

2020 Audited Financial Statements and Financial Reports

ISSUE

Each year the City of Saskatoon's (City) Audited Consolidated Financial Statements are presented to City Council for information following a formal review and approval by the Standing Policy Committee on Finance.

BACKGROUND

At its meeting April 26, 2021, when considering the 2020 preliminary year-end financial results, subject to an external audit, City Council resolved:

- “1. That the deficit within the Snow and Ice Program be partially offset by a transfer from the Snow and Ice Management Contingency Reserve in the amount of \$3,453,144; and
2. That the remaining year-end deficit be offset by a transfer from the Fiscal Stabilization Reserve in the amount of \$701,813.”

CURRENT STATUS

The annual audit of the City's Consolidated Financial Statements has been conducted by the contracted external auditor, Deloitte LLP, which has presented its report to the Standing Policy Committee on Finance at its In Camera meeting on July 12, 2021.

The Consolidated Financial Statements include all the City's entities, including the civic operating and capital programs, Saskatoon Public Library, TCU Place, SaskTel Centre, Remai Modern Art Gallery of Saskatchewan and Saskatoon Police Service. In addition, the City's Pension Plans are included in these statements.

DISCUSSION/ANALYSIS

City of Saskatoon 2020 Audited Consolidated Financial Statements

The preliminary 2020 operating net deficit of \$701,813 has been confirmed via the external audit as seen on Schedule 4 (Schedule of Revenues and Expenditures) in the 2020 Audited Consolidated Financial Statements (Appendix 1).

The City's 2020 Audited Consolidated Financial Statements have been prepared in accordance with Canadian Public Sector Accounting Standards as established the Public Sector Accounting Board (PSAB). The report has also been completed in accordance with direction specified in *The Cities Act*.

At its meeting on July 12, 2021, the Standing Policy Committee on Finance approved the 2020 Draft Audited Consolidated Financial Statements. At that time, the external auditor indicated that the City's significant accounting policies are appropriate and in accordance with PSAB. This translates to a clean audit opinion from the external auditor and speaks to the City's responsible stewardship of its financial resources.

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The City's Statement of Financial Position remains in a healthy position with the balance of all reserves at \$208.7 million, however, reduced from \$232.1 million in 2019. While the City saw changes in reserves between 2019 and 2020, there were some reserves significantly utilized for items such as the major snow event in November 2020.

Further highlights of the Consolidated Financial Statements are included in the Summary of Consolidated Financial Statements (Appendix 2).

Other 2020 Financial Reports

In addition to the 2020 Audited Consolidated Financial Statements, the following reports are appended to this report:

- 2020 Draft Financial Statements – Superannuation Plans (Appendix 3)
- 2020 Audited Financial Statements – Civic Boards (Appendix 4)

OTHER IMPLICATIONS

There are no privacy, legal, social, financial or environmental implications identified.

NEXT STEPS

Once the reports have been received by City Council, the 2020 Annual Report will be finalized, which will include the results of the 2020 Business Plan and the Audited Consolidated Financial Statements.

The 2020 Annual Report will be posted on the City's website following the digital first strategy.

APPENDICES

1. 2020 Draft Audited Consolidated Financial Statements
2. Summary of 2020 Consolidated Financial Statements
3. 2020 Draft Financial Statements – Superannuation Plans
4. 2020 Audited Financial Statements – Civic Boards

REPORT APPROVAL

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