

Summary of 2021 Consolidated Financial Statements

For 2021, the City of Saskatoon (City) had consolidated operating revenues of \$1.08 billion, along with consolidated operating expenses of \$892.3 million, resulting in a net surplus of \$186.7 million. Overall, the City has strengthened its accumulated surplus from \$4.6 billion to \$4.8 billion, an increase of 4.0% over 2020 figures. With the implementation of SAP there has been a reclass of some items to better reflect the category of the item.

Revenues

1. Taxation Revenues increased by 4% from \$282.7 million to \$294.4 million, due to the City Council approved 2021 property tax increase of 2.83%, along with a growth in the number of properties captured in the City's property tax role, or other status changes throughout the year.
2. There was a change in classification for Other Revenue, User Fees and General Revenue 2020 amounts to better classify the revenue into the appropriate categories. User Fees increased by 5.0% from \$409.4 million to \$429.8 million, due to partially recovery of the reduced 2020 revenues from the COVID-19 pandemic.
3. Investment Income increased from \$13.0 million to \$15.2 million, due to higher interest rates received on investments.

Expenses

1. Expenses of \$892.3 million for 2021 saw an increase of 4.0% over 2020 figures due in part to an increase in the approved budget expenditures and the increase in the landfill liability amount.

Assets

1. Cash and Cash Equivalents increased by 339% from \$30.4 million to \$133.9 million, due in large part to the timing of the year-end transfers in the new SAP system, additional cash on hand for year-end expenditures and a decrease of investment holdings.
2. When looking at the City's overall level of liquidity, the Finance Department looks at the City's Total Financial Assets, which is a combination of Cash, Receivables, Land Inventory for Resale, and Other Assets and Investments. When comparing these totals between 2020 and 2021, the City strengthened its Total Financial Assets by 17% from \$677.6 million to \$795.9 million.

Liabilities

1. Long-Term Debt decreased by 6% from \$314.4 million to \$295.1 million, due to debt payments throughout 2021.
2. Similar to Assets, the City's overall level of financial liabilities is a combination of Accounts Payable and Accrued Liabilities, Deferred Revenue, Term Debt, Accrued Pension Liability and Employee Benefits Payable. When comparing

these totals between 2020 and 2021, the City increased its Total Financial Liabilities by 4.8% from \$598.4 million to \$635.1 million.

Reserves

Overall reserves increased by 2.95% from \$208.7 million to \$270.4 million. While the City saw some significant changes between 2020 and 2021, including the appropriate increases to numerous reserves throughout the year, there was an increase to the Reserve for Capital Expenditures for the reallocation of the Canada Community Building Funds that was received in 2021. The funds from RCE were allocated to prioritized capital projects through the 2022/2023 Business Plan and Budget process.