33,590.7    | -                          | 41,842.8        | 8,252.1            | 24.6               |

Note:

1. Actual results for 2012 will be reported in the final budget document.

### Staffing Summary

| FTE's by Division <sup>(1)</sup>                | 2012      |        |       | 2013      |        |       | Change |
|---|-----------|--------|-------|-----------|--------|-------|--------|
|   | Permanent | Casual | Total | Permanent | Casual | Total |        |
| City Operations                                 | 193.4     | 26.7   | 220.1 | 205.7     | 27.4   | 233.1 | 13.0   |
| Community Planning & Development <sup>(2)</sup> | 18.8      | 1.6    | 20.4  | 18.8      | 1.6    | 20.4  | -      |
| Corporate Services                              | 25.5      | 1.5    | 27.0  | 25.5      | 1.8    | 27.3  | 0.3    |
| Office of the City Manager                      | 1.0       | -      | 1.0   | 1.0       | -      | 1.0   | -      |
| <b>Total <sup>(3)(4)</sup></b>                  | 238.7     | 29.8   | 268.5 | 251.0     | 30.8   | 281.8 | 13.3   |

Note:

- The 2012 staffing summary has been restated to correctly reflect realignment of divisions.
- The 2012 Community Planning and Development permanent staff allocation has been restated to correctly reflect staff allocated to the Utility.
- Adjustments to allocations between the General Operating and General Utility funds has resulted in an increase of 4 permanent FTE in Utility Operating and corresponding reduction in General Operating in City Operations.
- In addition to staff increases noted in the Operating Analysis of Change, the City Operations complement has increased 3 permanent FTE in staffing funded through capital infrastructure renewal programs.

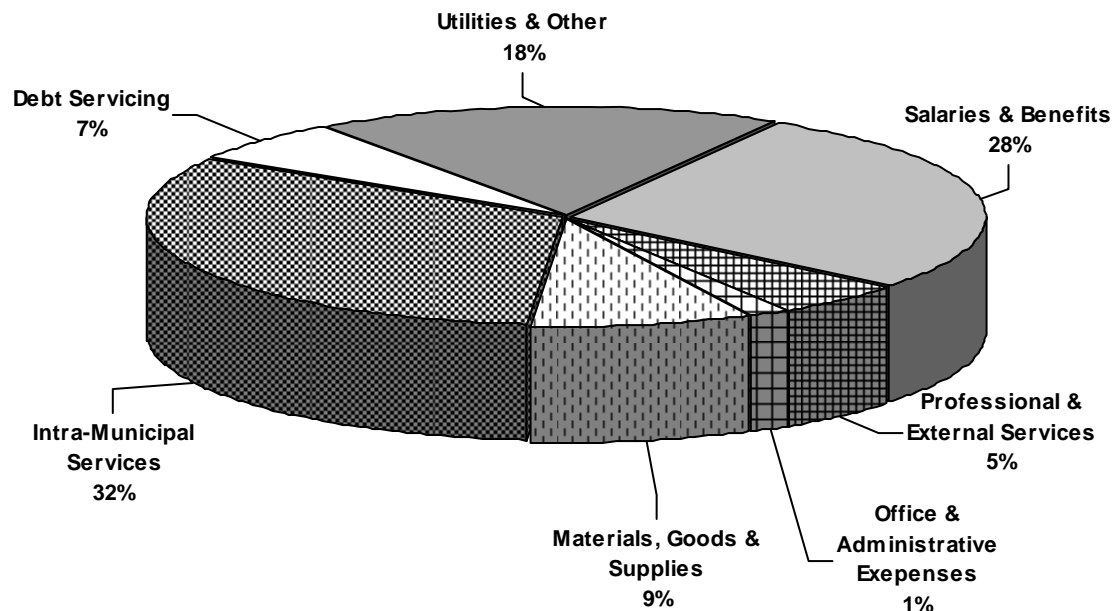
## Operating Expenditure Summary (\$000's) by Type of Expenditure

| Expenditures                             | 2012 Budget | 2012 Actual <sup>(1)</sup> | 2013 Budget | Budget Change      |                    |
|--|-------------|----------------------------|-------------|--------------------|--------------------|
|  |             |                            |             | Dollar Change (\$) | Percent Change (%) |
| Salaries & Benefits                      | 16,372.5    | -                          | 16,866.1    | 493.6              | 3.0                |
| Employee Related Payments                | 83.4        | -                          | 83.4        | -                  | -                  |
| Office & Administrative Expenses         | 821.3       | -                          | 866.0       | 44.7               | 5.4                |
| Professional & External Services         | 2,613.4     | -                          | 3,126.6     | 513.2              | 19.6               |
| Materials, Goods & Supplies <sup>1</sup> | 4,636.0     | -                          | 5,305.4     | 669.4              | 14.4               |
| Utilities and Other Expenditures         | 9,735.9     | -                          | 10,770.6    | 1,034.7            | 10.6               |
| Intra-Municipal Services                 | 18,424.3    | -                          | 19,847.8    | 1,423.5            | 7.7                |
| Total Operating Expenditures             | 52,686.8    | -                          | 56,865.9    | 4,179.1            | 7.9                |
| Debt Servicing                           | 7,888.7     | -                          | 4,181.1     | (3,707.6)          | (47.0)             |
| Total Expenditures                       | 60,575.5    | -                          | 61,047.0    | 471.5              | 0.8                |
| Net Utility Reserve Transfer             | 33,590.7    | -                          | 41,842.8    | 8,252.1            | 24.6               |

Note:

1. Actual results for 2012 will be reported in the final budget document.

### 2013 Operating Expenditures (thousands of dollars)



# Analysis of Operating Budget Change from 2012 to 2013

| Details of Operating Budget Changes <i>(continued on next page)</i>  |  | (\$000's)   |
|--|--|-------------|
| 2013 Operating Expenditures  |  | \$ 60,575.5 |
| 1. Salaries and Benefits - Includes cost changes resulting from in-range progression increases, classification reviews, general employer benefit costs (EI, CPP, WCB, etc. which increase proportionate with salaries), the City's portion of increases in employee pension contributions and negotiated salary increase. (Base)                             |  | 462.7       |
| 2. 2012 One Time Items - This represents one time items contained in the 2012 budget and includes Anaerobic Digester Cleaning at the WWTP, Succession Planning, Lift Station Preventative Maintenance System, Rear Lot Drainage Study and Improved Water and Sewer Utility Management Performance project. (One-Time)  |  | (670.0)     |
| 3. Power and Energy Costs - Increased power costs of 4.9% for various operations including Wastewater Treatment Plant, Water Pumping, Wells, and Forcemain Operations (Base)   |  | 161.7       |
| 4. Liquid Alum and Polymer - Increased cost of material requirements for the Wastewater Treatment Plant, including liquid alum (aluminium sulphate), and polymer, which are utilized on a continuous basis in the treatment of wastewater. (Base)  |  | 36.5        |
| 5. Purchase of Water - Increase in cost of water from Buffalo Pound Water Treatment Plant. (Base)  |  | 316.0       |
| 6. Equipment Rental - Increased cost for tandem truck rental contract of \$30 per hour (55% increase) (Base)   |  | 330.6       |
| 7. Pay Incentive for Certified Operators - Increased cost to provide a pay incentive for employees to obtain certified operator status. (Base)   |  | 20.0        |
| 8. Allocation Adjustments from Operating to Capital - Adjustment of the operating budget to reflect costs moved to capital budgets for replacement of valve, hydrants, and sewer connections. (Base)   |  | (1,139.3)   |
| 9. Allocation Adjustments from General Operating to Utility Operating - Adjustment of the operating budgets to reflect the distribution of work. (Base)  |  | 656.0       |
| 10. Utility Billing Staffing Level Change (Strategic Focus Cost Reduction) - Reduction in staffing costs through adjustment of staffing requirements. (Base)   |  | (5.0)       |
| 11. Vibratory Wheel Compactor (Strategic Focus Cost Reduction) - Reduction of materials costs through implementation of an improved work process in wastewater service connection replacement. (Base)  |  | (54.0)      |
| 12. City Hall Security Project - As part of the approved City Hall Security Strategy, Service Regina will provide two staff to provide first point of contact for any visitors to City Hall. This request represents 40% of the cost of these positions to be funded by the Utility. (0.8 Permanent FTE) (On-going)  |  | 48.0        |
| 13. Water Connection Services - Increased staffing requirement to address volume of service requests to turn on water for new customers primarily due to growth. (0.25 Casual FTE) (On-going)  |  | 12.4        |
| 14. Storm Sewer Cleaning & Storm Channel Maintenance - City growth has resulted in additional underground linear and storm channel infrastructure for stormwater conveyance of approximately 8% over the last 5 years. Increased resourcing is required to provide routine inspection and maintenance of this infrastructure. (1.0 Permanent FTE) (On-going) |  | 126.9       |
| 15. Domestic Sewer Cleaning - City growth has resulted in additional underground linear infrastructure for collection of domestic sewage of approximately 8% over the last 5 years. Increased resourcing is required to provide routine maintenance and inspection of this infrastructure. (0.5 Permanent FTE) (On-going)                                    |  | 121.4       |
| 16. Summer Meter Service - City growth has resulted in increased requests from customers for the installation and removal of summer service water meters. This work is 60% funded through capital. (0.5 Permanent FTE) (On-going)  |  | 10.0        |

| Details of Operating Budget Changes <i>(continued from previous page)</i>  | (\$000's) |
|--|-----------|
| 17. Linear Water Distribution System - City growth has resulted in additional underground linear infrastructure, valves and hydrants for water distribution of approximately 8% over the last 5 years. Increased resourcing is required to provide routine maintenance and inspection of this infrastructure. (2.0 Permanent FTE) (On-going)   | 140.0     |
| 18. New Water Pumping Station - City growth has required the construction of a new water pumping station as well as providing increased water pressure to north portions of the City. Increased funding and resourcing is required for the routine inspection, maintenance, and operation of this pumphouse. (0.5 Permanent FTE) (On-going)  | 216.0     |
| 19. New Bulk Water Loading Station - A new bulk water station has been constructed to provide for additional capacity for growth, security and safety. Incremental maintenance and operational costs will occur for electricity, natural gas, and routine facility maintenance. (On-going)   | 25.0      |
| 20. Upgraded McCarthy Sewage Pumpstation - Upgrades to McCarthy Sewage Pump Station to provide additional capacity for growth will result in increased costs for power/heat, and landfill tipping fees. (On-going)   | 28.0      |
| 21. Hydrant Access Procedures and Fees - New processes to ensure the protection of the water supply system will limit hydrant access to specific sites, increasing the time and cost to access water for daily operations of the Sewer and Drainage Operations Branch. This incremental cost will be partially offset through a one time request for an additional fill site in Building F North Garage (0.2 Casual FTE) (On-going)  | 40.0      |
| 22. Utility Billing Postage - Increased number of accounts has resulted in increased mailing costs. (On-going)   | 19.9      |
| 23. Office Space to Support Increased Capital Program - Additional office space is required to accommodate the additional staffing required to deliver the increased capital program. New facilities to support the needs of Utility operations is not expected to be constructed for 5-10 years. This funding is required to provide for the rental of office space. (On-going)   | 200.0     |
| 24. Lift Station Maintenance Program Staffing - Increased complexity of inspections and repairs to lift stations requires the conversion of existing general repair person to a Journeyperson Industrial Mechanic. (On-going)  | 30.0      |
| 25. Jet Nozzle Replacement - Regular replacement of jet nozzles improves the productivity and effectiveness of underground pipe cleaning programs. An one-time and ongoing replacement program will enable the replacement of 6 nozzles in 2013 and a program to replace 2 nozzles annually. (On-going/One-time)   | 30.0      |
| 26. Anaerobic Digester Cleaning - This funding is required to complete cleaning of anaerobic digesters at the Wastewater Treatment plant to maintain them in good working order (On-going)   | 160.0     |
| 27. UV Disinfection Maintenance - In order to ensure that the Wastewater Treatment plant continues to meet Permit during the upgrade and refurbishment of the existing plant, the ultraviolet disinfection system will need to be run with all systems operational. This will necessitate increased spending on parts and lamps. (On-going)  | 40.0      |
| 28. Increased Wastewater Treatment Demands - As the existing Wastewater Treatment Plant nears the end of its capacity and useful life, there are increased maintenance and operating activities and costs to ensure the plant continues to meet the daily demands of the community and growth, while remaining in compliance with the City's Operating Permit. On-going increases for polymer, alum, and electricity (618.0) will continue each year until the new plant is operational. A one-time request of 935.0 for increased chemical costs and contracted services is required to address short term issues to be addressed through interim capital improvements. (On-going/One-time) | 1,553.0   |
| 29. Proactive Storm Cleaning Plans - As the underground pipe system has aged and resources have been allocated at times to address other higher priority work, a backlog of cleaning needs has developed. This one time request will provide for the development of a plan to assess the existing backlog and provide recommendations. (One-time)  | 50.0      |

| <b>Details of Operating Budget Changes</b> <i>(continued from previous page)</i>  |  | <b>(\$000's)</b>   |
|---|--|--------------------|
| 30. Water Meter Accuracy Testing - This one-time request will provide resourcing for a one-year trial of proactive testing of large water meters in order to provide improved metering accuracy and increased revenues. The one-year trial will provide an assessment of the value/cost-savings of continuing with this type of program on an ongoing basis. (One-time)   |  | 22.0               |
| 31. Sewer Display Model - Repair of the Sewer Display Model to support homeowner education and promote use of effective residential drainage and sewer backup prevention strategies. (One-time)   |  | 10.0               |
| 32. Utility Budget and Business Improvement Strategy Support - Support for development and continued improvement of the annual Utility budget. The budget analysis and results will also provide input to the Utility Business Improvement Strategy (UBIS) project, including development and full implementation of improved budgeting criteria and processes and delivery of a performance based rate review for 2014-2017. (One-time)  |  | 90.0               |
| 33. Communities of Tomorrow Innovation Funding - The Leveraged Municipal Innovation Fund within Communities of Tomorrow provides a platform for municipalities to pool their efforts and resources to seek innovative solutions to address current and emerging infrastructure needs. This one-time request will cover the Utility's share of the City's contribution for 2013. (One-time)  |  | 27.0               |
| 34. Core Park Underground Detention Cleaning - To re-establish storm water detention design capacity this project involves the removal of sediment that has accumulated and that is reducing capacity of this on-line underground storm water detention reservoir. (One-time)   |  | 100.0              |
| 35. Capital Engineers - In order to support the on-going capital infrastructure renewal work, additional engineering resources are required. This request will provide for three additional engineers to support the capital program. The funding for these positions is provided for in the existing capital program. The work plan for the capital program anticipates the use of consulting resources to provide additional support. If consulting resources are not available, a further two capital engineer positions will be required, bringing the total required staffing addition to five. (3.0 to 5.0 Permanent FTE) (On-going request funded through Capital Program) |  | -                  |
| 36. Drafting Coordinator - The addition of a coordinator to oversee the work of the Drafting and Infrastructure Records area will provide resources to manage the increased workload associated with increased development. (1.0 Permanent FTE) (On-going request funded through Servicing Agreement Fees)  |  | -                  |
| 35. Administrative Charge - Increase in the administrative charge as per the policy. The charge is 5% of the prior year's budgeted revenue. (Base)  |  | 358.0              |
| 36. Debt Costs - This represents the change in total interest and principle payments for the Utility in 2013. (Base)  |  | (3,707.6)          |
| 37. Access Fee - Increase in Transfer to General Operating Fund in Lieu of Taxes. (Base)  |  | 499.7              |
| 38. Other miscellaneous costs include adjustment of allocated costs including increased landfill disposal costs, purchase of gravel & sand for backfill, and increased postage rates. (Base)  |  | 106.6              |
| <b>2013 Operating Budget</b>  |  | <b>\$ 61,047.0</b> |

*Note:*

1. *Base request funding – represents an increase in cost necessary to maintain current investment levels.*
2. *On-going request funding – represents expenditures that would be ongoing past the current budget year.*
3. *One-Time request funding – represents one-time expenditures for the current budget year.*

# Water and Sewer Utility Description

## Mandate

We will be recognized by our customers and beneficiaries for excellence in sustainable stewardship of our water resources and utility assets protecting public health, safety, property and the environment.

We strive to maintain current service levels by managing Utility services based on 3-5 year needs assessments with reasonable rate increases.

A brief overview of the purposes of each work area is outlined below.

### **Environmental Engineering Branch (City Operations Division)**

Provides environmental engineering services for Regina to protect public health and enhance the quality of life.

### **Water and Sewer Services Department (City Operations Division)**

Provide design, construct, operate and maintain essential water, wastewater and drainage systems for Regina and surrounding communities to protect public health and property. This department includes the following branches funded through the Utility:

- Water Operations Branch
- Water and Sewer Construction Branch
- Sewer and Drainage Operations Branch
- Water, Wastewater, and Drainage Engineering Branch
- Wastewater Treatment Branch

### **Strategic and Business Services Department (City Operations Division)**

Provide strategic, engineering and business leadership for City Operations by delivering results through aligned planning; coordinated administration & communications; research & policy development and; performance & measurement reporting. This department also provides customer service for Utility customers through the Service Regina branch. The Utility budget for this department includes:

- 40% of the overall cost of the department

Due to reorganization in the City Operations Division, the allocation for the Strategic and Business Services Department will be reviewed in 2013.

### **Construction and Compliance Department (formerly the Development Engineering Department, Community Planning and Development Division)**

This department formerly provided the planning, design, and review services that support the new the City needs to grow and thrive. It also provides drafting, infrastructure records, infrastructure coordination, and geomatics services to the corporation. The Utility budget for this department has previously included:

- Infrastructure Development Branch – Water/Wastewater and Drainage work units
- 40% of the remainder of the department, excluding Infrastructure Development Branch Roadways work unit

In 2012, this department was dissolved with planning responsibility moving to the new Infrastructure Planning Branch in the Planning Department and design and construction moving to the new Construction and Compliance Department in its Engineering Services Branch. As a result of these changes and an increasing workload associated with the utility component of growth, the allocation for these costs will be reviewed in 2013.

**Finance Department (Corporate Services Division)**

Provide accurate and timely billing and collection information to ensure the financial health of the Utility and to accomplish our commitments to customer satisfaction and business excellence. The budget for this department includes:

- Utility Billing Branch
- Direct charges for one FTE of Financial Analyst resources

**Information Technology Department (Corporate Services Division)**

Provide collaborative leadership and support in technology, information and services; enabling our customers to meet their business outcomes. The budget for this department includes:

- Application development staffing directly responsible for the Utility Billing system as well as 0.5 FTE of database administration resources.

**Communications (Office of the City Manager)**

For the Water & Sewer Utility, the Communications Branch provides public communications for the Utility. The Utility Budget includes:

- Direct charges for communications for the utility, along with one FTE of staff resources

**Buffalo Pound Water Administration Board**

The Board was formed as a partnership between the Cities of Moose Jaw and Regina and sells wholesale water to both Cities.



# Water

## Water System Overview

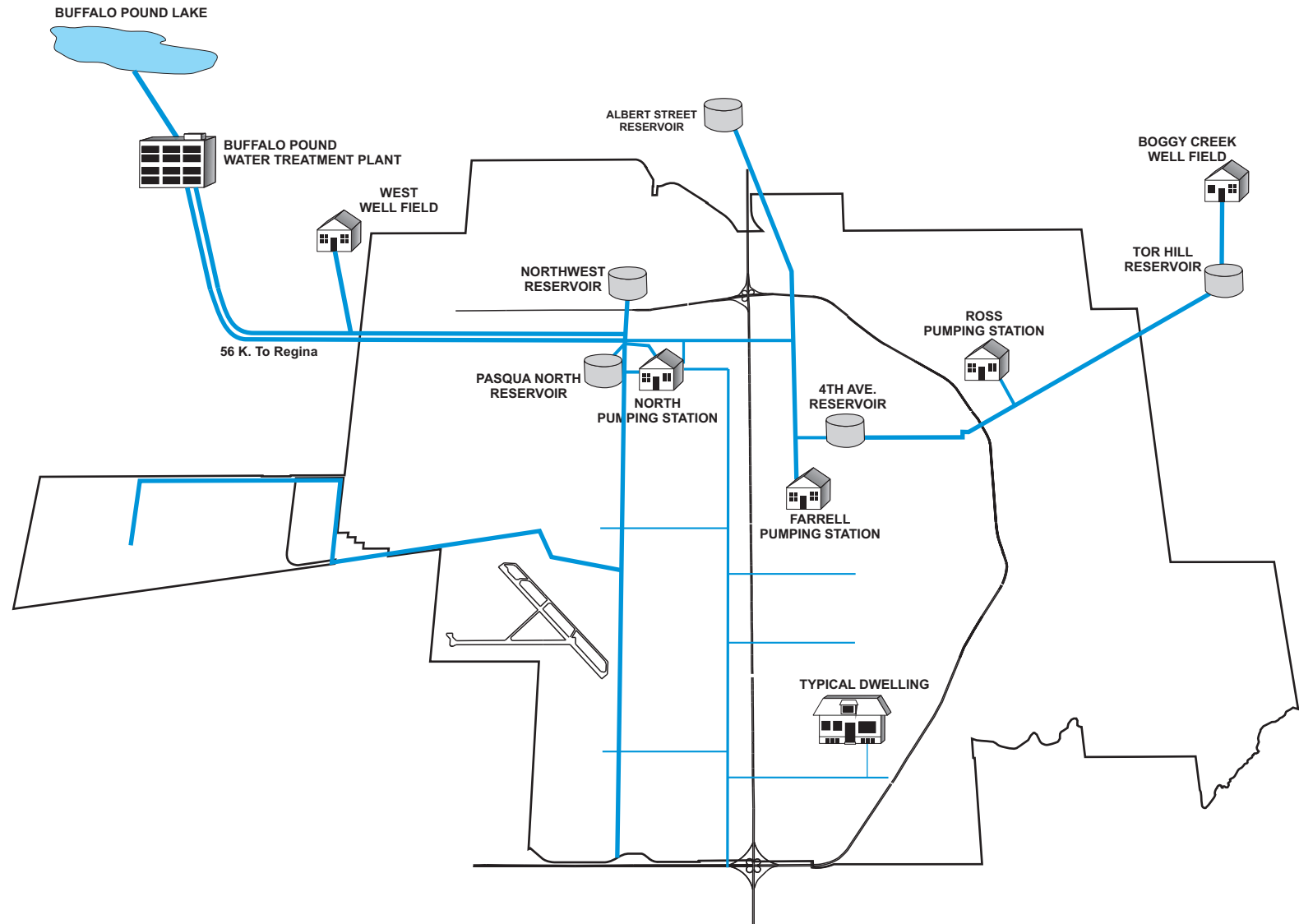
The water supply, pumping and distribution system provides water for residential and commercial use and fire protection. The system serves a population of approximately 200,000 including all residents and businesses in the city limits and a number of customers outside the city. Service goals include:

- Providing water that meets or exceeds Provincial water quality standards and objectives.
- Providing water at adequate pressure and in sufficient quantity to satisfy the requirements for domestic and commercial use, irrigation and fire protection.
- Identifying and implementing improvements to the water system through long range planning, monitoring, improved operation, capital works and new technology.
- Participating in Communities of Tomorrow and National Research Council's Centre for Sustainable Infrastructure Research to develop new technologies and improve practices.

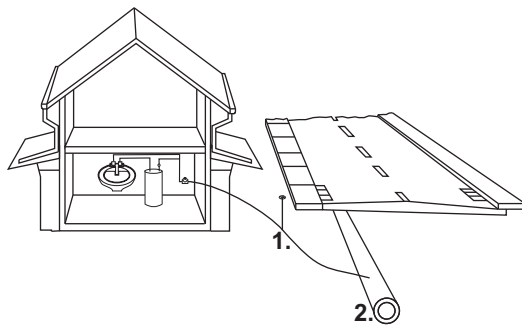
Components of the water system shown in the map on the next page include:

- **Buffalo Pound Lake and Wells** – All of the annual water needs are provided from Buffalo Pound Lake. There are wells available for backup purposes. The well water is chlorinated, but does not require further treatment to meet current health standards.
- **Buffalo Pound Water Treatment Plant** – Water from Buffalo Pound Lake is drawn and pumped three kilometres to the Buffalo Pound Water Treatment Plant, a facility owned jointly with the City of Moose Jaw. At the plant, the water is mixed with coagulants that cause algae, bacteria and other impurities to clump together so that they settle out of the water. The water is then filtered and chlorinated. During warmer weather, the water is passed through granular activated carbon to improve the taste and odour.
- **Supply Pipelines** – From the Buffalo Pound Water Treatment Plant, the water is pumped through a 56 km pipeline to the City's water distribution system. The pipeline has been twinned to provide increased capacity and reliability of the water supply. A number of other supply pipelines transport water from wells to reservoirs.
- **Reservoirs** – Five storage reservoirs are used to store water to meet peak demands and ensure that there is an adequate supply of water available for firefighting and high usage periods. The reservoirs have a combined usable storage capacity equal to about one and one-half days of average water use.
- **Pumping Stations** – There are three pumping stations (North, Farrell and Ross) that are used to pump water from reservoirs into the distribution system as necessary.
- **Distribution System** – The distribution system consists of over 1,080 kilometres of pipelines ranging in size from large 1,067 mm diameter trunk mains to 100 mm distribution pipes. The pipelines are made of various materials including steel, cast iron, concrete, asbestos cement (AC), polyvinylchloride (PVC) and high density polyethylene (HDPE). The distribution system also includes over 6,000 valves that allow the water to be turned off to facilitate repairs and maintenance.
- **Service Connections** – Distribution pipes are connected to a customer's water line through a service connection.
- **Water Meters** – Water meters measure water consumption which use automated meter reading (AMR) equipment to transmit meter readings to a mobile data collection unit.

# WATER SYSTEM



## SERVICE CONNECTION



1. Service Connection (Curb Box)
2. Watermain

— Supply System  
— Distribution System

# Water System Objectives

The Long Term Water Utility Study, initially completed in 1993, covered all aspects of the water system, including projected future water requirements, the condition of the existing system components, and a review of the system operations. The Study was adopted by City Council as the city's long term water supply plan. In 1998, a portion of the Study was updated and resulted in a decision to improve the Buffalo Pound supply pipeline and pumping system rather than construct a ground water treatment plant. A Study update was completed in 2006 and provided recommendations for water system improvements for the next 20 years.

As part of the Study, a number of objectives were established. These objectives continue to guide the water system operations today, and include:

- **Water Quality** – The City adopted the *Guidelines for Canadian Drinking Water Quality, 4<sup>th</sup> Edition* published by Health Canada as the basis for its water quality objectives. These are the most complete guidelines established in Canada. The standards, adopted by Saskatchewan Environment, regulate the operation of all waterworks in Saskatchewan.

For parameters not included in the *Guidelines*, the City has reviewed standards listed by other authorities and adopted appropriate criteria. Some parameters are for substances for which there are aesthetic concerns rather than health concerns, such as iron, manganese and hardness. Other parameters are for substances to which health concerns have been linked but not proven, such as aluminum and trihalomethanes.

- **Water Conservation** – An enhanced Water Conservation Program was initiated in 1991 to reduce the per capita water consumption and the short term peak water demand. The City to date has been successful in meeting the targets that were set for the program.
- **Reliability** – The City established an objective for the reliability of delivery, defined as ensuring water will be available within the limits of minimal local disruptions for system maintenance and rare large-scale disruptions due to unforeseen catastrophe. Specific objectives are:
  - Mandatory water rationing should occur less than one year in ten.
  - Service should be restored within 24 hours in the event of local service disruptions such as water main breaks and connection problems.
  - All reasonable steps should be taken to ensure that large-scale disruptions do not occur. These steps include ensuring that there is sufficient redundancy in the system so that alternate facilities can be used in the event of a failure in part of the system.
  - Alternate power sources should be available in the event of a main power failure.
  - Hydrants should be installed and maintained to meet the requirements of the National Fire Code.
- **Water Pressure** – Water must be delivered to customers under pressure. It is desirable to maintain pressure standards between a minimum and maximum range. The pressure under which water is delivered to a customer depends upon many factors, including the consumption by other customers, pumping capabilities, pipe size, velocity of the water through the system, and the design of the water system.

Water pressure can be controlled to a certain extent through the operation of pumps and other components of the system. However in some instances, system changes may be necessary to meet pressure standards.

As part of the Long Term Water Utility Study, desirable ranges for pressure and velocity were identified and system improvements were recommended where conditions fell outside of these ranges. Work is currently underway to design and construct a second pressure zone to address lower pressures in the north end of the city.

- **Efficiency of Operations** – Electricity used in pumping water is a significant cost. This cost is a factor of the efficiency of the pumps as well as the hydraulics of the system. Pumping operations are regularly reviewed to identify where system improvements or operational changes could reduce electrical costs. Changes are pursued when cost-effective.

## Water Supply

Buffalo Pound Lake now provides 100% of Regina's water needs. The water is treated at the Buffalo Pound Water Treatment Plant, which is jointly owned by the cities of Regina and Moose Jaw. It was built in the 1950s in order to provide water for those two cities. The facilities are administered by the Buffalo Pound Water Administration Board, which consists of two members appointed by the City of Regina and one member appointed by the City of Moose Jaw.

Although the plant is operated as a separate entity, there is a high degree of communication and cooperation between the plant operators and the two cities.

On an annual basis, the Board establishes a general water rate. The rate is established on a cost-recovery basis. The 2013 rate will be \$225.02 for one million litres, a 3.9% increase over the 2012 rate. The increase is expected primarily due to rising costs for electricity, increases in unit prices for treatment chemicals, equipment price increases, and increases for wages and benefits.

Since Buffalo Pound Lake is shallow and prone to the growth of algae and other organic materials, treatment of the lake water is challenging. Over the last ten years, the lake water has required higher levels of treatment to provide water that meets the City's water quality objectives.

The City's budgeted 2013 cost of water purchased from Buffalo Pound is approximately \$6.4 million, or about 53.5% of the total costs of the Water Supply, Pumping and Distribution Program, or about 13.0% of total Utility costs excluding debt and transfer to the General Operating Fund.

Future planning for the plant must address new and anticipated regulations related to health effects. The review and update of the City's Long Term Water Utility Plan includes a study of the Buffalo Pound Water Treatment Plant. Results of the study include:

- **Disinfection** – The plant uses chlorine for treatment and disinfection. Chlorinating naturally occurring organic material results in the formation of disinfection by-products known as trihalomethanes and haloacetic acids, which are harmful to human health. The Study recommends reducing the use of chlorine if possible in conjunction with the addition of ultraviolet light disinfection which is effective in reducing risks associated with cryptosporidium.
- **Taste and Odour Control** – The plant uses granular activated carbon and powdered activated carbon to control taste and odour generated by algae in Buffalo Pound Lake. The percentage of time that taste and odour control is required has been increasing for a number of years. The Study discusses the performance of a detailed analysis of additional contactors versus additional storage for granular activated carbon but recommended a third screw pump and four additional contactors.
- **Treatment Residuals Management** – The treatment processes remove particulate matter along with approximately 6% of the total water volume from the lake water. This residual must then be treated and disposed to the environment. The existing wastewater lagoons are overloaded and under review.

- **Water Stability** – Treated water is slightly corrosive which leads to the softening of concrete tanks in the water treatment plant and the slow deterioration of piping and fittings in the water distribution system which contains metal. Corrosion control in the form of protective coatings for concrete tanks and pH adjustment of treated water is recommended in the Study. Subsequent study indicated that concrete deterioration is not a cause for immediate concern and is not a current priority.

An engineering consultant has been engaged to initiate a review of upgrade concepts identified in the 2006 update to the Long Term Planning Study, and to move forward on predesign and detailed design of confirmed upgrades over multiple year capital program.

A Waterworks System Assessment (WSA) was completed for the Buffalo Pound Water Treatment Plant in 2010. WSA's are required every five years in accordance with Saskatchewan Environment's 2002 Water Regulations. The WSA evaluates current performance, level of optimization, functionality, capability, efficiency and sustainability of the waterworks and identifies required improvements. Recommendations from the 2010 WSA are currently under review.

As part of the total water purchase costs the two cities also contribute an amount equal to 10% of the general water charges to a Capital Replacement Reserve used to pay for replacement and upgrading of equipment in the plant. Costs for major improvements to the plant are shared with the City of Moose Jaw. The cost-sharing ratio is determined by the percentage ownership of each City, which at the present time is approximately 73% for Regina and 27% for Moose Jaw.

Regina can also draw water from 9 wells located in and around the City. Wells currently are available for emergency water supply in the event of a failure in the Buffalo Pound Water Supply; however, the amount available from the wells is less than the City's typical daily needs. The well water meets current regulatory standards but has levels of iron, manganese and hardness that do not meet aesthetic objectives. These minerals can cause staining on fixtures, as well as the appearance of "discoloured" water. The minerals also cause problems by forming deposits in the water system, requiring more frequent maintenance.

A number of tests are carried out to ensure that water meets quality objectives. Tests include:

- Water quality at the Buffalo Pound Water Treatment Plant is extensively monitored. On-line analyzers are used to monitor the major parameters. The water is continually monitored after every treatment stage. Laboratory staff perform over 25,000 analyses per year monitoring 65 different water quality parameters. The cost of these procedures is included in the general water rate for water purchased from Buffalo Pound.
- Tests are also carried out at various points in the City's water supply and distribution system. Regular sampling and testing is done in order to comply with provincial requirements for the operation of the water system, as well as to ensure the City's water quality objectives are met.

Test results show that the water supply meets all regulatory guidelines.

In addition to carrying out testing of treated water, steps are taken to safeguard the water supply. Identification and prevention of possible sources of groundwater contamination is an ongoing process. Saskatchewan Watershed Authority in conjunction with stakeholders completed a Source Water Protection Plan for the Upper Qu'Appelle and Wascana Creek watersheds in 2008.

## Water Pumping

Three pumping stations are used to pump water from reservoirs into the distribution system. The operation of all stations must be coordinated along with supplies from Buffalo Pound and other components of the supply system such as the reservoirs. Since electrical costs are a major component of this operation, it is important that the pumps are operated in an efficient manner. Water pumping must also be provided when electrical power failures occur.

In order to coordinate the operation of each station and to operate the pumps in an efficient and reliable manner, system data is recorded and monitored. This information is obtained from a computerized Supervisory Control and Data Acquisition (SCADA) system.

## Water Distribution

The water distribution system consists of buried pipelines made of cast iron, asbestos cement (AC), polyvinylchloride (PVC) and high density polyethylene (HDPE). Steel is used for large supply mains exceeding 500 mm in diameter. Cast iron pipe was installed from 1904 until the 1940s. AC was used throughout the 1950s, '60s and '70s. AC and PVC pipe comprise approximately 55% and 30% respectively of the 1,080 kilometre of mains in the system. Approximately 107 kilometres of cast iron pipe has been replaced with PVC pipe since 1980. Some cast iron pipe remains due to location and size considerations (intersections, 400 mm diameter and over) and will be replaced as the need and opportunity arises. The replacement of cast iron pipe with PVC pipe has allowed for significant savings in maintenance repairs.

Watermain breaks are a primary cause of water service disruptions, water losses and discoloured water. The frequency of breaks is influenced by the pipe materials, age and location. The cast iron and asbestos cement pipes have a failure rate of approximately 0.3 breaks per kilometre.

## Water Quality Monitoring

Water quality monitoring activities include:

- Administering the Permit to Operate Water Works for operation of the water system, including water quality monitoring of all water sources and the distribution system, maintaining records related to the safety and operation of the water system and ongoing reporting to the Ministry of Environment.
- Carrying out supplemental testing to gather water quality data from the water distribution system.
- Communicating information about water quality to the public.
- Efforts to protect the City's water source at Buffalo Pound Lake and the Regina area aquifers.
- Upgrades to the City's water quality data collection and management system through the use of "WaterTrax", an internet-based database service. WaterTrax provides water quality test results directly from testing labs, as well as notifications and alarms to users. Reports can be generated as required by regulators.

## Water Loss Reduction

All water utilities experience a certain amount of water loss through leakage, breaks, unauthorised consumption, meter inaccuracies or data handling error. In 2006, the City of Regina changed the method for reporting water loss. The International Water Association (IWA) Water Loss Task Force has produced an international best practice standard approach for water balance calculations and the estimation of water loss. This best practice has also been adopted by the American Water Works Association (AWWA) and by the Federation of Canadian Municipalities (FCM) InfraGuide Best Practice "Water Use and Loss in Water Distribution Systems".

The international best practice performance measure advocated by the IWA and AWWA is the Infrastructure Leakage Index (ILI). The ILI is defined as the ratio of Current Annual Real Losses (Real Losses defined as physical water losses from the pressurized system up to the point of customer consumption) to the Unavoidable Annual Real Losses (UARL defined as a theoretical reference value representing the technical low limit of leakage that could be achieved if all of today's best technology could be successfully applied). The ILI is a highly effective performance measure because it is:

- Based on a calculation that has been tested globally;
- Unit-less and based on real water loss;
- System specific taking into account operating pressure, service connection length, pipe condition and water meter location; and
- Comparable to an international data set.

To date, 27 municipalities in Canada that are participating in water system benchmarking have or are undertaking this method of determining an (ILI) index for their water distribution systems.

The 2011 calculated ILI of 3.63 for the City of Regina is within the "Good" Technical Performance Range of 2.0 to 4.0, but there is potential for marked improvements. For comparison purposes an ILI index of 1.0 to 2.0 is within the "Excellent" Technical Performance Range and indicates that further water loss reduction, although possible, may be uneconomical.

The following table identifies the water loss between 2007 and 2011:

| <b>Water Volumes (million cubic metres)</b>                            | <b>2007</b>  | <b>2008</b>  | <b>2009</b>  | <b>2010</b>  | <b>2011</b>  |
|--|--------------|--------------|--------------|--------------|--------------|
| Total Water Supplied   | 28.5         | 28.0         | 27.6         | 26.0         | 27.4         |
| Billed Consumption   | 23.7         | 23.2         | 22.6         | 21.1         | 22.1         |
| Unaccounted Water  | 4.8          | 4.8          | 5.0          | 4.9          | 5.0          |
| <b>Unaccounted Water as a Per Cent<br/>of Total Water Supplied (%)</b> | <b>16.84</b> | <b>17.14</b> | <b>18.12</b> | <b>18.85</b> | <b>18.25</b> |

## Water Consumption and Conservation

The 2013 budget is based on an estimate of billable water consumption of almost 23.1 million cubic metres. About 58% of the consumption (13.5 million cubic metres) is for residential properties, 11% (2.5 million cubic metres) for multi-residential properties, and 31% (7.1 million cubic metres) is for non-residential properties.

The City has had a Water Conservation Program since 1985 and initiated an enhanced program in 1991. The primary goals of the program are to reduce the average per capita water consumption and the peak day water use.

The following table provides the history of metered water consumption.

**Metered Water Consumption**  
(Million Cubic Metres)

| <b><u>Year</u></b> | <b><u>Metered Water<br/>Consumption</u></b> |
|--------------------|---|
| 1995-1999          | 24.4*                                       |
| 2000-2004          | 23.8*                                       |
| 2005-2009          | 22.7*                                       |
| 2010               | 21.1  |
| 2011               | 22.1  |

\* Five Year Average

The Water Conservation Program consists of identifying information that should be provided to the public on methods of conserving water, and communicating the information by means such as:

- Web page information.
- Xeriscape landscaping information available on the website.
- Matching grant program for schools.



## Cross Connection Control and Backflow Prevention Program

Water quality can be compromised by the introduction of contaminants into the distribution system. This can occur wherever there is a cross connection, which is a link between the drinking water supply and a source of contamination such as a pesticide container on a garden hose or a boiler filled with anti-corrosion chemicals. Various conditions can cause backflow and/or backpressure in the water supply system. This can cause the drinking water to move in the opposite direction and take with it any materials it is in contact with or mixed with. The result is the water supply to a building or neighbourhood becomes polluted or contaminated.

The Cross Connection Control and Backflow Prevention Program was established in 1996 to reduce the possibility of contamination from such causes. Since the program was established, all new facilities have been reviewed for backflow prevention requirements through the building permit process. All existing commercial, institutional and industrial facilities are being inspected by the City. Any backflow requirements are identified and a one-year time frame given to become compliant.

The four primary components of the program are:

- Public education and awareness.
- Inspections of commercial, industrial and institutional facilities.
- Administration of the annual testing of testable backflow prevention assemblies.
- Review of appropriate building permits for new facilities.

# Wastewater

## Wastewater System Overview

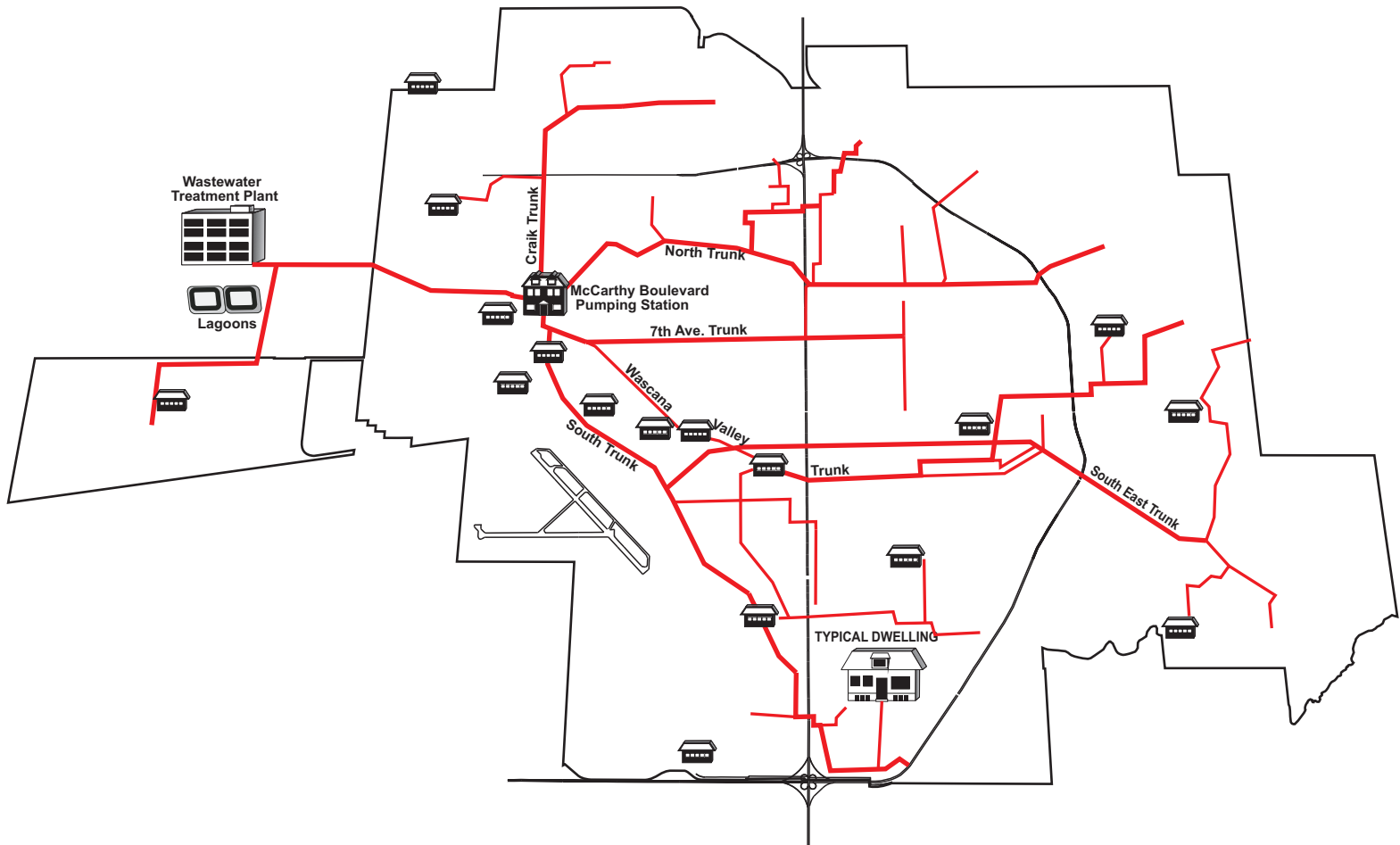
The wastewater collection and treatment system collects sewage from residential, institutional, commercial and industrial customers in the city. Wastewater treatment and final effluent meet provincial environmental standards. Service goals include:

- Collecting domestic, commercial and industrial wastewater in the City and reliably delivering it to wastewater treatment facilities.
- Producing a treated wastewater effluent that is biologically and physically safe for the environment and which meets the requirements of the provincially issued operating permit.
- Ensuring solids removed from the wastewater are treated and disposed of in an environmentally responsible manner.

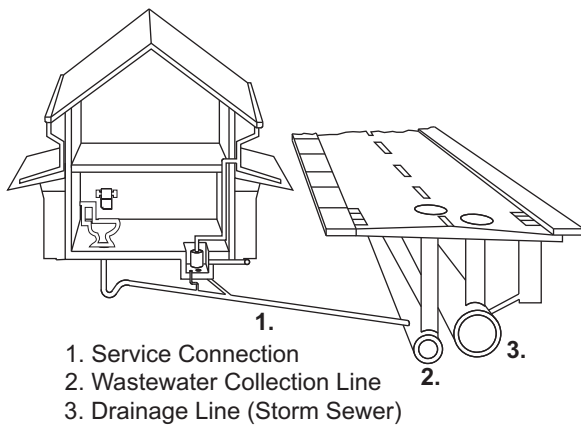
Components of the wastewater system shown in the map on the next page include:

- **Service Connections** – Building plumbing systems are attached to the wastewater collection system by a service connection pipe. The City owns and is responsible for the maintenance of the service connection pipe on the “City side” of the property line.
- **Collection Mains and Trunk Mains** – The service connection pipes are attached to wastewater collection mains which are typically 200-250 mm in diameter. The collection mains drain into trunk mains which are 300 mm or more in diameter. The system includes approximately 860 kilometres of pipeline.
- **Manholes** – Over 15,000 manholes provide access to the wastewater collection system for maintenance and repair.
- **Lift Stations** – Wastewater flows through the collection system by gravity. In low-lying areas in the city, lift stations must be used to pump the wastewater to collection and trunk mains at a higher elevation. Wastewater then continues to flow by gravity from that point eventually reaching the McCarthy Boulevard Pumping Station. There are 18 lift stations in the wastewater collection system.
- **McCarthy Boulevard Pumping Station** – All wastewater collected in the City flows to the McCarthy Boulevard Pumping Station. The station provides screening and continuous transfer of wastewater from the collection system to the wastewater treatment facilities five kilometres west. The McCarthy facility is capable of transferring wastewater at up to four times the average daily rate. The station is also the existing location where commercial septic tank haulers offload into the wastewater system.
- **Septage Receiving Station** – The Utility provides a service by receiving trucked liquid waste at a receiving station. The Septage receiving station is currently being reviewed for relocation from the McCarthy Boulevard Pumping Station.
- **Wastewater Treatment Plant** – The plant processes wastewater through four stages of treatment:
  - Primary treatment removes sand, grit and organic material from the sewage.
  - Secondary treatment reduces dissolved organic material through the use of aerated lagoons.
  - Tertiary treatment removes phosphorus, algae and suspended solids by using aluminum sulphate and polymer.
  - Ultraviolet light is used to disinfect the effluent before it is released into Wascana Creek.

# WASTEWATER SYSTEM



## Service Connection



# Wastewater System Objectives

The provision of wastewater collection and treatment services is critical to the health and environment of the citizens of Regina and surrounding area. Objectives for wastewater collection and treatment are:

- **Quality of Sewage Effluent** – Treated wastewater from the City's wastewater treatment plant is discharged into Wascana Creek, which flows into the Qu'Appelle River upstream from the town of Lumsden. Federal and Provincial agencies establish criteria for sewage effluent that each wastewater facility in the province must follow. The major criteria are total phosphorus, fecal coliform bacteria, pH, biological oxygen demand and suspended solids in the treated effluent discharged to Wascana Creek.
- **Reliability of the Collection System** – Improperly functioning wastewater collection systems cause inconvenience, health and safety concerns. Grease and solids build-up, deterioration of pipes, sags and breaks in wastewater collection lines and at connections caused by shifting soil, tree roots and foreign materials in the lines cause problems such as blockages and reduced capacity. To prevent these problems a regular inspection and maintenance program is required.
- **Relining/Rehab Program** – A successful relining and spot repair program has been ongoing in the City for many years at locations where work is identified in conjunction with roadways programs. This initiative has been expanded to address additional locations proactively before they deteriorate to the point that excavation and replacement is our only option. The use of this trenchless technology greatly reduces rehabilitation costs and disruption to the public and the customer.
- **Separation of the Drainage System from the Wastewater Collection System** – The wastewater collection and treatment system is adequate to handle the day-to-day wastewater flows from the city. During rainfall and snow melt events, drainage water enters the wastewater collection system through basement sump pits connected to weeping tile drainage, catch basins inadvertently connected to the wastewater collection system, and infiltration through pipe cracks and openings such as wastewater manhole covers. Reducing the amount of drainage water entering the wastewater collection system can postpone large expenditures required for trunk mains and treatment plant capacity expansions. Work is being done to reduce infiltration to both new and existing wastewater mains and trunks.
- **Odour Control** – One of the by-products of wastewater collection and treatment is odour. Such odours are unpleasant for nearby residents and staff. Reduction of odours is accomplished by the use of containment, chemicals and aeration lagoons. The aeration equipment at the treatment facilities injects oxygen into the wastewater, preventing a septic environment that produces strong odours.
- **Efficiency of Operations** – Electricity is primarily required to operate pumps and aeration blowers. Chemicals such as aluminum sulfate and polymer used to remove phosphorus are a significant cost of operating the wastewater treatment plant. To minimize costs, it is important to make effective use of chemicals required to meet effluent targets. The most efficient use of electricity, chemicals and other inputs is accomplished by automatic process control and laboratory based performance information at all stages of the treatment process.
- **Maintaining Treatment Capacity** – Regina uses five aeration lagoons in its secondary treatment process. Over the years, as solids settle to the bottom of the lagoons and aeration systems deteriorate, capacity is diminished. To maintain treatment capacity, old lagoons must be refurbished.

# Drainage

## Drainage System Overview

The drainage system collects water from rainfall and melting snow in and around the City and conveys it to Wascana and Pilot Butte Creeks. The system serves over 65,000 residential and commercial properties. Service goals include:

- Collecting and controlling drainage water within the city to minimize inconvenience, property damage and danger to the public.
- Monitoring the potential for flood conditions in Wascana Creek and the drainage channels and carrying out flood control measures as required.

The **Minor Drainage System** consists of the underground piping system that collects and transports small to medium amounts of drainage from rainfall, snow melt and minor storms. Components of the minor system include:

- Catch Basins – Over 25,000 catch basins located in streets and open space areas collect water and direct it into the drainage lines. Catch basins are designed to keep sand, silt and other matter out of the piping system by causing it to settle to the bottom of the catch basin.
- Lines, Mains and Trunks – There are approximately 700 kilometres of drainage lines located beneath streets. Lines and mains range from 200 mm to 1200 mm in diameter, with trunks over 1200 mm.
- Manholes – Over 15,000 manholes provide access to the system for maintenance and repair.
- Lift Stations – Drainage water flows through the system by gravity. There are low-lying areas where lift stations are used to pump the drainage water to a higher elevation. The water flows into a lift station at a low elevation, and is pumped to a higher level where it continues to flow through a pipe or channel. There are 13 lift stations in the drainage system.

The **Major Drainage System** is used when drainage water exceeds the capacity of the minor system and must flow over land. The major system is designed so that water will flow down roadways and land easements. Components of the major system include:

- Graded Roadways, Land Easements, Swales, and Lots – In order for the runoff water to flow over land to a point where it can be collected, the surface area must be properly sloped.
- Dry Bottom Detention Facilities – These are lower land areas constructed in open space areas such as parks. The detention facility contains outlets to and from the minor system. During periods of heavy rainfall, water that would otherwise overload the minor system enters the detention facility and is stored temporarily. The water from the detention facility then flows back into the minor drainage system at a later time when flows have gone down.
- Lake (or Wet) Retention Facilities – Lakes such as the ones in Lakeridge and Windsor Park are similar to dry bottom detention facilities, except they normally contain water all year for aesthetic reasons. When the minor system is overloaded, the water in these ponds rises, and then drops when the excess water flows back into the minor drainage system.
- Underground Detention Tanks – Underground detention tanks are also used, particularly in some of the downtown areas, to store excess water temporarily until it can be accommodated by the minor drainage system.

- Drainage Channels and Creeks – Drainage water empties into the drainage channels or Wascana Creek. The drainage channels function as very large drainage lines, with earthen banks used to control the water rather than enclosed pipelines. The drainage channels carry the runoff to Wascana Creek. Drainage from the Rowatt Flood Control Project south of Regina flows to Wascana Creek through constructed channel within the City Limits.

Although the major and minor systems are described as separate systems, they are part of an overall drainage system and must work in conjunction with each other. The systems are depicted in the map on the next page.

## Drainage System Standards

Standards for drainage system design are normally expressed in terms of the size and type of storm a system can theoretically handle. For example, a drainage system may be designed to handle a 1:5 year storm, which means that it can handle the size of storm that statistically only occurs once in five years in the area. A drainage system designed to handle a 1:100 year storm would be able to handle the size of storm that statistically occurs once in 100 years in the area.

Statistical information is obtained from the Atmospheric Environment Service of Environment Canada to determine storm sizes. In the past, rainfall data was only available from the airport, but three additional data collection points have been added around the City since rainfall can vary significantly by area. Computer modelling is then done to determine the size of other storms.

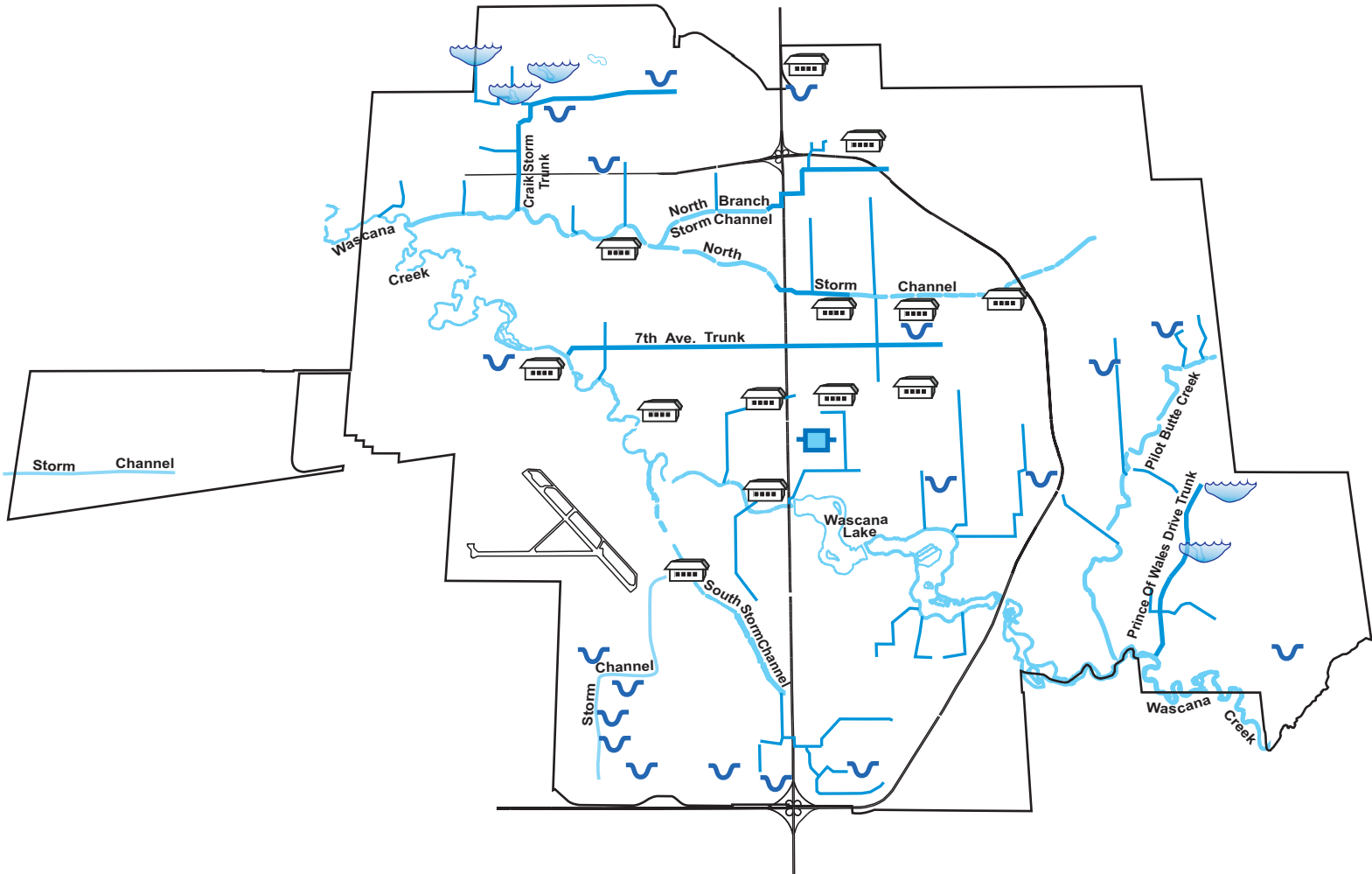
The following are some of the major rainstorms that have occurred in Regina over the past 30 years:

|                |   |
|----------------|---|
| June 1975      | 1:25 year storm                                 |
| July 1983      | 1:100 year storm (108 mm of rain in four hours) |
| June 1994      | 1:25 year storm                                 |
| August 1995    | 1:25 year storm (severe hail)                   |
| July 2001      | 1:100 year storm (50 mm in one hour)            |
| August 2004    | 1:100 year storm (76 mm in one hour)            |
| September 2010 | 1:10 year storm                                 |

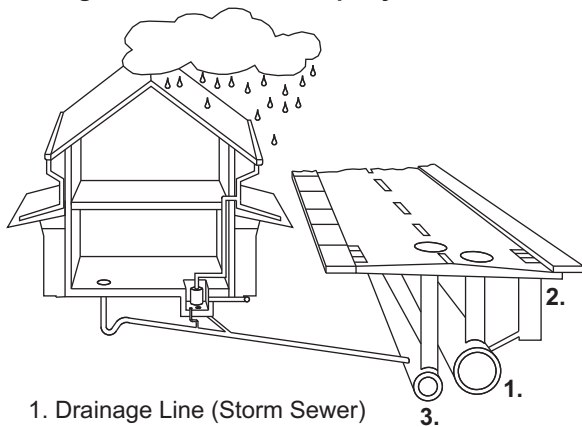
Factors examined in determining the effective “size of storm” include:

- Total rainfall volume.
- Intensity of rainfall – a storm that drops 100 mm of rain in one hour is much more difficult to handle than one that drops 100 mm over six hours.
- Previous rainfall – if the ground is saturated before the storm, no additional water can soak in. Flows in the drainage system are therefore greater.







# DRAINAGE SYSTEM



## Drainage of a Residential Property



1. Drainage Line (Storm Sewer)
2. Catch Basin
3. Wastewater Collection Line

-  Lift Station
-  Retention Pond
-  Dry Bottom Detention
-  Underground Detention
-  Storm Sewer Main
-  Storm Channel

Standards for drainage systems have been raised over time, and have been applied to new developments. However, it is very costly to retroactively apply higher standards to existing development. Details of the standards include:

- **New Development Standards** – The “minor” drainage system consists of catch basins and underground lines that quickly collect and transport water. The “major” drainage system, consists primarily of aboveground facilities such as roadways, easements, swales, and detention and retention facilities that can handle larger volumes of water.

For new developments in the city, minor systems must be designed to handle a 1:5 year rainfall event. This corresponds with the general standard used across North America. While a higher standard would provide a higher level of service, the cost to construct underground facilities to handle larger storms is prohibitive. The major systems must be designed to handle a 1:100 year event.

- **Existing Development Standards** – The City has adopted a target of 1:5 year events for existing minor systems, and 1:25 year events for existing major systems. Some areas of the city do not meet these targets. In the early 1980s, a program to study the drainage problems was initiated to identify solutions and carry out remedial measures to mitigate drainage issues. A Drainage Master Plan designating 17 areas was adopted and consolidated and updated in 2009. Conditions in each area are assessed, problems identified and potential solutions proposed. Over time, work required to address the problems is carried out through the capital program.

Most of the property damage caused in Regina during intense rainstorms has been the result of basement flooding. The flooding was caused by runoff water entering the wastewater collection system, resulting in sewer overload and back up into basements. Although the drainage system is separate from the wastewater collection system, there are a number of ways stormwater can enter the wastewater collection system. These include:

- Some older buildings still have roof downspouts connected to the wastewater collection system.
- Runoff water on lots with poor grading adjacent to the building enters weeping tiles and collects in basement sump pits, which then drain into the wastewater collection system.

The City has established an objective to reduce direct connections between drainage and the wastewater collection system. An objective has also been established to reduce the runoff water entering the wastewater collection system from basement sump pits by educating homeowners about steps they can take to prevent such problems.

The most well designed system cannot function effectively unless it is properly maintained. To ensure the system functions as designed, the following objectives have been established:

- Drainage lines over 450 mm are regularly inspected and cleaned as required.
- Catch basins in areas where leaves are a problem are typically cleaned every two years and outlying areas are cleaned on a five-year cycle.

The North and South storm channels are an important part of the City of Regina’s storm water management system. The channel collects storm water from North and South Regina and discharges into the Wascana Creek which exits near the Joanne Goulet Golf Course on the northwest side of the City.

The storm channel is divided into sections such that the overall system is dredged on a 7-year cycle with a portion completed each year.

Dykes along Wascana Creek have been constructed and flood plains are maintained to contain creek flooding. The City’s objective is to prevent major damage to property and maintain public safety in the event



of flood conditions. Toward that end, monitoring is carried out during spring runoff to determine the risk of flood conditions and appropriate action is taken as necessary. The City has established an objective and capital plans to upgrade dykes to meet a 1:500 flood event level, the provincial standard. The upgrading of the dykes in Riverside was completed in 2005 and those in the Dieppe area were completed in 2007.

In addition to these initiatives, in 2009, the City amended Sewer Services Bylaw No. 5601 so that weeping tile flows are prohibited from entering the wastewater system in newer neighbourhoods under development. This will reduce the likelihood of wastewater backup in newer areas in heavy rainfall events.

## Forecasting and Controlling Floods

Flood conditions on Wascana Creek are relatively rare. In 1996, high snowfall caused flood conditions along the creek. Creek flows were projected to be 85 cubic metres per second, or a 1:30 year flood. Although the actual peak levels were not as high as the initial predictions, it was necessary to take preventative action. Costs were incurred for labour and equipment for sandbagging and pumping water out of flooded areas, as well as repairs for some City owned structures damaged along the creek, such as the Pinkie Road Bridge. In 1999, flood control costs were incurred as a result of a large snow accumulation late in the winter, followed by a very quick spring thaw. The estimated creek flow was 40 cubic metres per second, or a 1:10 year event.

In 2011, well above normal snow fall and saturated ground conditions resulted in flood conditions along Wascana Creek. By the middle of April, creek flows were projected to be as high as 105 cubic metres per second, or a 1:50 year event. The actual peak flows reached as high as 75 cubic metres per second, the highest since the record flows of 1974 when peak flows reached 102 cubic metres per second. Although the actual peak flows were not as high as the initial predictions, it was necessary to take significant preventative action to protect property and ensure public safety. Major flood control costs were incurred for the labour and equipment required to produce and deploy temporary sandbag dykes and pumping water out of low lying areas.

Forecasting flood conditions involves communicating with provincial agencies regarding snow volumes and predictions for spring thawing. Early in the year, Saskatchewan Watershed Authority conducts assessments of the snow cover in the Wascana Basin, as well as other areas around Saskatchewan. As the spring thaw begins, water flows are measured throughout the creek system.

Budgets are prepared assuming spring runoff levels of an average year, where no special flood control measures are required like sand bagging and pumping behind the dykes when drainage line outlets are closed. The budget covers the cost of monitoring conditions on Wascana Creek and the drainage channels, as well as putting up barricades in areas where thin ice and water levels could pose a danger to the public.

## Home Flood Protection Education Program

This program informs homeowners about the causes of basement flooding and the measures they should undertake on their property to prevent flooding damage from intense summer rainstorms. Information on home flood protection is available through the City's web page. Mitigation measures are required on both City and private property to accomplish neighbourhood service level improvements for managing large summer storm events and minimizing property damage and risk.

## Engineering and Operations Administration

The majority of the information regarding water, wastewater and drainage services is provided in the preceding sections of this report. The operating budget summary includes costs related to Engineering and Operations Administration.

Objectives for the planning, design, operations and maintenance engineering include:

- **Long Range Planning** – In order to meet customer demands, water, wastewater and drainage systems require high levels of capital investment. It is necessary to anticipate and plan for future requirements so that the necessary future investment can be provided. To accommodate this, the following objectives have been established:
  - Long range capital plans (20 to 25 years) should be carried out regularly for each of the three major Utility systems.
  - Ongoing conditions should be monitored and the long range plans updated as new information becomes available.
- **Effective Management of Capital Program** – City Administration provide planning and design engineering services for the Utility. All capital projects should be completed within their approved standards, timelines and budgets.
- **Establishment of Construction Standards** – Standards are developed for all infrastructure construction, including those relating to the Utility systems. These standards are applied to construction carried out by City crews, contractors and developers. Over time, standards evolve as new construction techniques and materials become available. The objective of these standards is to meet legislation requirements, optimize performance, and minimize the life-cycle cost for the provision of the services.
- **Customer Awareness** – There are a number of areas within the Utility operations where customer actions can collectively affect service and costs. Information is provided to customers to increase awareness. Current programs include:
  - Water Conservation
  - Cross Connection Control and Backflow Prevention
  - Home Flood Proofing
  - Creekwatch
  - Wastewater Discharge Practices

## Engineering and Project Management

The Water and Sewer Services Department, the Environmental Engineering Branch, and Development Engineering Department are responsible for planning, designing and supervising construction of the Utility systems infrastructure. A primary responsibility is overseeing the annual capital program. Projects carried out range from annual infrastructure renewal projects to less frequent major projects such as water treatment or wastewater treatment plant expansions. Engineering and design work may be done in-house or by external engineering firms. Construction work may be done by City Operations Division crews or by external contractors. The resources used for projects depend upon the nature of the project, the availability of resources, and the expertise required.

In 2012, reorganizational activities were started in both the City Operations and Community Planning and Development Divisions. This work will continue into 2013 and will see some Utility responsibilities move between various branches, departments and divisions.

## Environmental Monitoring

Environmental monitoring activities include:

- Ground water monitoring at the wastewater treatment plant and downstream receiving body water quality.
- Surface water quality monitoring in the City's four retention lakes.
- Stormwater quality monitoring of urban drainage discharge to Wascana Creek and Wascana Lake.
- Snow dumpsite runoff monitoring.

## Review of Development Proposals

Much of the City's water, wastewater and drainage systems are constructed by City staff, or by contractors under the direction of City. In the case of new development and re-development of existing areas, developers are responsible for constructing infrastructure including water, wastewater and drainage systems. This construction forms part of the Utility systems, and the City assumes responsibility for operation and maintenance of the systems.

Development proposals are reviewed by the Infrastructure Planning Branch (formerly part of the Development Engineering Department) to ensure design and construction meets City standards. Installations that do not meet City standards are identified and corrected by the developer. In late 2011, Development Engineering reintroduced subdivision inspectors to monitor the quality of work being completed to support the City's rapid rate of growth.

## Technical and Engineering Support

City Operations Division technical and engineering staff provide support to the field personnel responsible for maintaining the water, wastewater and drainage systems, and for carrying out capital construction work for projects constructed by City personnel.

In addition, staff from both City Operations Division and Community Planning and Development Division provides construction scheduling, construction coordination and administrative and technical construction management services, which includes:

- Establishing, monitoring, and updating construction schedules.
- Coordinating construction with Utility companies.
- Tracking and monitoring expenditures of various capital projects.
- Estimating the costs of water and sewer construction projects.
- Reviewing and analyzing unit cost information.
- Provide quality and quantity control of construction work.

# Customer Billing and Collection

## Customer Service

Service Regina provides front line customer service for the Utility as well as other City services. This priority is applied to all aspects of operations, especially in contact with external customers, but also in dealings with internal customers and in responses to questions and requests for information. Objectives for customer service include:

- Customer applications for water services and disconnections are handled accurately.
- Customers can access information about their bill and receive prompt responses to their inquiries.
- Payments can be made using convenient payment methods.
- All service requests are processed within a reasonable time frame, given the nature of the service required.

Customer call centre volumes are monitored to ensure key performance indicators (KPI) are being met. The two primary KPIs are that calls are answered within 25 seconds, 80% of the time, and that abandoned calls are kept below 5%.

Customer service is accessible by telephone, mail, fax, in-person and electronically via the City's website. Internet requests and e-business inquiries continue to increase and this continues to be an area of focus. Continued awareness of customer needs to access information and services quickly and efficiently in the manner of their choosing is the focus of customer service efforts.

Service Regina's one-stop shop approach provides customers with information about the City's services through one central contact number. By directing customer calls to the area concerned, staff ensure that the customer is dealt with effectively and efficiently at their first point of contact.

Service Regina strives to ensure customer satisfaction on every occasion in the five essential elements of service: timeliness, knowledge and competency, courtesy, fair treatment and final outcome. When all five of these elements are in place, customers rate the services provided highly. The goal of the customer service area is to ensure satisfaction in every one of these areas with every customer.

## Administration, Billing and Collection

Objectives for billing and collection include:

- Customers are billed every month.
- Customers receive accurate, timely, and informative bills.
- New payment methods are introduced where they can provide convenience to the customer, and where they are cost effective.
- Collection action is taken as required.
- Percentages of overdue accounts and uncollectible accounts are at a reasonable level.

The administration of customer accounts and the billing and collection function includes:

- Managing customer accounts, including setting up new customers, discontinuing accounts and transferring accounts from one individual to another. There is also a requirement to manage contracts with out-of-town water users who receive water from the City.
- Managing activities related to water meters includes obtaining meter readings and handling turn ons or turn offs of water service. Customers are divided into automated meter-reading routes so the meters are read according to a monthly schedule.

Water services must be connected and disconnected in response to customer requests and as a result of collection efforts.

- Generating customer bills – Customers are divided into billing cycles so each customer is billed every month.
- Collecting overdue customer accounts using a various collection tools. Interest is added to outstanding balances, which encourages timely payment. When accounts remain outstanding, payment arrangements are negotiated where possible. This includes maintaining a post-dated cheque database, as well as providing equalized payment options for Utility accounts.

## Debt Management

This program includes the cost of principal and interest for debt issued to finance Utility capital projects, along with the cost of the debt issue. Debt charges are made up of two elements:

- Interest – This is the cost of interest payments on all outstanding debt.
- Principal repayments – These payments represent the cost to redeem the principal portion of the debt as it matures. The debt management program generally utilizes two forms of debt, either a serial debenture or a bullet debenture. A serial debenture is similar to a mortgage, where a portion of the principal amount of the debt is paid each year, along with interest, until the debt is fully repaid. Alternatively, a bullet debenture generally requires interest payments on a regular basis; however, the principal is only repaid at the end of the term.

The following table shows the existing annual debt charges and debt maturities.

| Year | Annual<br>Debt<br>Charges (\$) | Debt Maturities       |                          |   |
|------|--------------------------------|-----------------------|--------------------------|---|
|      |                                | Debt Maturing<br>(\$) | Per Cent of<br>Total (%) | Cumulative<br>Percentage<br>Reduction (%) |
| 2013 | 3,606.1                        | 1,506                 | 2.6                      | 2.6                                       |
| 2014 | 45,920.1                       | 44,606                | 77.5                     | 80.1                                      |
| 2015 | 1,439.0                        | 906                   | 1.6                      | 81.7                                      |
| 2016 | 1,402.3                        | 906                   | 1.6                      | 83.2                                      |
| 2017 | 1,362.4                        | 906                   | 1.6                      | 84.8                                      |
| 2018 | 1,320.1                        | 906                   | 1.6                      | 86.4                                      |
| 2019 | 8,041.9                        | 7,846                 | 13.6                     | 100.0                                     |
|      | Total                          | 57,582                | 100.0                    |   |

In 2010, debt in the amount of \$42.4 million was reassigned from the GTH to fund the General Utility Reserve. As a result of the reassignment of this debt, no additional debt was required in 2010 to fund the Utility's capital program.

In 2012, approval was given to issue \$23.0 million in debt. Because of delays in capital investment, issuing of this debt has not yet been required. This approved debt is expected to be issued in mid-2013.

Additional debt will be required for the 2013 – 2017 Utility Capital Program in the amount of \$8.9 million in 2014, \$46 million in 2015 and \$51 million in 2016. In 2014, the GTH debt will mature and new debt of \$43.1 million will be required to replace it. This will result in a total debt requirement of \$52 million in 2014. The Utility Model includes funding for debt issuance costs and the repayment of projected debt issues based on a thirty year term and an interest rate of 4% for 2014, 4.2% for 2015, and 4.4% for 2016.

For further details on debt projections for future years, see Utility Capital Funding Section.

## **Utility Capital Program**

## Utility Capital Program

### Capital Program Summary

|                                       | 2013          | 2014           | 2015          | 2016           | 2017          | Five Year<br>Total |
|---------------------------------------|---------------|----------------|---------------|----------------|---------------|--------------------|
| <b>Capital Expenditures (\$000's)</b> |               |                |               |                |               |                    |
| Water Supply, Pumping & Distribution  | 16,896        | 28,800         | 21,965        | 21,630         | 18,115        | 107,406            |
| Wastewater Collection & Treatment     | 5,435         | 68,605         | 59,505        | 67,105         | 21,605        | 222,255            |
| Drainage                              | 10,760        | 7,326          | 9,436         | 13,236         | 10,486        | 51,244             |
| Other Utility Projects                | 5,939         | 2,565          | 2,965         | 4,675          | 1,595         | 17,739             |
| <b>Total Expenditures</b>             | <b>39,030</b> | <b>107,296</b> | <b>93,871</b> | <b>106,646</b> | <b>51,801</b> | <b>398,644</b>     |
| <b>Capital Funding (\$000's)</b>      |               |                |               |                |               |                    |
| General Utility Reserve               | 27,404        | 32,304         | 32,445        | 37,397         | 43,898        | 173,448            |
| Service Agreement Fees - Utility      | 8,891         | 17,932         | 12,144        | 14,967         | 5,715         | 59,649             |
| Debt <sup>1</sup>                     | -             | 52,000         | 46,000        | 51,000         | -             | 149,000            |
| External Contributions                | 2,735         | 5,060          | 3,282         | 3,282          | 2,188         | 16,547             |
| <b>Total Funding</b>                  | <b>39,030</b> | <b>107,296</b> | <b>93,871</b> | <b>106,646</b> | <b>51,801</b> | <b>398,644</b>     |

Note:

1. The debt reassigned from the GTH is fully due in 2014. In that year, additional debt in the amount of \$43.1 million will be required to replace the reassigned GTH debt.

### Infrastructure Overview

Regina has a substantial investment in utility infrastructure. A challenge for Regina, and other cities, is to generate sufficient funds to maintain these assets. The gap between the annual requirement to sustain the infrastructure and the annual investment is referred to as the "Infrastructure Gap". Regina is a relatively young city and has, to some extent, been shielded from the full impact of its utility infrastructure deficit since, until recently, much of the buried infrastructure was still within its expected service life.

In recent years, there has been increased discussion of the infrastructure deficit faced by cities, and the need for additional funding from the senior governments and/or alternate revenue sources for cities. The City has applied for funding under the Federal Green Infrastructure Fund to be used for the Wastewater Treatment Plant Expansion project. In 2013 the City will pursue funding opportunities as and when they become available.

The *Regina Development Plan, Bylaw No 7877* is the framework for land use and development decisions within the City of Regina. Implementation of the *Regina Development Plan* requires integration of infrastructure requirements into sector and concept plans, which detail the physical and engineering aspects of the new infrastructure along with funding and phasing of the work for Greenfield development. Current development policies are based on the provision of utility services provided in accordance with the Development Standards Manual. The development scenarios adopted in the *Regina Development Plan* result in significant infrastructure requirements and costs which are provided by the City in accordance with the Administration of Servicing Agreement Fees and Development Levies Policy adopted by Council.



Section 22.4 of *The Cities Regulations* requires Council to adopt a capital investment strategy that includes the method used for determining capital plans respecting the waterworks. Capital requirements (capital investment strategy) are determined based on engineering and planning studies that take into account the infrastructure requirements of the Utility required to meet the service goals of the Utility, as determined by City Council or prescribed by legislation. Infrastructure requirements are being addressed through a series of studies. Studies recently completed or underway include:

- The Wastewater Collection System Assessment Study, completed in 2004, estimated the replacement value of wastewater collection system as \$635 million. The estimated replacement value in current value is over \$850 million. The study defined requirements for the long-term sustainability of the wastewater collection infrastructure. In 2006, further work was done to investigate inflow and infiltration to the wastewater collection system and in 2010, a Citywide Wastewater Assessment was initiated which will be used to assess system performance, which may lead to recommended infrastructure improvements.
- The review of the Long Term Water Utility Plan was completed in 2006. It examines the present condition of Regina's water system, forecasts the requirements for the next 20 years and provides a plan for meeting future requirements. An estimate of the replacement value for the water distribution system at that time was \$300 million, with a further \$400 million for the supply system, including the City's share of the Buffalo Pound Water Treatment Plant.
- The 2009 consolidation of the drainage area reports into the Regina Drainage Master Plan Report indicated that it would require \$226 million (2008 dollars) to upgrade all areas of the city to meet a 1:25 year storm water detention standard. At the City's current rate of funding for detention upgrades, the study estimated that it would take 66 years to implement all the recommendations in the plan. This does not include operation, maintenance or life-cycle replacement. The study recommended that more funding be provided in order to implement the plan within 25 years.
- In 2007, the City of Regina partnered with the City of Saskatoon, for the development of a Buried Asset Repair Strategy. Approximately two-thirds of the water distribution and wastewater collection systems were constructed in a thirty-year period between the early 1950s and the late 1970s. In this period, almost all of the water distribution system construction used asbestos cement (AC) pipe. AC pipe has a reliable service life, under the conditions that prevail in Regina, of 50 years. In recent years, there has been an increasing frequency in breaks in asbestos cement pipe. This pattern will likely continue as the system ages and will put a financial strain on the Utility. The strategy is still under review and the City has developed criteria for piloting a replacement program.
- The value and infrastructure requirements of the wastewater treatment plant were documented through the Sewage Treatment Plant Planning Study. The final report was completed in late 2005. The initial Wascana Creek Receiving Environment Study was also completed in 2005. Both studies were used in developing capital plans for the wastewater treatment plant upgrade and to develop future plans to create a receiving environment water quality model.
- In 2011, the City of Regina initiated the pre-design study for the Wastewater Treatment Plant Upgrade Project. This project is required to meet new regulatory requirements as well as provide expanded hydraulic and process capability associated with future City growth. This study will select the treatment process design and provide updated cost estimates.
- The City is currently undertaking a comprehensive review of its Official Community Plan (OCP), which will replace the current Regina Development Plan, Bylaw No. 7877. As an input into the OCP, the City is completing Sector Serviceability Studies for each quadrant of the city. These studies will provide valuable information with respect to feasibility of providing water, wastewater and drainage service to potential future Greenfield areas of the city. The studies will also determine high level capital cost estimates with respect to providing those services, which will help guide the decisions regarding how and where the city will grow.

- In 2008, the City of Regina noted that water pressure in the Northwest quadrant was not adequate to allow development to continue in certain areas of the city. As a result, a Second Pressure Zone study was completed, which made recommendations for implementing another water pressure zone to provide service new areas and make improvements to water pressure in existing areas. The study also indicated that areas in the Northeast quadrant may require the implementation of a third pressure zone. The sector studies currently in progress will explore that recommendation.

These studies will contribute to determining the infrastructure gap.

## Water Supply, Pumping and Distribution

| Capital Summary (\$000's)  | 2013          | 2014          | 2015          | 2016          | 2017          | Five Year<br>Total |
|--|---------------|---------------|---------------|---------------|---------------|--------------------|
| <b>Capital Expenditures</b>  |               |               |               |               |               |                    |
| <b>1. Water Supply</b>   |               |               |               |               |               |                    |
| - Buffalo Pound Water Treatment Plant Upgrades   | 10,000        | 18,500        | 12,000        | 12,000        | 8,000         | 60,500             |
| - Reservoir Renewal Program  | -             | 500           | 500           | -             | -             | 1,000              |
| - Supply Line Improvements   | -             | 900           | 750           | 750           | 1,500         | 3,900              |
| <b>2. Water Pumping</b>  |               |               |               |               |               |                    |
| - Water Pumping Stations Upgrades and Equipment Replacement  | -             | 300           | 300           | 200           | 200           | 1,000              |
| <b>3 Water Distribution</b>  |               |               |               |               |               |                    |
| - Gordon Road Trunk Water Main Oversizing - 750 m west of Lewvan Drive to Campbell Street.             | 210           | -             | -             | -             | -             | 210                |
| - Trunk Water Main - Chuka Boulevard from Green Apple Way to Primose Green Drive to Arens Road         | -             | 265           | -             | 265           | -             | 530                |
| - Trunk Water Main - Fleet Street from Ross Avenue to Red Bear Avenue                                  | 400           | -             | -             | -             | -             | 400                |
| - Trunk Water Main - Junor Drive from Pasqua Street to Rochdale Boulevard                              | 900           | -             | -             | -             | -             | 900                |
| - Future Water Distribution Main Oversizing  | -             | 100           | 100           | 100           | 100           | 400                |
| - Water Distribution Main Oversizing - Parliament Avenue from Harbour Landing Drive to Campbell Street | 525           | -             | -             | -             | -             | 525                |
| - Water Infrastructure Renewal   | 4,861         | 8,235         | 8,315         | 8,315         | 8,315         | 38,041             |
| <b>Total Expenditures</b>  | <b>16,896</b> | <b>28,800</b> | <b>21,965</b> | <b>21,630</b> | <b>18,115</b> | <b>107,406</b>     |
| <b>Capital Funding</b>   |               |               |               |               |               |                    |
| General Utility Reserve  | 10,976        | 9,934         | 9,865         | 9,265         | 14,907        | 54,947             |
| Service Agreement Fees - Utility   | 3,185         | 2,493         | 1,480         | 1,745         | 1,020         | 9,923              |
| Debt   | -             | 11,313        | 7,338         | 7,338         | -             | 25,989             |
| External Contributions   | 2,735         | 5,060         | 3,282         | 3,282         | 2,188         | 16,547             |
| <b>Total Funding</b>   | <b>16,896</b> | <b>28,800</b> | <b>21,965</b> | <b>21,630</b> | <b>18,115</b> | <b>107,406</b>     |

## Water Supply

### Current Year Programs

#### Buffalo Pound Water Treatment Plant Upgrades

Improvements to replace and expand the facility and equipment are required at the Buffalo Pound Water Treatment Plant to ensure there is sufficient capacity and ability to continue to: meet regulatory requirements, protect public health and safety; and ensure sufficient reliable supply that meets quantity and quality expectations of a growing Community. Improvements will address the impacts of aging infrastructure, regulatory changes, changes in engineering and building standards, industry best practises to protect public health and safety, and growth within the community. This program typically includes inspection, assessment, replacement and rehabilitation work at the Plant and/or Lake. In 2013, funding is provided by the City of Regina's Utility Reserve (61.15%), Utility Servicing Agreement Fees (11.5%) and external contributions from the City of Moose Jaw (27.35%).

## **Future Years Planned Programs**

### **Reservoir Renewal Program**

The City's reservoirs require inspection, rehabilitation and upgrading to maintain expected level of service and ensure the reliability and safety of the water supply system. This program typically includes inspection, assessment, replacement and rehabilitation of water reservoirs and associated equipment and infrastructure. The Utility Reserve funds this work.

### **Supply Line Improvements**

This program inspects, repairs, and replaces main valves, valve structures and other miscellaneous work on the Buffalo Pound supply pipeline and other major supply mains within the City. As the pipelines age, improvements are necessary to ensure the reliability of the water supply to the City and reduce the number of emergency repairs. The Utility Reserve funds this work.

## **Water Pumping**

### **Future Years Planned Programs**

#### **Water Pumping Stations Upgrades and Equipment Replacement**

The City's water pumping stations require ongoing upgrading of equipment and components to continue to provide a reliable water supply. This program includes inspection, assessment, replacement, and rehabilitation work at the water pump stations. Funding is provided from the Utility Reserve.

## **Water Distribution**

### **Current Year Programs**

#### **Gordon Road Trunk Water Main Oversizing - 750 m West of Lewvan Drive to Campbell Street**

This project provides a rebate to oversize the trunk water main along Parliament Avenue from 750 m West of Lewvan Drive to Campbell Street to service the area West of Campbell Street. This project is 100% funded from Utility Servicing Agreement Fees.

#### **Trunk Water Main - Fleet Street from Ross Avenue to Red Bear Avenue**

This project provides for the detailed design and construction of a trunk water main along Fleet Street from the City Loop at Ross Avenue to Red Bear Avenue. This project is 100% funded from Utility Servicing Agreement Fees.

#### **Trunk Water Main – Junor Drive from Pasqua Street to Rochdale Boulevard**

This project provides for the installation of approximately 1400 m of 400 mm diameter trunk water main along Junor Drive. This project is 100% funded from Utility Servicing Agreement Fees.

#### **Water Distribution Main Oversizing – Parliament Avenue from Harbour Landing Drive to Campbell Street**

This project provides a rebate to oversize the water distribution main along Parliament Avenue from Harbour Landing Drive to Campbell Street. This project is 100% funded from Utility Servicing Agreement Fees.

#### **Water Infrastructure Renewal**

The underground water distribution system requires ongoing rehabilitation and upgrading to maintain expected level of service and ensure the reliability and safety of the water distribution system. This

program typically includes inspection, assessment, replacement, rehabilitation and upgrading of water distribution mains, fire hydrants, service connections, and other appurtenances and associated structures. The Utility Reserve funds this program.

## **Future Years Planned Programs**

### **Trunk Water Main – Chuka Boulevard from Green Apple Way to Primrose Green Drive to Arens Road**

This project provides for the detailed design and construction of a of trunk water main along Chuka Boulevard from Green Apple Way to Arens Road to service the Greens on Gardiner subdivision and support potential development to the North of the Greens on Gardiner within the 235,000 population growth scenario. This project is 100% funded from Utility Servicing Agreement Fees.

### **Future Water Distribution Main Oversizing**

This program provides for the construction of new water distribution mains requiring oversizing to allow for distribution of water to future developments beyond the concept plan area. This project is 100% funded from Utility Servicing Agreement Fees.

## Wastewater Collection and Treatment

| Capital Summary (\$000's)   | 2013         | 2014          | 2015          | 2016          | 2017          | Five Year<br>Total |
|---|--------------|---------------|---------------|---------------|---------------|--------------------|
| <b>Capital Expenditures</b>   |              |               |               |               |               |                    |
| <b>1. Wastewater Treatment:</b>   |              |               |               |               |               |                    |
| - Wastewater Treatment Plant Upgrade  | -            | 48,000        | 48,000        | 56,900        | -             | 152,900            |
| - Wastewater Treatment Plant Improvements   | 50           | 50            | 50            | 50            | -             | 200                |
| - Wastewater Treatment Plant Refurbishing   | 2,000        | 250           | 200           | 200           | -             | 2,650              |
| - Wastewater Treatment Plant Capital Maintenance  | 500          | 500.0         | 500.0         | 500.0         | 500.0         | 2,500              |
| - McCarthy Boulevard Pumping Station Upgrade  | -            | -             | -             | -             | 2,000         | 2,000              |
| - Waste Hauler Dump Station   | -            | 7,000         | 1,500         | -             | -             | 8,500              |
| <b>2. Wastewater Collection:</b>  |              |               |               |               |               |                    |
| - 7th Avenue Storm and Domestic Sewer Cleaning  | 300          | -             | -             | -             | -             | 300                |
| - Gamet Street Lift Station Pump Upgrade  | 100          | -             | -             | -             | -             | 100                |
| - Sanitary Trunk Main - Gordon Road from Aerodrome to Campbell Street                             | 600          | 500           | -             | -             | -             | 1,100              |
| - Harbour Landing Sewage Force Main Extension   | -            | -             | -             | 200           | 1,000         | 1,200              |
| - Jetting Equipment Upgrades  | 80           | -             | -             | -             | -             | 80                 |
| - Lift Station Upgrade  | -            | 400           | 350           | 350           | 200           | 1,300              |
| - New Connector Trunk and Lift Station  | -            | -             | -             | -             | 9,000.0       | 9,000              |
| - Sanitary Trunk Main - Chuka Boulevard from Green Apple Way to Greens on Gardiner North Boundary | 625          | 625.0         | -             | -             | -             | 1,250              |
| - Future Sewer Collection Mains Oversizing  | -            | 100           | 100           | 100           | 100           | 400                |
| - Sewer Connection Replacement  | 680          | 680           | 680           | 680           | 680           | 3,400              |
| - Southeast Pump Station Storage  | 500          | 3,500.0       | -             | -             | -             | 4,000              |
| - Wastewater Infrastructure Renewal   | -            | 7,000         | 8,125         | 8,125         | 8,125         | 31,375             |
| <b>Total Expenditures</b>   | <b>5,435</b> | <b>68,605</b> | <b>59,505</b> | <b>67,105</b> | <b>21,605</b> | <b>222,255</b>     |
| <b>Capital Funding</b>  |              |               |               |               |               |                    |
| General Utility Reserve   | 3,706        | 12,628        | 10,179        | 10,621        | 18,885        | 56,019             |
| Service Agreement Fees - Utility  | 1,729        | 15,289        | 10,664        | 12,822        | 2,720         | 43,225             |
| Debt  | -            | 40,687        | 38,662        | 43,662        | -             | 123,011            |
| <b>Total Funding</b>  | <b>5,435</b> | <b>68,605</b> | <b>59,505</b> | <b>67,105</b> | <b>21,605</b> | <b>222,255</b>     |

## Wastewater Treatment

### Current Year Programs

#### Wastewater Treatment Plant Upgrade

The Wastewater Treatment Plant Upgrade project is currently in progress, with funding allocated prior to 2013. The chart below provides a summary of the costs for this project, including the expected impact of inflations, with a total expected project cost of \$207 million:

| Wastewater Treatment Plant<br>Summary of Costs | Prior Year<br>Funding | 2013     | 2014          | 2015          | 2016          | Total          |
|--|-----------------------|----------|---------------|---------------|---------------|----------------|
| Expected Capital Cost (in 2013 dollars)        | 27,500                | -        | 48,000        | 48,000        | 56,900        | 180,400        |
| Inflation                                      | -                     | -        | 3,840         | 7,980         | 14,780        | 26,600         |
| <b>Total Project Cost</b>                      | <b>27,500</b>         | <b>-</b> | <b>51,840</b> | <b>55,980</b> | <b>71,680</b> | <b>207,000</b> |

In order to maintain operating condition, meet future growth needs and new provincial regulatory requirements, a major upgrade of the Wastewater Treatment Plant is required. Work involves concept development undertaken in 2011, design engineering in 2012/2013, equipment procurement, and installation construction contracts over a multiple year project schedule. There will be phases of development, with short term, obvious upgrades or immediately identifiable solutions moving forward more quickly to maintaining current operations. Funding will be provided from Utility Servicing Agreement Fees (22%) and the remaining 78% from the Utility Reserve and Debt financing.

#### **Wastewater Treatment Plant Improvements**

The Wastewater Treatment Plant requires improvements to the grit removal system, valve chamber, lagoon system and UV Disinfection System. Funding is provided from the Utility Reserve (91.25%) and Utility Servicing Agreement Fees (8.75%).

#### **Wastewater Treatment Plant Refurbishing**

This project provides funding for major maintenance projects beyond regular operating and maintenance budget works to refurbish various areas of the Wastewater Treatment Plant, including administration, laboratory, lagoons, primary treatment plant, sludge dewatering, tertiary treatment plant, and the site. The Utility Reserve funds this program.

#### **Wastewater Treatment Plant Capital Maintenance**

This project provides funding for minor capital maintenance required to maintain expected level of service and support the ongoing operation of the Wastewater Treatment Plant.

### **Future Years Planned Programs**

#### **McCarthy Boulevard Pumping Station Upgrade**

McCarthy Boulevard Pumping Station requires upgrades involving building repairs, pumping, screens for removal of solids and debris, HVAC/electrical components, and additions of an odour abatement system to continue to provide reliable wastewater conveyance to the Wastewater Treatment Plant. Funding is from the Utility Reserve (85%) and Utility Servicing Agreement Fees (15%).

#### **Waste Hauler Dump Station**

This project provides for the development of a permanent Waste Hauler Dump Station at the Wastewater Treatment Plant. In the past waste hauler trucks discharged sewage at the McCarthy Boulevard Pumping Station. Upgrades at the pumping station resulted in the relocation of the discharge to a temporary location at the Waste Water Treatment Plant. Planning for a future station has identified locations and construction options. A majority of waste haulers are servicing rural customers and the City is currently working with the RM of Sherwood to address the station from a regional perspective. This project is currently funded from the Utility Reserve with additional funding to be provided from sharing agreements. It is intended that revenue from the facility will recover construction and operating costs.

## **Wastewater Collection**

### **Current Year Programs**

#### **7th Avenue Storm and Domestic Trunk Cleaning**

This project provides for the cleaning of the 7th Avenue Storm Trunk and 7th Avenue Domestic Sewer Trunk. This program is funded from the Utility Reserve.

#### **Garnet Street Lift Station Pump Upgrade**

This project provides for the full replacement/renewal of existing pumps in this domestic lift station. This program is funded from the Utility Reserve.

**Sanitary Trunk Main - Gordon Road from Aerodrome to Campbell Street**

This project involves the construction of a deep sanitary trunk sewer along Gordon Road from Aerodrome Road to Campbell Street. Funding for this project is 100% provided from Utility Servicing Agreement Fees.

**Jetting Equipment Upgrades**

The City's wastewater collection system requires new equipment for the ongoing inspection, assessment and maintenance of an expanding wastewater collection system. This program includes the purchase of equipment used in the operation and maintenance of the wastewater collection system. Funding is provided from the Utility Reserve.

**Sanitary Trunk Main - Chuka Boulevard from Green Apple Way to Greens on Gardiner North Boundary**

The project provides for the extension of the sanitary trunk main to service North portions of Greens on Gardiner and future development of the Towns. Funding for this project is 100% provided from Utility Servicing Agreement Fees.

**Sewer Connection Replacement**

This program provides funding for maintenance, inspection and rehabilitation of sewer connections to maintain expected levels of service and ensures the reliability of the sanitary sewer system to individual customers. This program typically replaces the City side of sewer connection that have reached the end of their service life or cannot be economically repaired. The Utility Reserve funds this program.

**Southeast Pump Station Storage**

This project involved expansion of the existing storage for the Creeks Pump Station located in the Southeast required for future new development in the Southeast. Funding for this project is 100% provided from Utility Servicing Agreement Fees.

**Wastewater Infrastructure Renewal**

The Wastewater Infrastructure Renewal Program is currently in progress with funding allocated prior to 2013. The wastewater collection system requires ongoing rehabilitation and upgrading to maintain and improve the level of service and to ensure the system's reliability. This program includes inspections, assessments, relining, replacement, and rehabilitation. The condition assessment and rehabilitation is done both in conjunction with scheduled roadway renewal projects and proactive locations identified in the system. The Utility Reserve funds this program.

**Future Years Planned Programs****Harbour Landing Forcemain**

This project includes extension of the wastewater forcemain from the Harbour Landing Pump Station future build-out of Harbour Landing. Funding for this project is 100% provided from Utility Servicing Agreement Fees.

**Lift Station Upgrade**

The City's wastewater pumping stations are aging and require upgrading to restore or improve the level of service and to reduce emergency repair costs. This program will include assessment, pre-design, rehabilitation, upgrades and/or replacement of existing pumping stations. The Utility Reserve funds this program.

**New Connector Trunk and Lift Station**

Funding will be used for the assessment, design and construction of a new connector trunk, lift station and other related components to improve the functioning of the wastewater collection system.

**Future Sewer Collection Mains Oversizing**

This program provides for the construction of new sewer collection mains requiring oversizing within new subdivisions for future developments. Funding for this project is 100% provided from Utility Servicing Agreement Fees.



## Drainage

| Capital Summary (\$000's)   | 2013          | 2014         | 2015         | 2016          | 2017          | Five Year<br>Total |
|---|---------------|--------------|--------------|---------------|---------------|--------------------|
| <b>Capital Expenditures</b>   |               |              |              |               |               |                    |
| <b>1. Drainage Systems:</b>   |               |              |              |               |               |                    |
| - Area 2B (Albert Park Detention)   | -             | 3,800        | -            | -             | -             | 3,800              |
| - Area 5 Upgrades   | -             | 500          | -            | -             | -             | 500                |
| - Area 6 Upgrades   | -             | -            | 400          | -             | 1,500         | 1,900              |
| - Area 8 Upgrades   | 250           | -            | 600          | -             | -             | 850                |
| - Area 10 Upgrades  | -             | 450          | -            | -             | 3,000         | 3,450              |
| - Area 14 Upgrades  | -             | 450          | -            | 2,000         | -             | 2,450              |
| - Area 1 & 17 Upgrades  | -             | -            | -            | 2,500         | 1,500         | 4,000              |
| - Drainage Pumping Station Upgrading  | -             | -            | 375          | 375           | 200           | 950                |
| - Area 13 A (Highland Park/Cityview)  | -             | -            | 4,500        | 4,500         | -             | 9,000              |
| - Detention Pond - South of Regina Memorial Gardens   | 200           | -            | -            | -             | -             | 200                |
| - Detention Pond (A) - North of CPR line and West of Winnipeg Street  | -             | -            | -            | -             | 250           | 250                |
| - Southeast Quadrant Detention (Victoria Avenue Interchange)  | 6,000         | -            | -            | -             | -             | 6,000              |
| - Drainage Infrastructure Renewal   | -             | 1,676        | 3,161        | 3,161         | 2,111         | 10,109             |
| - Dykes, Drainage Channels and Lake Improvements  | 500           | 400          | 400          | 400           | 200           | 1,900              |
| - Ross Industrial Park - Phase 1 Stormwater Management  | 650           | -            | -            | -             | -             | 650                |
| - Greens on Gardiner Detention Pond (MR2)   | 500           | -            | -            | -             | -             | 500                |
| - Greens on Gardiner Detention Pond (MR3)   | 700           | -            | -            | -             | -             | 700                |
| - Greens on Gardiner Storm Sewer - Green Water Drive from Green Apple Drive to Green Brook Way                                  | 100           | 50           | -            | -             | -             | 150                |
| - Harbour Landing Detention Pond (MR10) - James Hill Road and Tudor Way   | 300           | -            | -            | -             | -             | 300                |
| - Harbour Landing Detention Pond (MR7) - West of the Storm Channel and South of Gordon Road                                     | 110           | -            | -            | -             | -             | 110                |
| - Harbour Landing Detention Pond (MR8 & MR9) - West of Storm Channel and South of Gordon Road (MR8); North of Gordon Road (MR9) | 950           | -            | -            | -             | -             | 950                |
| - Hawkstone Detention Pond (F) - West of Argyle Street and South of Rochdale Boulevard  | -             | -            | -            | 300           | -             | 300                |
| - Northeast Industrial Development - SW detention   | 500           | -            | -            | -             | -             | 500                |
| - The Greens on Gardiner and the Towns - Detention Pond and Drainage Route  | -             | -            | -            | -             | 1,725         | 1,725              |
| <b>Total Expenditures</b>   | <b>10,760</b> | <b>7,326</b> | <b>9,436</b> | <b>13,236</b> | <b>10,486</b> | <b>51,244</b>      |
| <b>Capital Funding</b>  |               |              |              |               |               |                    |
| General Utility Reserve   | 6,850         | 7,276        | 9,436        | 12,936        | 8,511         | 45,009             |
| Service Agreement Fees - Utility  | 3,910         | 50.0         | -            | 300.0         | 1,975         | 6,235              |
| <b>Total Funding</b>  | <b>10,760</b> | <b>7,326</b> | <b>9,436</b> | <b>13,236</b> | <b>10,486</b> | <b>51,244</b>      |

# Drainage

## Current Year Programs

### **Area 8 Upgrades (Douglas Place) revised from Assiniboia East**

This project will upgrade the drainage system in Area 8 (Assiniboia East) to improve the desired drainage level of service in the area. Funding for this program is provided from the Utility Reserve.

### **Detention Pond South of Regina Memorial Gardens**

This project will provide for construction of a Detention Pond East of Regina Memorial Garden Cemetery. The project is 50% funded from Utility Servicing Agreement Fees and 50% funded from General Utility Reserve

### **South East Quadrant Detention (Victoria Avenue Interchange)**

This is part 3 of 3 Glencairn Stormwater Management Improvement Projects. Upgrading the detention of the SE Quadrant in the Victoria Avenue and Highway 1 Interchange will improve the drainage level of service in the underpass. The Utility Reserve funds this project.

### **Drainage Infrastructure Renewal**

The Drainage Infrastructure Renewal Program is currently in progress with funding allocated prior to 2013. The drainage system requires ongoing rehabilitation and upgrading to maintain and improve the level of service and to ensure the system's reliability. This program includes inspections, assessments, relining, replacement, and rehabilitation. The condition assessments may be done in conjunction with scheduled roadway renewal projects or proactively at locations as warranted. The Utility Reserve funds this program.

### **Dykes, Drainage Channels and Lake Improvements**

This program rehabilitates and improves the level of service of facilities such as dykes, channels, streams, lakes and ponds. Periodic assessments, repairs, modifications and improvements are required to ensure the integrity and capacity of these systems. The Utility Reserve funds this program.

### **Ross Industrial Park - Phase 1 Storm water Management**

The project provides funding for the construction of stormwater detention facilities including storm sewers West of Fleet Street and South of the CN Railway. This project is 100% funded from Utility Servicing Agreement Fees.

### **Greens on Gardiner Detention Pond (MR 2)**

This project provides for the construction of detention pond MR 2 in Greens on Gardiner including excavation, outlet pipe, trunk sewer and coarse grass seeding for a detention pond. This project is 100% funded from Utility Servicing Agreement Fees.

### **Greens on Gardiner Detention Pond (MR 3)**

This project provides for construction of detention pond MR 3 in Greens on Gardiner (Phase 2, Stage 1) North of Arcola Avenue. This project is 100% funded from Utility Servicing Agreement Fees.

### **Greens on Gardiner Storm Sewer (Green Water Drive North of Green Apple Drive)**

This project provides for construction of storm sewer for Greens on Gardiner Green Water Drive from Green Apple Drive to Primrose Green Drive. This project is 100% funded from Utility Servicing Agreement Fees.

### **Harbour Landing Detention Pond (MR10) – James Hill Road and Tutor Way**

This project is for the construction of detention pond MR10 in Harbour Landing near James Hill Road and Tutor Way. The project includes design and construction for the excavation, outlet and landscaping. The project is funded 100% from Utility Servicing Agreement Fees.

**Harbour Landing Detention Pond (MR7) – West of the Storm Channel and South of Gordon Road**

This project is for the construction of detention pond MR7 in Harbour Landing, West of the Storm Channel and South of Gordon Road, as part of the storm water management infrastructure for the area. The project includes design and construction for the excavation, outlet and landscaping. This project is 100% funded from Utility Servicing Agreement Fees.

**Harbour Landing Detention Pond (MR8 and MR9) – West of the Storm Channel**

This project is for the construction of detention ponds in Harbour Landing, West of the Storm Channel and South of Gordon Road (MR8) and West of the Storm Channel and North of Gordon Road (MR9), as part of the storm water management infrastructure for the area. The project includes design and construction for the excavation, outlet and landscaping. This project is 100% funded from Utility Servicing Agreement Fees.

**Northeast Industrial Development- Detention**

Construction of a detention pond for industrial development East of Fleet Street. The work involves construction of storm sewers, excavation and coarse grass seeding. This project is 100% funded from Utility Servicing Agreement Fees.

**Future Years Planned Programs****Area 2B (Albert Park Detention)**

This project will provide improvement for the drainage level of service in the Albert Park area. 2013 funding will be used to construct drainage improvement systems. The Utility Reserve funds this program.

**Area 5 Upgrades (Glencairn)**

This project will upgrade the drainage system in Area 5 to improve the desired drainage level of service in the area. Funding for this program is provided from the Utility Reserve.

**Area 6 Upgrades (Argyle Park)**

This project will upgrade the drainage system in Area 6 to improve the desired drainage level of service in the area. Funding for this program is provided from the Utility Reserve.

**Area 10 Upgrades (Core Park)**

This project will upgrade the drainage system in Area 10 to improve the desired drainage level of service in the area. Funding for this program is provided from the Utility Reserve.

**Area 14 Upgrades (Lakeview)**

This project will upgrade the drainage system in Area 14 to improve the desired drainage level of service in the area. Funding for this program is provided from the Utility Reserve.

**Area 1 & 17 Upgrades (North Central & Rosemount)**

This project will upgrade the drainage system in Area 1 & 17 to improve the desired drainage level of service in the areas. The Utility Reserve funds this program.

**Drainage Pumping Station Upgrading**

The City's drainage pumping stations are aging and require upgrading to restore or improve the level of service and to reduce emergency repair costs. This program will include assessment, documentation, prioritization, pre-design, rehabilitation, upgrades and/or replacement of existing pumping stations. The Utility Reserve funds this program.

**Area 13A (Highland Park/Cityview)**

This program will upgrade the drainage system in Highland Park to improve the desired drainage level of service in the area. Funding is provided from the Utility Reserve.

**Detention Pond (A) - North of CPR line and West of Winnipeg Street**

This project will construct the detention pond (A) as identified in the North West Sector Serviceability Study, North of the CPR line and West of Winnipeg Street, as part of the storm water management infrastructure for the area. The project includes design and construction for the excavation, outlet and landscaping. The project is 100% funded from Utility Servicing Agreement Fees.

**Hawkstone Detention Pond (F) – West of Argyle Street and South of Rochdale Boulevard**

This project will construct the detention pond (F) as identified in the Northwest Sector Serviceability Study, located West of Argyle Street and South of Rochdale Boulevard, as part of the storm water management infrastructure for the area. The project includes design and construction for the excavation, outlet and landscaping. This project is 100% funded from Utility Servicing Agreement Fees.

**The Greens on Gardiner and the Towns - Detention Pond and Drainage Route**

This project provides for the design and construction of a detention pond and drainage channel or storm trunk main to Chuka Creek in the Greens on Gardiner and the Towns subdivisions. The project includes design and construction for the excavation, outlet and landscaping. This project is 100% funded from Utility Servicing Agreement Fees.

## Other Utility Projects

| Capital Summary (\$000's)  | 2013         | 2014         | 2015         | 2016         | 2017         | Five Year<br>Total |
|--|--------------|--------------|--------------|--------------|--------------|--------------------|
| <b>Capital Expenditures</b>  |              |              |              |              |              |                    |
| <b>1. Other Utility Projects</b>   |              |              |              |              |              |                    |
| - Utility Billing Equipment Replacement Upgrade                                      | -            | 20           | 20           | 40           | 20           | 100                |
| - Development of the Official Community Plan   | 266          | -            | -            | -            | -            | 266                |
| - Infrastructure Communications/SCADA Upgrades                                       | 80           | -            | -            | -            | -            | 80                 |
| - Future Equipment Purchases   | -            | 150          | 150          | 150          | 150          | 600                |
| - Mobile Equipment Enclosed Parking  | 360          | -            | -            | -            | -            | 360                |
| - ITS Infrastructure - Utility Portion   | 325          | 325          | 325          | 325          | 325          | 1,625              |
| - Sewer System Equipment   | 80           | -            | -            | -            | -            | 80                 |
| - Water Distribution System Equipment  | 75           | -            | -            | -            | -            | 75                 |
| - Sustainable Infrastructure - Water, Wastewater & Drainage Studies & Pilot Projects | -            | 100          | -            | 100          | -            | 200                |
| - Wastewater Treatment Plant Operations & Maintenance Building                       | 2,700        | 1,000        | -            | -            | -            | 3,700              |
| - Meter Installation Program   | 500          | 500          | 500          | 500          | 500          | 2,500              |
| - City Operations Facilities   | 200          | 70           | 1,670        | 3,260        | -            | 5,200              |
| - Trench Settlement Remediation  | 300          | 300          | 300          | 300          | 300          | 1,500              |
| - Trunked Radio System User Gear Replacement   | 293          | -            | -            | -            | -            | 293                |
| - Utility Billing System Upgrade   | 100          | 100          | -            | -            | 300          | 500                |
| - City Hall Elevator Modernization   | 660          | -            | -            | -            | -            | 660                |
| <b>Total Expenditures</b>  | <b>5,939</b> | <b>2,565</b> | <b>2,965</b> | <b>4,675</b> | <b>1,595</b> | <b>17,739</b>      |
| <b>Capital Funding</b>   |              |              |              |              |              |                    |
| General Utility Reserve  | 5,872        | 2,465        | 2,965        | 4,575        | 1,595        | 17,472             |
| Service Agreement Fees - Utility   | 67           | 100          | -            | 100          | -            | 267                |
| <b>Total Funding</b>   | <b>5,939</b> | <b>2,565</b> | <b>2,965</b> | <b>4,675</b> | <b>1,595</b> | <b>17,739</b>      |

## Other Utility Projects

### Current Year Programs

#### Development of the Official Community Plan

This project will result in a new Official Community Plan (OCP) for Regina, replacing the Regina Development Plan. The OCP will describe what kind of city Regina intends to become and include a policy framework that will guide how it will get there in the context of the City's physical, environmental, economic, social, and cultural development. The utility component of this project is funded from the Utility Reserve (75%) and from Utility Servicing Agreement Fees (25%).

#### Infrastructure Communications/SCADA Upgrades

This project provides funding for Instrumentation and communication initiatives to support infrastructure additions and purchase and integration of SCADA equipment to support operational and maintenance requirements. This program is funded from the Utility Reserve.

#### Mobile Equipment Enclosed Parking

Enclosed indoor parking, both heated and unheated, is required for light trucks and equipment. Enclosed parking will provide better access as well as protecting water-filled accessories from freezing and from vandalism. This project includes space rental, Building F extension and pit relocation. Funding is provided from the Utility Reserve.

**ITS Infrastructure - Utility Portion**

This program provides for the Utility contribution to IT projects that support the Utility as approved in the General Capital Program. Funding is provided from the Utility Reserve.

**Sewer System Equipment**

This project provides funding for field technology improvements for the jet and sewer service area to improve efficiency of data-handling in the field as well as effectiveness in cold-weather conditions. This program is funded from the Utility Reserve.

**Water Distribution System Equipment**

The City's water distribution system requires new equipment for the ongoing inspection, assessment and maintenance of an expanding water distribution system. This program includes the purchase of equipment used in the operation and maintenance of the water distribution system. Funding is provided from the Utility Reserve.

**Waste Water Treatment Plant Operations and Maintenance Building**

This project provides for construction of a new operations and maintenance building and office space at the Wastewater Treatment Plant, including site work, building construction, parking, security, consulting fees, permits and reports. Funding is provided from the Utility Reserve.

**Meter Installation Program**

The City's expanding community requires the installation of water meters in new homes. This program includes the purchase and installation of new water meters for new construction. Funding is provided from the Utility Reserve.

**City Operations Facilities**

Capital improvements for the design and construction of interim works identified in the Public Works Facilities Master Plan. Also includes funding to provide and renovate interim space to house staff to support the delivery of the capital program prior to major renovations. Funding is provided from the Utility Reserve.

**Trench Settlement Remediation**

Cracking and settling of sidewalks, curbs, gutter and pavement occur as a result of backfill settlement at watermain work locations, resulting in drainage problems. This program corrects settlement at these locations. The Utility Reserve funds this program.

**Trunked Radio System User Gear Replacement**

Trunked Radio System Infrastructure Upgrade will require new user gear (portable and mobile radios) as existing gear will not work on the new Infrastructure. This program is funded from the Utility Reserve.

**Utility Billing System Upgrade**

The upgraded version of the Utility Billing system has significant new functionality, including e-billing, electronic work queue, customer contact tracking, and dispatch functionality. This project provides for the review of the improved functionality of the system and implementation of selected functionality. Funding is provided from the Utility Reserve.

**City Hall Elevator Modernization**

This project includes an upgrade to the existing elevators with modernized electrical and mechanical components. The existing elevators are original to the building and require frequent maintenance. Elevator 1 also needs to be upgraded to freight status. Upgrades will provide improved elevator service and efficiency while reducing energy consumption through the destination dispatch intelligence. Includes security upgrades to coincide with the main floor renovation at City Hall. This expenditure, funded from the Utility Reserve, represents 40% of the total project cost.

## **Future Years Planned Programs**

### **Utility Billing Equipment Replacement Program**

In order to obtain readings from AMR meters, the City has deployed a number of hand-held and vehicle-mounted (VXU) radio-read devices. These devices, along with other larger equipment used in the Utility Billing operation, such as curb box locators, are warranted and can be repaired and upgraded for a period of time, but in order to manage upgrades effectively a consistent program is more appropriate. This program is funded from the Utility Reserve.

### **Future Equipment Purchases**

As equipment requirements change within the utility, additional or new specialized pieces of equipment are required to manage ongoing operations. This program is intended to operate as a placeholder for the purposes of planning in the Utility Model and is based on average expected new or specialized equipment purchases based on previous five year history. Funding is provided from the Utility Reserve.

### **Sustainable Infrastructure - Water, Wastewater and Drainage Studies and Pilot Projects**

This project encompasses pilot projects and studies pertaining to water distribution, wastewater collection and stormwater infrastructure. Projects and studies will be used to determine the future viability of new or innovative sustainable solutions to the City of Regina, which may be ultimately incorporated into future development policy, guidelines and specifications. Studies or pilots will be focused within new growth areas and will either be independent or augment new infrastructure construction. Funding for this project is 100% provided from Utility Servicing Agreement Fees.

## Utility Capital Funding

Funding for the Water and Sewer Utility Capital Program is primarily from the following sources:

- General Utility Reserve.
- Utility Servicing Agreement Fees and Development Levies.
- Federal and Provincial Infrastructure Programs (no funding currently in the five year program).
- Debt.

### General Utility Reserve

The General Utility Reserve is funded through the operating surplus of the Utility. Each year the Utility generates a surplus, a portion of which is transferred to the general operating and capital budgets, with the balance transferred to the General Utility Reserve. The reserve is primarily used to fund capital projects, but is available should there be an operating shortfall. At present, a significant surplus in the General Utility Reserve is required to offset the shortfall in the Utility Servicing Agreement Fee Reserve. The following table provides a projection for the General Utility Reserve.

| <b><u>General Utility Reserve (\$000's)</u></b>            |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|
|  | <b>2013</b>   | <b>2014</b>   | <b>2015</b>   | <b>2016</b>   | <b>2017</b>   |
| <b>Reserve Balance - Start of Year<sup>1</sup></b>         | <b>74,297</b> | <b>88,736</b> | <b>54,109</b> | <b>63,667</b> | <b>63,629</b> |
| Net Operating Surplus                                      | 41,843        | 47,227        | 53,811        | 58,197        | 61,068        |
| Replacement of Debt <sup>2</sup>                           | -             | (43,100)      | -             | -             | -             |
| Capital Program Requirement (in 2013 dollars) <sup>3</sup> | (27,404)      | (32,304)      | (32,445)      | (37,397)      | (43,898)      |
| Impact of Inflation on Capital Program <sup>4</sup>        | -             | (6,450)       | (11,808)      | (20,838)      | (9,577)       |
| <b>Reserve Balance - End of Year</b>                       | <b>88,736</b> | <b>54,109</b> | <b>63,667</b> | <b>63,629</b> | <b>71,222</b> |

Note:

1. The General Utility Reserve beginning balance has been revised from \$49 million to \$74 million due to the following:
  - Review of the Capital carry-forward resulting in project dollars being returned to the Reserve during the latter part of 2012;
  - Increased Revenue Projections; and,
  - Unexpended dollars from other projects being completed in 2012.
2. The debt reassigned from the GTH is fully due in 2014. In that year, additional debt in the amount of \$43.1 million will be required to replace the reassigned GTH debt.
3. The Capital Program Requirement reflects an estimated inflation rate applied to capital requirements. The 2013 – 2017 Utility Capital Program is presented in current dollars (without inflation). The Utility model incorporates projected increases in revenues and expenditures due to inflation. The net operating surplus reflects future projected increases and as such, the inflationary projection for capital program requirements is also used in this table.
4. Impact of inflation on capital program includes the impact of inflation for all projects funded through the General Utility Reserve or through debt. The impact of inflation on projects funded through Utility Servicing Agreement fees is found in the section on Servicing Agreement Fees and Development Levies below.

### Servicing Agreement Fees and Development Levies

Servicing Agreement Fees (SAF) and Development Levies (levies) are pursuant to *The Planning and Development Act, 2007* and are collected when a servicing agreement or development levy agreement is entered into between the City and a developer. The agreements require a payment to the City of a



predetermined amount per hectare of land within the development area. The funds are intended to be used towards the construction of infrastructure to support new development.

In the case of utility related costs for development, the City normally incurs the costs of providing infrastructure prior to the full development of an area and then recovers the costs through the development charges as the area develops.

For 2013, the Utility Servicing Agreement Fees/Development Levies are set at \$124,842 per hectare of land within the development area. The payment schedule requires 30% upon execution of a servicing agreement, another 40% within nine months and the balance within a further nine months. Eligibility of funding is by policy of City Council.

Revenue from SAF and levies is recognized when the funds are spent on an eligible project. Historically, capital projects eligible for SAF funding have been undertaken ahead of the funds being available resulting in a shortfall in Servicing Agreement Fees funding. This shortfall is funded through the surplus in the General Utility Reserve. The projections have been based on information provided by the development community, and estimates from Development Engineering for 2013 to 2017 and assume that fees are collected on 80 hectares per year, in accordance with the SAF/Levy rate calculation.

|  | <b><u>Servicing Agreement Fees (\$000's)</u></b> |                 |                 |                 |                 |
|--|--|-----------------|-----------------|-----------------|-----------------|
|  | <b>2013</b>                                      | <b>2014</b>     | <b>2015</b>     | <b>2016</b>     | <b>2017</b>     |
| <b>Balance - Start of Year</b>                             | <b>(41,879)</b>                                  | <b>(42,143)</b> | <b>(51,949)</b> | <b>(56,369)</b> | <b>(64,469)</b> |
| Servicing Agreement Fees <sup>1</sup>                      | 10,218   | 10,601          | 10,999          | 11,411          | 11,839          |
| Interest applied to negative balance <sup>2</sup>          | (1,591)  | (1,686)         | (2,182)         | (2,480)         | (2,966)         |
| Capital Program Requirement (in 2013 dollars) <sup>3</sup> | (8,891)  | (17,932)        | (12,144)        | (14,967)        | (5,715)         |
| Impact of Inflation on Capital Program                     | -  | (789)           | (1,093)         | (2,064)         | (1,074)         |
| <b>Balance - End of Year</b>                               | <b>(42,143)</b>                                  | <b>(51,949)</b> | <b>(56,369)</b> | <b>(64,469)</b> | <b>(62,385)</b> |

*Note*

1. The projected Servicing Agreement Fees incorporate the approved rates for 2012, and increases in future years for inflation. The capital program requirements also incorporate projected increases due to inflation.
2. If the Servicing Agreement Fee Reserve is in a negative position, interest is calculated at the rate paid by the City for any debt required to fund the negative balance.
3. The Capital Program Requirement reflects an estimated inflation rate applied to capital requirements. The 2013 – 2017 Utility Capital Program is presented in current dollars (without inflation). The Utility model incorporates projected increases in revenues and expenditures due to inflation. The net operating surplus reflects future projected increases and as such, the inflationary projection for capital program requirements is also used in this table.

A review of the SAF Policy in 2007 identified the option to design and build some infrastructure projects through funding arrangements with developers rather than through city borrowed funding. For that reason, developers have entered into front ending servicing agreements with the City and have constructed work that would normally be funded through the SAF reserve funds. Through these agreements, the developers are entitled to an offset in the form of servicing agreement fee credits that would otherwise be payable. The servicing agreement fee credit concept allows the development community to proceed with new subdivisions without waiting for the City to construct the infrastructure to support the development. The remaining SAF Credit Balance as of November 30, 2012 is just over \$893 thousand. It is anticipated that all outstanding credits will be redeemed in 2013.

## Debt Financing

Section 135 of *The Cities Act* creates the authority to issue debt to finance capital projects. While debt is a source of capital financing, ultimately the cost of the debt (principal and interest) has to be funded through the utility operating budget. The following table is a summary of the outstanding debt and the debt maturing each year.

### Current Debt Outstanding (Issued in 2011 and prior years)

The following table is a summary of the current outstanding debt, showing the year of issue and the debt maturing each year.

| <b>Schedule of Utility Debt Maturities (\$000's)</b> |                                 |                                   |   |                     |                              |
|--|---------------------------------|-----------------------------------|---|---------------------|------------------------------|
| <b>Year</b>  | <b>Debt Issues</b>              |                                   |   | <b>Total</b>        | <b>Per Cent of Total (%)</b> |
|  | <b>\$6 Million<br/>May 2004</b> | <b>\$16 Million<br/>June 2009</b> | <b>\$43.1 Million<br/>June 2009 (GTH)</b> |                     |                              |
| 2013   | 600                             | 906                               | -   | 1,506               | 2.6                          |
| 2014   | 600                             | 906                               | 43,100                                    | 44,606 <sup>1</sup> | 77.5                         |
| 2015   | -                               | 906                               | -   | 906                 | 1.6                          |
| 2016   | -                               | 906                               | -   | 906                 | 1.6                          |
| 2017   | -                               | 906                               | -   | 906                 | 1.6                          |
| 2018   | -                               | 906                               | -   | 906                 | 1.6                          |
| 2019   | -                               | 7,846                             | -   | 7,846               | 13.6                         |
| <b>Total</b>   | <b>1,200</b>                    | <b>13,282</b>                     | <b>43,100</b>                             | <b>57,582</b>       | <b>100.0</b>                 |

Note:

1. The debt reassigned from the GTH is fully due in 2014. In that year, additional debt in the amount of \$43.1 million will be required to replace the reassigned GTH debt.

### Committed Debt (Approved in 2012, Unissued)

In 2012, approval was given to issue \$23.0 million in debt. Because of delays in capital investment, issuing of this debt has also been delayed. This approved debt is expected to be issued in mid-2013.

### Planned Future Debt Requirements

In addition to the debt already approved, the 2013 to 2016 Utility Capital Program is expected to require the following debt:

- \$52.0 million in 2014 (includes \$43.1 required to replace GTH debt).
- \$46.0 million in 2015
- \$51.0 million in 2016.

The Utility Model includes funding for debt issuance costs and the repayment of projected debt issues based on a thirty year term and an interest rate of 3.8% for 2013, 4% for 2014, 4.2% for 2015, and 4.4% for 2016. In 2014, the GTH debt will mature and new debt of \$43.1 million will be required to replace it.

The future debt requirements are subject to change, as capital requirements in future years may change, the projected cost of requirements could change, or revenues generated from rate increases may change. In addition to the projected debt required to fund the 2013 – 2017 Utility Capital Program, based on current revenue and expenditure projections in the Utility model, there are additional debt requirements beyond 2017. The following graph shows projected utility debt levels incorporating the existing debt and the projected additional debt for 2013 through 2017.

### Utility Debt Projections

