

2021 Budget Submission - Service Partners

Date	January 6, 2021
To	Executive Committee
From	Financial Strategy & Sustainability
Service Area	Financial Services
Item No.	EX21-3

RECOMMENDATION

That the 2021 budgets and related requests of City Council as submitted by the Regina Exhibition Association Limited (REAL), Economic Development Regina (EDR), and the Regina Public Library (RPL) be referred to and considered at City Council's 2021 budget meeting in March 2021.

ISSUE

It has been the practice for REAL, EDR and the RPL to provide Executive Committee with a presentation outlining their plan of activities and budget request for the coming year. For REAL and EDR, the purpose is to inform the Committee of the community investment (grant) that is being requested from the City by these organizations for future budget deliberations by City Council. For the RPL, the purpose is to present their budget and request a library mill rate for the upcoming year to be deliberated and approved by City Council at a future City Council meeting.

The deliberation and approval of the requests is undertaken as part of Council's consideration and approval of the overall General Fund Operating Budget. As a result, once discussed at Executive Committee, the budget submissions are referred to the 2021 budget process for future budget deliberation by City Council.

IMPACTS

Financial Implications

The 2021 budget submission for REAL, EDR and RPL will be considered and approved by City Council through future budget deliberations.

REAL is requesting \$400,000 in funding in 2021, which is an increase of \$300,000 over 2020 approved funding. EDR is requesting \$1,885,305 in core funding in 2021, which is an increase of \$36,965 over 2020 approved core funding. In addition, on a one-time basis, EDR is requesting \$200,000 from the City to support the long-term growth and recovery of events, conventions and tourism sectors. The RPL is requesting a mill rate of 0.77145, which is a mill rate increase of 2.9% over 2020.

There are no accessibility, environmental, policy/strategic, risk/legal or other implications or considerations.

OTHER OPTIONS

None with respect to this report.

COMMUNICATIONS

The Regina Exhibition Association Limited, Economic Development Regina and the Regina Public Library will be advised of the decision of City Council.

DISCUSSION

Regina Exhibition Association Limited (REAL) – Appendix A

The Regina Exhibition Association Limited (REAL) is a non-profit corporation that is responsible for the stewardship, development, promotion and overall management of Evraz Place for the City of Regina. REAL began operating as a not-for-profit municipal corporation in 2014 with oversight from a Board of Directors appointed by Council. The City of Regina owns the lands and assets of Evraz Place that REAL operates on the behalf of the City. REAL is a large, multi-purpose event complex with over 1.2 million square feet of fully connected indoor space and over thirty (30) acres of outdoor usable space located in the heart of Regina – in close proximity to the Regina International Airport and downtown.

REAL is requesting \$400,000 in funding in 2021, which is an increase of \$300,000 over 2020 approved funding. This funding request is in addition to the \$700,000 grant related to assisting REAL in making principle and interest payments on REAL debt approved by Council on December 16, 2020 (CR20-96). The increase is due to financial impacts the organization expects to experience in 2021 due to the COVID-19 pandemic. REAL commits to proactively reduce the \$400,000 operating grant by 50% next year.

Economic Development Regina (EDR) – Appendix B

EDR's mandate is to create and implement an economic development strategy to grow and sustain prosperity in the Regina region; encourage the retention, development, attraction and growth of business and tourism products and services for those who live, work, visit and invest in the Regina region; and market and promote the Regina region for business and tourism. EDR is a not-for-profit municipal corporation with oversight from a Board of Directors that is appointed by City Council.

EDR is requesting core funding of \$1,885,205 in 2021, which is an increase of \$36,965, or 2% over 2020. This increase is reflective of cost of living and inflationary pressures to maintain core services and support day-to-day business.

In addition, on a one-time basis, EDR is requesting \$200,000 from the City to support the long-term growth and recovery of events, conventions and the tourism sector. Traditional sources of revenue for these priorities have been detrimentally impacted by COVID-19. Together with its partners, EDR is working to attract and maximize high-impact events for future years.

Regina Public Library (RPL) – Appendix C

The Regina Public Library promotes and supports cultural, economic, educational and recreational development in the City through collections, programs and services.

Under Section 22(1) of *The Public Libraries Act*, the Board of the Regina Public Library is required to ask City Council for approval of the mill rate request. The 2021 Library mill rate request is 0.77145. This represents a 2.9% mill rate increase over 2020. As a comparison the 2020 mill rate increase was 2.3% over 2019. This increase is due to inflationary pressures to deliver the same services.

DECISION HISTORY

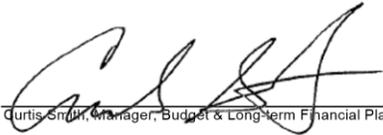
On July 6, 2020 (PPC20-12), the Executive Director, Financial Strategy & Sustainability presented an Economic and Preliminary 2021 Budget Development Update to the Priorities and Planning Committee.

On December 16, 2020 (CR20-96), City Council considered and approved a report on the REAL COVID-19 Cashflow. The report authorized an increase in the overall debt of REAL by \$8 million to a total of \$21 million. The report also authorized annual grant funding to REAL of up to \$700,000 per year beginning in 2021 related to this debt.

The recommendations contained in this report is within the authority of the Executive Committee.

Respectfully Submitted,

Respectfully Submitted,



Curtis Smith, Manager, Budget & Long-term Financial Planning

12/23/2020



Barry Lacey, Exec. Director, Financial Strategy & Sustainability

12/30/2020

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ATTACHMENTS

Appendix A - Regina Exhibition Association Limited

Appendix B - Economic Development Regina

Appendix C - Regina Public Library