

Budget in Brief



City of Regina

REGINA
Infinite Horizons

Investing in Growth and Opportunities

The 2014 Budget invests in sustaining our growth and seizing the opportunities ahead.

The budget balances affordability with service levels while delivering a wide range of services. The City maintains roads, removes garbage and recycling, provides water, transit, fire and police services, as well as recreational opportunities. It costs a lot to provide these services and programs and the City works tirelessly to ensure full value for your tax dollars.

Regina is experiencing an unprecedented level of growth and indicators suggest our economy will continue to grow in 2014. This growing economy means a better standard of living for residents and countless opportunities, but it also presents challenges to balancing the budget and prioritizing decisions on program and service enhancements.

In 2014, the City of Regina will begin implementation of the Official Community Plan (OCP). The OCP guides growth in Regina over the next 25 years, and informs decisions on City investments, services, and actions towards achieving our Vision. In the first five years, the City will focus on building the foundation for a sustainable future. This means investing your tax dollars strategically, while looking toward the future.

About our budgets:

The budgets are divided into capital and operating documents for both the City and the Water & Sewer Utility. The capital budgets cover costs for maintaining and improving infrastructure, while the operating budgets include ongoing costs, salaries, efficiency reviews and service delivery.

GENERAL CAPITAL AND OPERATING:

Our capital and operating budgets support continued growth to improve the quality of life for Regina residents and to continue providing a wide range of quality services. City Council approved a 4.88 per cent tax increase for 2014 to cover the costs of providing the programs and services that residents want. Also, an additional 1 per cent will be collected and dedicated to renewing residential roads, something that residents have clearly identified as a priority to Council. This is an ongoing program dedicated to systematically fixing neighbourhood streets. If approved, this increase would bring the City's capital and operating budgets to \$533.3 million, including a record amount of \$19.7 million for roads and streets.

WATER & SEWER UTILITY:

The City's water and sewer budget is funded through the utility rather than through the City's operating and capital budgets. The increase of 8 per cent for each of the next two years is an investment in the safe operations of our water and sewer system. The 2014 water and sewer operating and capital budget is \$143.7 million.



Tax facts

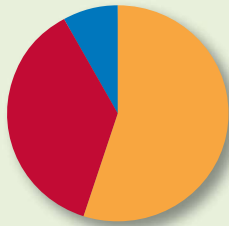
Municipal taxes are only a small portion of the total taxes residents pay. Since cities have limited ways to increase revenue, tax increases are necessary for growth, maintenance and rising costs, and most importantly, to protect our quality of life and deliver the programs and services that residents desire.

The City of Regina receives just 8 cents of every tax dollar residents pay. The rest is paid to other governments through a variety of taxes, including Education tax which is collected by the City.

Federal Tax
55 per cent

Provincial Tax
37 per cent

Municipal Tax
8 per cent



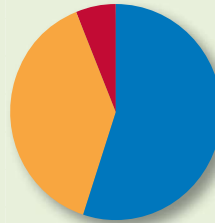
* Based on 2013 tax rates

The City of Regina receives just over half of the municipal property tax you pay. The remainder goes to the School Boards and Regina Public Library.

City of Regina
55 per cent

School Boards
39 per cent

Regina Public Library
6 per cent



* Based on 2013 tax rates

The municipal portion of your tax dollar pays for policing and fire protection, snow clearing and road repair, garbage pickup, transit, parks and recreation and other services residents rely on every day. The smallest portion of residents' tax dollars goes to providing the majority of programs and services that they access and enjoy every day.

What a 4.88 per cent + 1 per cent increase will cost

Current value of your home	\$200,000	\$285,000	\$450,000
2013 Property Taxes	\$1,038	\$1,480	\$2,335
Monthly cost of 4.88% tax increase for 2014	\$4.23	\$6.02	\$9.51
Monthly cost of 1% for local streets	\$0.87	\$1.23	\$1.95

Providing Quality Services

With its strong economy and high quality of life, Regina is attracting thousands of new residents and growing rapidly. Along with expanding our services to new areas, we are also managing growth through careful planning and sustainable development.

Parks, recreation and community development

- Operation and maintenance of our parks and open spaces – **\$8.1 million**
- Operation and maintenance of our sports, culture and recreation facilities – **\$1.3 million**
- Support community investments – **\$670 thousand**

Garbage, recycling and Waste Plan Regina

- Waste collection system operation – **\$8.9 million**
- Landfill investments – new cell engineering, design and construction, fencing and screening – **\$10.6 million**
- Operation of our landfill – **\$4.3 million**
- Recycling and other Waste Plan Regina programs **\$6.2 million**

Repairs and maintenance for existing roads and bridges

- Road repairs – **\$19.7 million**
- Bridge repairs – **\$5.5 million**
- Winter road maintenance, including snow removal (removal or clearing) – **\$6.8 million**
- Street sweeping and alley maintenance – **\$6.6 million**
- Road extension and new construction – **\$6.6 million**

Traffic control and safety

- Traffic signal investments – **\$1.5 million**
- Traffic safety and parking infrastructure, pedestrian protection – **\$1.2 million**





Innovation and Efficiencies

The City of Regina is committed to finding efficiencies throughout the organization.

Following a complete service review in 2006 which resulted in an annual cost savings of \$8.5 million in 2011 City Council directed Administration to continue identifying and implementing efficiencies and innovations.

To date, more than 300 efficiencies have been put into place, and save Regina taxpayers more than \$18 million each year and another \$9 million in one-time savings.

- Innovative financing plan for the stadium project, which includes significant investment by the Province and the Saskatchewan Roughriders, is allowing us to build a community stadium valued at \$278 million with an investment of \$73 million.
- Partnering with the private sector to build a new Sewage Treatment Plant is saving Regina residents nearly \$80 million on the overall cost of construction.
- The water and sewer utility is working more efficiently to keep rates affordable and saving \$2.2 million a year to reinvest back into the utility.

Continued on page 4...

Improving Quality of Life

The City provides many services that make Regina a great place to live. These services include operating public transit, maintaining parks, managing waste and providing sport, culture and recreation facilities. The general tax increase of 4.88 per cent covers a wide array of programs and services and is a reasonable price to pay in support of the high quality of life in Regina.

Road Renewal

Over the past five years, the City of Regina has spent \$124 million to repair and maintain our roadways network. City Council has implemented an additional 1 per cent increase to the mill rate to be dedicated for local road renewal. This is an ongoing program to systematically fix neighbourhood streets. Residents have let Council know that a quality network of local streets and roads is a priority and Council is listening.

- Repair of residential streets – **\$1.7 million**
- Total spending on repairs of all city streets will be a record amount of **\$19.7 million**

Housing

The 2013 Housing Summit resulted in the establishment of the Mayor's Housing Commission. Council also approved the Comprehensive Housing Strategy and changes to the Condominium Conversion Policy in 2013.

The city's vacancy rate is now 1.8 per cent. The City's goal is a three per cent vacancy rate by 2017.

- Council has approved an increase in the capital housing incentive from \$10 thousand per unit to \$15 thousand per unit to stimulate rental housing development and accessible housing options for moderate income households and to continue implementation of the Comprehensive Housing Strategy.

Regina Police Service

- Regina Police Service operations, including emergency response, quality investigations, response to non-emergency calls, traffic safety, crime prevention ad community building – **\$73 million** *(as recommended by the Board of Police Commissioners)*
- Capital – **\$3.9 million**

Fire & Protective Services

- Department operations, including emergency planning and fire services – **\$39.8 million**
- Fire fleet maintenance – **\$1.6 million**

Regina Transit

The City of Regina will meet its goal to convert its entire transit fleet two years ahead of schedule with the arrival of 15 new low-floor buses in 2014. The conversion to low-floor buses provides an improvement in transit options for persons with certain disabilities. In 2014 we will replace 6 aging paratransit buses.

- Transit system operation and maintenance – **\$25.7 million**

Comparison of Tax Increases for Western Canadian Cities

Regina's tax rate has increased at a much slower rate than other Western Canadian Cities.

	2009	2010	2011	2012	2013	Average Past five years
Calgary	5.30%	4.79%	5.00%	6.00%	5.70%	5.38%
Edmonton	7.30%	5.00%	5.00%	5.10%	4.57%	5.39%
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%

... continued from page 3

Other efficiencies to be implemented in 2014 will net us a total of **\$570 thousand** in one-time savings and an additional **\$1.43 million** in ongoing revenue:

- Sale of Municipal Justice Building – **\$400 thousand** (one-time)
- Increase parking meter rates – **\$750 thousand**
- Commercial Business Licenses – **\$655 thousand**
 - Implementation details will be considered by Council at a later date
- Sell excess granular material from asphalt plant – **\$25 thousand**
- Sell greenhouse gas credits – **\$170 thousand** (one-time)

It costs more every year to operate the City and to continue to provide the quality programs and services that residents desire. The City continues to identify and realize efficiencies savings across all operations. Creative and innovative means to stretch residents' tax dollars are continually being identified, with savings redirected to priority programs.

Supporting Growth

Regina is the envy of many other cities across the country. With its strong economy and great quality of life, Regina is attracting thousands of new residents and growing rapidly. According to Statistics Canada, between 2006 and 2011, our population grew from 179,282 to 193,100*.

Design Regina – Official Community Plan

Design Regina is the new Official Community Plan which was approved by City Council in 2013. This plan was developed by an extensive community engagement process and will guide growth and change within Regina for the next 25 years, and inform decisions on City investments, services, and actions towards achieving our Vision.

Boundary Alteration

To set the stage for the future growth of our community, an agreement between the City of Regina and the RM of Sherwood was reached. This agreement altered our boundaries and adds more than 8,400 acres of land to the City of Regina.

- Implementation of boundary alteration – **\$562.4 thousand** (net of additional revenue of \$261 thousand)

Regional Growth

As one of the fastest growing communities in Canada, we must plan our communities in cooperation with our neighbouring municipalities so we can all benefit from economic growth of our province. The City of Regina is a member of the White Butte Planning Committee, the Regina-Moose Jaw Industrial Corridor Committee and in September 2013 we reached an agreement with the RM of Sherwood to cooperate on development and growth.

- Investing in regional growth – **\$378.2 thousand**

Regina Revitalization Initiative

The Regina Revitalization Initiative is a unique opportunity to revitalize an existing neighbourhood and add a vibrant new entertainment district to our downtown. It will connect neighbourhoods, facilities, and people with opportunities for business and investment. The team that will design, build and finance the stadium will be selected in early 2014, with construction to begin shortly thereafter.

- Regina Revitalization stadium investment – **\$765 thousand**

Land Development

In 2014, the City of Regina will prepare existing land to make it available for further growth, including servicing, developing lots, street extensions, and land studies.

- Hawkstone – **\$16.5 million**
- Parliament & Queen – **\$3.5 million**
- South East Land – **\$2 million**

Sewage Treatment Plant

A new sewage treatment plant is being built to meet new environmental regulations and ensure capacity for our growing population. Construction begins in 2014 with completion slated for 2016.

- **\$224 million**, less a grant of \$58.5 million from the Federal Government

* Regina's population continues to grow. Statistics Canada estimates the 2013 population at about 211,000.



Civic Capital and Operating budget highlights

Infrastructure Investments

\$62.1 million in repairs and maintenance for roads, bridges and alleys

Over the past five years, the City of Regina has invested \$124 million for capital projects, repairs and maintenance of roads and bridges, and \$150.7 million for operations such as winter snow removal, maintenance and repairs of alleys, and street sweeping.

\$6.2 million in curbside recycling, managing waste and Waste Plan Regina

Curbside recycling is provided to more than 61,000 homes. This successful program has diverted nearly 6,000 tonnes of waste material from Regina's landfill since July 2013. In 2014 Council will consider recycling for condominiums and apartments.

\$16.3 million in maintaining and upgrading transit, fire and civic vehicles

The City of Regina will meet its goal to convert the entire transit fleet two years ahead of schedule with the arrival of 15 new low-floor buses in 2014. In 2014 we will replace 6 aging paratransit buses.

\$6.5 million in new road construction

Safe Communities

\$73 million for Regina Police Services operations (as recommended by the Board of Police Commissioners)

\$39.8 million for Fire & Protective Services operations



Efficiencies

A review of services at the City completed in 2006 resulted in \$8.5 million of annual cost savings.

As directed by Council in 2011, Administration has identified and implemented more than 300 additional efficiencies saving Regina taxpayers an additional \$9.5 million in annual savings, for a total of more than \$18 million worth of savings each year, and another \$9 million in one-time savings.

\$570 thousand in one-time savings and an additional \$1.43 million in ongoing revenue:

- Sale of Municipal Justice Building **\$400 thousand** (one-time)
- Increase parking meter rates – **\$750 thousand** (net of implementation costs)
 - Implementation details will be considered by Council at a later date
- Commercial Business Licenses – **\$655 thousand**
 - Implementation details will be considered by Council at a later date
- Sell excess granular material from asphalt plant – **\$25 thousand**
- Sell greenhouse gas credits – **\$170 thousand** (one-time) (net of consulting costs of \$30 thousand)

Water & Sewer budget highlights

Water and sewer utility customers will see an 8 per cent increase to their water and sewer bill. Over the past several years, increases in the water and sewer rate have been dedicated to a reserve fund that will provide \$19.8 million for upgrades to the Sewage Treatment Plant. The rate increase will also be invested in repair of water and sewer pipes. The average customer will see an increase of less than \$10 per month.

In 2014, the utility rates and fees will cover:

- \$10.1 million for wastewater treatment plant upgrades to prepare for rebuilding the treatment plant to meet new regulations
- \$34.4 million in operating and upgrading the water system
- \$14.9 million for maintaining and upgrading drainage system
- \$16.1 million for operating and upgrading the wastewater collection system

With the proposed mill rate increase and water rate increase, the City's total budget for 2014 will be \$677.9 million for operating and capital.

Water & Sewer Utility budget

Need to invest

Our community's water systems are valuable, and we need them to support our quality of life. Our water systems provide clean and safe water, take away sewage and manage flooding.

We rely on a huge network of assets to keep our systems running:

- Sewage treatment plant – The City must build a new sewage treatment plant to meet new environmental regulations, protect public health and our environment, improve water quality for downstream residents and businesses, and meet the needs of our growing population.
- Water treatment plant – The City shares ownership of the Buffalo Pound Water Treatment Plant with the City of Moose Jaw. We will need to work together to upgrade the plant.

Continued on back...

... Continued from page 5

- Drainage system – Our drainage system prevents flooding. As weather patterns change and our city grows, we need to ensure our system can handle increased volume.
- Underground pipes – Underneath every road in Regina there is a network of water and sewer lines. Most of these pipes are nearing the end of their service lives.
- Pumping stations – It takes a lot of power to send water to your house and to take your sewage to be treated. Your water travels over 60 kilometres before it arrives at your tap.

Our city's water, sewer and drainage systems are worth over \$2 billion and many of our assets are reaching the end of their service lives as most of them have been in service since the 50s, 60s and 70s. These aging assets will require replacement or major repairs.

Some of this work is already in progress. Previous rate increases have allowed us to start saving for upcoming work, including the new Sewage Treatment Plant. In 2014, we will continue to invest in repairing our systems.

Proposed rate increases

Water and sewer utility customers will see an 8 per cent increase to their water and sewer bill. Over the past several years, increases in the water and sewer rate have been dedicated to a reserve fund that will provide \$19.8 million help the City pay for upgrades to the Sewage Treatment Plant. The rate increase will also be invested in repair of the network of underground water and sewer pipes. The average customer will see an increase of less than \$10 per month.

Provincial Funding

In 2014 the City expects to receive \$39.9 million through the Province's municipal operating grant (MOG).

The MOG provides municipalities with a share of 1 per cent of what the province collects in PST and has allowed us to address funding challenges within our operating budget since it started in 2009. This past year a change has been made to the calculation method of MOG and as a result the City will receive \$2.5 million less than expected.

The City of Regina is appreciative of the long-term funding provided through MOG and the benefits it provides. This year's calculation change is something that cannot be ignored. The general tax increase of 4.88 per cent will, in part, offset the shortfall in this year's grant funding.

Reserves & Debt

Maintaining reserve funds is a sound and sensible financial management practice. The forecasted 2014 total for all City reserves, including the Utility Reserve, is \$119.9 million. With the exception of the General Fund Reserve, all other reserves are specifically set aside for expenses such as Winter Road Maintenance, landfill and land development.

The General Fund Reserve is the primary, general-purpose financial reserve maintained by the City. This reserve operates like a savings account, available to support disasters or emergencies and offset unforeseen deficits. The budgeted balance in the General Fund Reserve will be \$18.9 million after the 2014 operating and capital budget provisions. The 2014 total for all other City reserves is \$101 million.

The City is bound by law with respect to its debt level. Currently the maximum debt balance the City can carry is \$450 million. The City of Regina's debt balance for the end of 2013 is projected to be \$186.1 million.

Get Involved

Residents are encouraged to go online at Regina.ca to review complete Proposed 2014 Budget documents.

In addition, residents can test how their personal choices between service and affordability affect the overall budget through the Citizen Budget tool.

The proposed 2014 budgets and amendments were considered at the Monday, February 24 City Council meeting. Media and the public were in attendance.



Visit Regina.ca for more information