

2019 Annual Report Highlights

Financial Sustainability

In 2019, the City of Regina received its highest ever, AAA credit rating from S&P Global, acknowledging the City's strong financial management practices, long-term financial planning capabilities and stewardship of public funds. The City's total debt is well below the allowable debt limit and policies are in place to ensure a minimum level of reserve funding is maintained, along with long-term financial modeling to anticipate future infrastructure investment needs.

Reconciliation Regina

The City, through engagement with Indigenous and community organizations, continues to support the development of Reconciliation Regina and respond to the Truth and Reconciliation Commission of Canada's 'Calls to Action.'

The Reconciliation Wall – a permanent legacy to the contribution of Indigenous Peoples in the development of our city – was established on the main floor of City Hall on October 30, 2019.

Regina's 7th celebration of National Indigenous Peoples Day was held on June 21, 2019.

Enhanced Service Through Technology

The City continues to prioritize providing more efficient and modern services to residents through use of new and improved technology.



Regina.ca

A new, mobile-friendly Regina.ca was launched in 2019 creating a better online experience for citizens looking for information about City programs and services. It also lays the foundation for future enhanced online services.



The launch of the PaybyPhone app in Regina provides motorists a new online payment option when parking downtown.

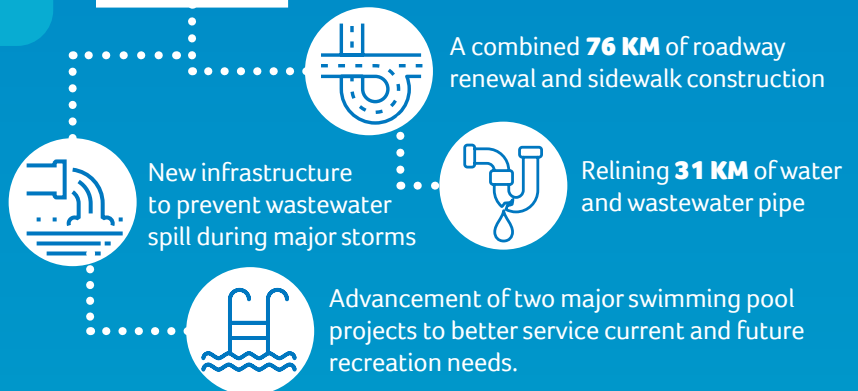


Provincial and City regulations are now in place to allow ridesharing companies to operate in Regina.

Investing in Infrastructure

Infrastructure renewal extends the life of the City's assets and provides safety and improves quality of life for citizens. Since 2011, the City has more than tripled its General Operating Fund allocations to capital projects, reducing dependence on external or debt funding to complete current and future infrastructure projects.

2019 capital projects included:



Environmental Sustainability

The City continued its commitment to environmental sustainability through initiatives that encouraged citizens to reduce, reuse and recycle, diverting waste from the Landfill.



A permanent leaf and yard waste depot location was opened at the Landfill, receiving **2,660 tonnes** of waste in its first season of operation.



Twelve City facilities piloted the employee-driven Green Routine project, increasing waste diversion by almost **40 per cent**.



Approximately **122 tonnes** of hazardous waste was collected and recycled or safely disposed through numerous Household Hazardous Waste Days.

Long-Term City Growth

The development and implementation of master plans advances the City's Official Community Plan and ensures long-term sustainability and delivery of services that meet the needs of Regina now and into the future. In 2019, the Wastewater Master Plan, Recreation Master Plan, and Regina Zoning Bylaw 2019 were approved.

City of Regina Financial Position

As at December 31, 2019 (in thousands of dollars)

	Actual 2019	Actual 2018
Financial Assets		
Cash	\$ 88,476	\$ 77,924
Short-term Investments	400,810	100,460
Accounts Receivable	49,280	72,789
Taxes Receivable	11,753	10,370
Long-term Investments	19	276,092
Land Inventory	27,192	30,083
	\$ 577,530	\$ 567,718
Financial Liabilities		
Accounts payable and accrued liabilities	64,836	66,860
Taxes payable to school boards	6,449	8,000
Deferred revenue	89,496	74,446
Capital lease obligations	1,463	735
Long-term debt	302,619	317,692
Employee benefit obligations	67,949	66,095
Landfill closure and post-closure	9,859	9,278
	\$ 542,671	\$ 543,106
Net Financial Assets	34,859	24,612
Non-Financial Assets	2,335,066	2,243,230
Accumulated Surplus	\$ 2,369,925	\$ 2,267,842
Consolidated Statement of Operations and Accumulated Surplus		
Revenue		
Taxation	273,380	260,358
Fees and charges	275,004	273,374
Government Transfers	87,732	88,016
Contribution of tangible capital assets	35,417	43,148
Electrical/Gas distributions	33,942	31,083
Licenses, fines and levies	21,420	13,970
Gain (Loss) on long term investments	11,311	(8,128)
Other	27,708	34,713
	\$ 765,914	\$ 736,534
Expenses		
Parks, recreation and community services	154,343	145,436
Water, wastewater and drainage	105,784	95,420
Police	98,536	88,614
Legislative and administrative services	84,163	83,313
Roads and traffic	80,304	67,527
Fire	49,814	48,997
Transit	45,193	48,722
Other	45,694	21,022
	663,831	599,051
Annual Surplus	102,083	137,483
Accumulated Surplus, End of Year	\$ 2,369,925	\$ 2,267,842
Reserves		
City of Regina Reserves	184,644	196,460
Other Entities Reserves	16,533	21,355
	\$ 201,177	\$ 217,815

Financial Assets:

Financial assets increased by \$9.9 million during the year. There was a shift to short-term from long-term investments based on market factors. The City disposed of its long-term investments and shifted to short-term investments realizing a capital gain of \$11.3 million on its investment portfolio. Accounts receivables decreased by \$23.5 million primarily due to government grants that were due at the end of 2018 and collected in 2019.

Financial Liabilities:

Total financial liabilities remained consistent with the previous year, with two changes of note. Long-term debt liability was reduced by \$15.1 million, offset by an increase in deferred revenue of \$15.1 million. Deferred revenues increased mainly due to a one-time increase in Gas Tax grant funding of \$12.3 million and an increase in service agreement fees deferred revenue.

Accumulated Surplus:

Increased by \$102.1 million. This is comprised of a \$90.2 million increase in tangible capital assets that provide service capacity for our citizens, as well as an increase in net financial assets of \$10.3 million. A net financial asset position means the City has the ability to meet its financial liabilities with current resources. The Accumulated Surplus includes both cash and non-cash items (such as tangible capital assets) that are not available to spend.

Revenues:

Increased by \$29.4 million due to increases in own source revenue including a gain on long term investments of \$11.3 million, \$13.0 million increase in taxation revenues, and an increase in licenses, fines and levies of \$7.4 million. Due to economic factors, slower development caused a decrease in contributed assets of \$7.7 million.

Expenses:

Increased by \$64.7 million. The increase in expenses is due to amortization, wages and benefits expense, and increases in costs for services related to several program areas. Parks, recreation and community services increased by \$8.9 million, water, wastewater and drainage increased by \$10.4 million, police services increased by \$9.9 million and roads & traffic costs were up by \$13.0 million.

Reserves:

Decreased by \$16.7 million. Council-approved planned use of reserves for capital projects exceeded the surplus/earnings into the reserves resulting in an overall decrease. The majority of the City's reserves are self-sustaining whereby both the operating and capital costs are funded from the reserve, such as the Utility Fund Reserve. Other reserves are established for future capital replacements like the Fleet Replacement Reserve. Unallocated funding within the General Fund Reserve and the Asset Revitalization Reserve provide Council with the most flexibility.