

April 15<sup>th</sup>, 2023

Mayor Clark and Members of City Council  
Standing Policy Committee on Finance  
City Hall  
222 Third Avenue North  
Saskatoon, SK S7K 0J5

Re: Annual presentation from Tourism Saskatoon

The circumstances the tourism sector has been relentlessly facing may have seemed impossible through the past two years of fluctuation and uncertainty however, staying true to the prairie resilience that our destination is so uniquely known for, Discover Saskatoon's team and our partners have demonstrated excellence in delivering exceptional results. I am proud to present these results to you on behalf of Discover Saskatoon's Board of Directors, our 24 Saskatoon Destination Marketing Hotels Inc. partners, two advisory committees and our over 400 members.

As you will read about in this package, despite protracted recovery and operations with a significantly reduced budget, Discover Saskatoon was still able to confirm over 25,248 room nights, confirm 45 bids won for Saskatoon, create 12 new tourism experiences, complete an authentic, inspirational and recognizable destination re-brand and embark on a first of its kind partnership with the Saskatoon Tribal Council Indigenous Tourism development project with the Saskatoon Tribal Council and other Indigenous Tourism partners. Our achievements are being acknowledged globally and this is thanks to the individuals recognized as Discover Saskatoon team members, our SDMH stakeholders and partners like The City of Saskatoon.

The visitor economy is showing signs of substantial growth and recovery despite the continued challenges for our destination. While some business segments returned without haste, we recognized the slower return of business events and corporate travel to Saskatoon. Our focus in maintaining connection to rebuild and establish a strong sales pipeline has not only driven near term results but created a foundation of business for the destination. Rebooking cancelled business was accompanied by focused and intense lead generation and pipeline development across key markets and segments in Canada.

Inspiring visitation from around the world was enhanced by the launch of the new Discover Saskatoon brand and the newly established Partnership with the Saskatoon Tribal Council. This new identity was designed to unify, differentiate, and inspire. More than two years of community conversations helped to shape this transformation; about who we are and how to best celebrate our people, our hosting excellence, the land and the destination we steward. It is with great pride that we launched this partnership on the same day that we signed our partnership agreement in ceremony with the Saskatoon Tribal Council. Our brand and this partnership is an invitation to discover our future of kinship and connection.

Together, we inspire visitation and drive economic development by creating meaningful connections through business, sport, and leisure travel. The stories of this city deserve to be told and we acknowledge the responsibility that comes with intentionally, inclusively, and authentically telling them. We are proud to affirm our accountability and commitment to the United Nations Declaration on the Rights of Indigenous Peoples and the Truth and Reconciliation Commission's Calls to Action. Our accountabilities reflect in both our brands and our actions.

The confirmation of a new, two-year Service Agreement with the Saskatoon Destination Marketing Hotels Inc. affirmed the gold standard relationship with our destination marketing partners that is the envy of many destinations. Working closely with the newly established SDMH Inc. Board of Directors, 2022 brought collaboration, strategic planning and communication at exactly the right time when it became clear that families were returning to travel, sporting events were returning to regular frequencies and business event clients were ready again with urgent opportunity.

Marketing initiatives, including the VISA75 Campaign, Winter Fun YXE and Summer Campaigns, also formed vital new foundations for communicating with travellers and residents that not only supported our recovery but are long-term foundations for driving highly strategic content on well-performing platforms. Efforts were thoughtfully aligned with member events like the "Arctic A Man Under The Ice" and the return of the Saskatchewan Rush. We continued to prioritize connections to and across our community through dedicated member e-newsletters and member retention strategies.

Through these key strategic areas of focus, Discover Saskatoon allocated its resources prudently while consistently generating additional revenue to ensure we are in the best position to activate sales and marketing at times that will have the greatest impact. As a result, the organization is in a stable financial position, supported by a strong Board, external advisory committees, and an incredible team of staff. We are grateful to the community and our stakeholders for the continued support of Discover Saskatoon and, most importantly, for the resilience, resolve and collaboration that is seeing us through to a flourishing future for everyone in Saskatoon.

We thank you for our partnership and your demonstrated understanding of the value that Saskatoon's visitor economy brings to your community.

Sincerely,

A handwritten signature in black ink that reads "S. Clovechok". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Stephanie Clovechok  
CEO

Financial Statements of

**SASKATOON VISITOR &  
CONVENTION BUREAU INC.**

Operating as "Discover Saskatoon"  
And Independent Auditors' Report Communication  
thereon

Year ended December 31, 2022



KPMG LLP  
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## INDEPENDENT AUDITORS' REPORT

To the Members the Saskatoon Visitor & Convention Bureau Inc.

### *Opinion*

We have audited the financial statements of Saskatoon Visitor & Convention Bureau Inc. (the Entity), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian Accounting standards for not-for-profit organizations.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

Chartered Professional Accountants

Saskatoon, Canada  
March 15, 2023

# SASKATOON VISITOR & CONVENTION BUREAU INC.

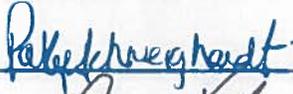
## Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
<b>Assets</b>		
Current assets:		
Cash	\$ 546,708	\$ 1,797,558
Accounts receivable (note 3)	202,323	22,172
Prepaid expenses and deposits	62,499	25,651
Short-term investments (note 4)	1,037,444	68,358
Inventories	10,571	9,177
Accounts receivable - Destination Marketing Program (note 7)	479,562	301,635
<u>Restricted cash (note 7)</u>	<u>1,320,107</u>	<u>946,395</u>
	3,659,214	3,170,946
Property and equipment (note 5)	44,763	51,315
	<u>\$ 3,703,977</u>	<u>\$ 3,222,261</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 232,721	\$ 157,451
<u>Deferred contributions (note 7)</u>	<u>1,799,669</u>	<u>1,248,030</u>
	2,032,390	1,405,481
Canada Emergency Business Account loan (note 8)	40,000	40,000
Deferred contributions for property and equipment (note 9)	261,946	253,331
	<u>301,946</u>	<u>293,331</u>
Net assets:		
Operating surplus	1,249,582	1,403,374
Sports tourism reserve	120,050	120,050
<u>Equity in property and equipment</u>	<u>9</u>	<u>25</u>
	1,369,641	1,523,449
Commitments (note 10)		
	<u>\$ 3,703,977</u>	<u>\$ 3,222,261</u>

See accompanying notes to financial statements.

On behalf of the Board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# SASKATOON VISITOR & CONVENTION BUREAU INC.

## Statement of Operations

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
<b>Revenue:</b>		
Partnership projects and sales (note 11)	\$ 2,316,152	\$ 974,995
City of Saskatoon	543,900	523,800
Federal grants	191,581	1,197,164
Membership	86,887	80,285
Canada Emergency Wage Subsidy	35,594	291,487
Tourism Saskatchewan	29,500	379,816
Amortization of deferred contributions	14,184	16,191
Canada Emergency Rent Subsidy	5,439	54,898
In-kind revenue	4,725	3,990
	<u>3,227,962</u>	<u>3,522,626</u>
<b>Expenses:</b>		
Leisure, travel and convention marketing	3,165,485	2,749,204
Visitor services	123,609	74,982
Membership services	92,037	88,425
In-kind expenses	4,725	3,990
	<u>3,385,856</u>	<u>2,916,601</u>
(Deficiency) excess of revenue over expenses before the undernoted	(157,894)	606,025
<b>Other:</b>		
Contribution from Saskatoon Sports Tourism Inc.	-	120,050
Investment income	4,086	-
	<u>4,086</u>	<u>120,050</u>
(Deficiency) excess of revenue over expenses	\$ (153,808)	\$ 726,075

See accompanying notes to financial statements.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

## Statement of Changes in Net Assets

Year ended December 31, 2022, with comparative information for 2021

	Operating surplus	Sports tourism reserve	Equity in property and equipment	Total 2022	Total 2021
Balance, beginning of year	\$1,403,374	\$ 120,050	\$ 25	\$1,523,449	\$ 797,374
(Deficiency) excess of revenue over expenses	(153,792)	-	(16)	(153,808)	726,075
Purchase of property and equipment	(7,636)	-	7,636	-	-
Allocation of deferred contributions	7,636	-	(7,636)	-	-
Balance, end of year	\$1,249,582	\$ 120,050	\$ 9	\$1,369,641	\$1,523,449

See accompanying notes to financial statements.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

## Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash flows from (used in):		
Operating activities:		
(Deficiency) excess of revenue over expenses	\$ (153,808)	\$ 726,075
Items not involving cash:		
Amortization of property and equipment	14,188	16,197
Amortization of deferred contributions	(14,184)	(16,191)
Investment income	(4,086)	-
Government assistance - forgiveness of loan	-	(10,000)
Short term investments received from Saskatoon Sports Tourism	-	(68,358)
Accounts receivable assumed from Saskatoon Sport Tourism	-	(14,256)
Accounts payable assumed from Saskatoon Sport Tourism	-	9,439
	(157,890)	642,906
Change in non-cash operating working capital:		
Accounts receivable	(180,151)	158,807
Accounts receivable - Destination Marketing Program	(177,927)	(109,185)
Inventories	(1,394)	(3,859)
Prepaid expenses and deposits	(36,848)	(10,295)
Accounts payable and accrued liabilities	75,270	(35,059)
Deferred contributions	551,639	245,501
	72,699	888,816
Financing activities:		
Proceeds on issuance of long-term debt	-	20,000
Investing activities:		
Purchase of property and equipment	(7,636)	(13,290)
Purchase of investments	(965,000)	645,854
Deferred contributions for property and equipment (note 9)	22,799	35,690
Restricted cash and investments	(373,712)	(616,425)
	(1,323,549)	51,829
Increase in cash position	(1,250,850)	960,645
Cash, beginning of year	1,797,558	836,913
Cash, end of year	\$ 546,708	\$ 1,797,558

See accompanying notes to financial statements.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements

Year ended December 31, 2022

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## General:

Saskatoon Visitor and Convention Bureau Inc. (the "Bureau") is incorporated under the *Non-Profit Corporations Act of Saskatchewan* and operates as Discover Saskatoon with a mission to realize economic benefits for Saskatoon through tourism. The Bureau is not liable for federal or provincial income taxes under the Income Tax Act (Canada).

### 1. Economic dependence and COVID-19:

Ongoing operation of the Bureau is dependent on continuing support of the City of Saskatoon, the Destination Marketing Program, and the membership of the Bureau.

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus.

The outbreak of COVID-19 has reduced travel and adversely affected the hospitality industry in general. The extent to which the Bureau may be affected by the coronavirus will largely depend on future developments which cannot be accurately predicted, and its impact on travel, including the duration of the outbreak, the continued spread and treatment of the coronavirus, and new information and developments that may emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among others. To the extent that travel activity in Saskatchewan and Canada is materially and adversely affected by the coronavirus, financial results of the hospitality industry, and thus the Bureau's financial results, could be materially and adversely impacted.

The Bureau demonstrated continued demand for revenue generation initiatives as the Destination Marketing Program recovers from the protracted impacts of the COVID-19 pandemic. Leisure travel and sport event travel continue to move the recovery forward, business travel is still set to recover beyond that. The Bureau's recovery is pacing in alignment with national recovery timelines, forecasting that revenues will be returned to pre-COVID levels by 2025.

To the extent that travel activity in Saskatchewan and Canada is materially and adversely impacted by the age of COVID, global economic constraints, reduced air access to the destination, and thus the Bureau's financial results, could be materially and adversely impacted. In the current period, \$ 41,033 (2021 - \$346,385) has been recognized in COVID relief revenue.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

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## 2. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CICA Handbook.

### (a) Use of estimates:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Areas that require significant management estimates include the valuations of accounts receivable and the useful lives of property and equipment. Actual results could differ from these estimates.

### (b) Cash:

Cash consists of cash and cash equivalents with an initial term to maturity of three months or less.

Restricted cash consists of cash received from Destination Marketing Program contributions where the cash received is restricted for purposes of the related agreement for expenditure of the funds received. The Bureau may invest cash received from Destination Marketing Program contributions in short-term investments bearing interest.

### (c) Financial instruments:

Financial assets and liabilities, including cash, restricted cash, accounts receivable, accounts receivable – Destination Marketing Program, investments, and accounts payable and accrued liabilities and Canada Emergency Business Account ("CEBA") loan are initially recognized at fair value and their subsequent measurement is recorded at amortized cost. Instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Company has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

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## 2. Significant accounting policies (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Bureau determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Bureau expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

### (d) Property and equipment:

Property and equipment are stated at cost. Amortization is provided over the estimated useful lives of the assets using the following methods and annual rates:

Property and equipment	Method	Rate
Furnishings and equipment	Declining balance	20%-40%
E-Commerce	Declining balance	30%
Leasehold improvements	Straight-line	10%

### (e) Net assets:

The Bureau segregates net assets between operating surplus and equity in property and equipment.

Operating surplus represents amounts available for ongoing operation of the Bureau.

Equity in property and equipment represents property and equipment less unamortized capital contributions used to purchase property and equipment.

### (f) Inventories:

Inventories of promotional items and various publications for resale are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 2. Significant accounting policies (continued):

### (g) Revenue recognition:

The Bureau recognizes revenue from grants and the Destination Marketing Program as earned based on the terms of the agreements. Membership revenue is recognized when received. Revenue from fees, contracts and items for resale are recognized when the services are provided or the goods are sold.

The Bureau recognizes revenue and expenses for contributed products and services that would otherwise have been purchased by the Bureau, at the estimated value of such products and services. The current year's membership revenue includes \$4,750 of in-kind memberships (2021 — \$3,990).

Revenue received for externally restricted projects where the related costs will be incurred in future periods is deferred on the statement of financial position. These revenues will be recorded on the statement of operations in the period when the related costs are incurred.

### (h) Allocation of general administration expenses:

The Bureau classifies expenses on the statement of operations by function. The Bureau allocates certain costs by identifying the appropriate basis of allocation and applying that basis consistently each year. Administration expenses are allocated based on estimates of staff activities and resource usage.

Administration expenses of \$885,814 (2021 — \$689,122 ) have been allocated as follows:

	2022	2021
Leisure, travel and convention marketing	\$ 708,652	\$ 551,296
Visitor services	88,581	68,913
Membership services	88,581	68,913
	<u>\$ 885,814</u>	<u>\$ 689,122</u>

### (i) Government assistance:

Government assistance related to current expenses and revenue is included in the determination of excess of revenue over expenses for the year ended December 31, 2022.

Forgivable loans are included in the determination of excess of revenue over expenses in the period the loan is received.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 3. Accounts receivable:

Included in current year accounts receivable is recorded as follows:

	2022		2021	
Trade accounts receivable	\$	10,742	\$	22,172
Accrued government grants		191,581		-
<b>Accounts receivable</b>	<b>\$</b>	<b>202,323</b>	<b>\$</b>	<b>22,172</b>

### 4. Short-term investments:

	2022				2021			
	Cost		Market		Cost		Market	
Money Market	\$	237,131	\$	237,131	\$	-	\$	-
Equities		30,100		27,410		-		-
Bond		700,106		704,545		-		-
GICs		68,358		68,358		68,358		68,538
	<b>\$</b>	<b>1,035,695</b>	<b>\$</b>	<b>1,037,444</b>	<b>\$</b>	<b>68,358</b>	<b>\$</b>	<b>68,538</b>

### 5. Property and equipment:

	2022				2021			
	Cost		Accumulated amortization		Net book value		Net book value	
Furnishings and equipment	\$	431,310	\$	400,265	\$	31,045	\$	31,815
E-Commerce		439,738		426,340		13,398		19,140
Leasehold improvements		230,675		230,355		320		360
	<b>\$</b>	<b>1,101,723</b>	<b>\$</b>	<b>1,056,960</b>	<b>\$</b>	<b>44,763</b>	<b>\$</b>	<b>51,315</b>

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$37,126 (2021 — \$29,515), which includes amounts payable for GST and PST.

## 7. Destination Marketing Program Contributions:

The Bureau has signed an agreement with Saskatoon Destination Marketing Hotels Inc. for the period January 1, 2020 to December 31, 2022, the agreement has been renewed to December 31, 2025, to increase total overnight visitation and expenditures in Saskatoon. Funding available and current expenditures for each of the years ended December 31, 2022 and 2021 are as follows:

	2022	2021
Funding:		
Destination Marketing Program	\$ 2,784,562	\$ 1,661,636
Other government grants	50,052	-
Expenditures:		
Marketing & Communication	643,650	199,652
Salaries and benefits	532,398	319,906
Business Development	471,366	123,649
Sport and major events	253,659	81,157
Destination Innovation	91,361	48,784
Administrative	79,573	46,994
Membership and visitor services	74,033	-
Travel trade	45,029	22,224
Strategic Marketing	29,824	56,935
Media and public relations	27,372	648
Memberships	34,683	36,104
	2,282,948	936,053
Surplus of funding over expenditures	551,666	725,583
Opening deferred contributions	1,248,003	522,420
Closing deferred contributions	\$ 1,799,669	\$ 1,248,003

Restricted DMP assets associated with deferred contributions is as follows:

	2022	2021
Accounts receivable, end of year	479,562	301,635
Restricted cash	1,320,107	946,395
Balance, end of year	\$ 1,799,669	\$ 1,248,030

Under the agreement, a reserve fund of \$200,000 (2021 - \$200,000) is held in trust on behalf of Saskatoon Destination Marketing Hotels Inc. to be used to pay for any accrued but unpaid costs incurred by the service provider in providing Destination Marketing Services prior to the expiry or termination of the agreement.

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 8. Canada Emergency Business Account loan:

The Saskatoon Visitor & Convention Bureau Canada Emergency Business Account (CEBA) loan, advanced as for a maximum of \$60,000 (2021 - \$60,000) repayable in full by December 31, 2025. On December 31, 2023 if 75% of the original principal amount has been repaid, provided such repayment was not required due to an Event of Default, the remaining portion of the principal amount will be forgiven \$20,000 (2021 - \$20,000). Any portion not repaid by December 31, 2023 will accrue interest at a rate of 5.00% per annum on the outstanding balance with interest accruing daily.

	2022	2021
Canada Emergency Business Account	\$ 40,000	\$ 40,000
	\$ 40,000	\$ 40,000

## 9. Deferred contributions for property and equipment:

Deferred contributions for property and equipment is comprised of the unamortized contributions used to purchase property and equipment and the contributions that have not yet been used to purchase property and equipment. The amortization of these deferred contributions is recorded as revenue in the statement of operations.

	2022	2021
Balance, beginning of year	\$ 253,331	\$ 233,832
Additional contributions received:		
City of Saskatoon	22,799	22,800
Western Economic Development	-	12,890
Less amounts amortized to revenue	(14,184)	(16,191)
	\$ 261,946	\$ 253,331

The balance of unamortized capital contributions and unspent contributions related to property and equipment consists of the following:

	2022	2021
Unamortized capital contributions used to purchase assets	\$ 44,754	\$ 51,302
Unspent contributions	217,192	202,029
	\$ 261,946	\$ 253,331

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 10. Commitments:

The Bureau is committed to marketing support bids through the fiscal year 2025 and future and leases office equipment and office space under long-term operating leases which expire in the fiscal years through 2022 and 2023 respectively.

Future payments are estimated as follows:

	Marketing support bids	Office space	Equipment	Total
2023	\$ 33,500	\$ 70,915	\$ -	\$ 104,415
2024	150,000	-	-	150,000
2025 and future years	157,000	-	-	157,000
	\$ 340,500	\$ 70,915	\$ -	\$ 411,415

Each year on behalf of the Saskatoon Destination Marketing Hotels Inc. the Bureau provides funding for marketing support bids. Commitments with respect to these marketing support bids are described above.

## 11. Partnership projects and sales:

	2022	2021
Saskatoon Destination Marketing Hotels	\$ 2,197,745	\$ 851,922
Member events, sales missions, advertising and other	91,912	58,547
Heritage Canada	21,020	-
Sales of specialty items and maps	5,475	2,383
City of Saskatoon - Winter Animation	-	62,143
	\$ 2,316,152	\$ 974,995

# SASKATOON VISITOR & CONVENTION BUREAU INC.

Notes to Financial Statements (continued)

Year ended December 31, 2022

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## 12. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Bureau will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Bureau manages its liquidity risk by monitoring its operating requirements. The Bureau prepares budgets to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposure from 2021.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss. The Bureau is exposed to credit risk with respect to accounts receivable, short-term investments and restricted cash and investments. The Bureau assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. Credit risk related to cash, restricted cash and investments and short-term investments is minimized by dealing with financial institutions that have strong credit ratings. There has been no change to the risk exposure from 2021.

(c) Interest rate risk:

The Bureau is exposed to interest rate risk arising from fluctuation in interest rates on amounts invested in interest bearing accounts and short term investments. There has been significant increase in the interest rate in 2022, risk exposure is limited due to the short term duration of investments.

(d) Fair value:

The carrying value of the Organization's financial assets and liabilities, including cash, restricted cash, accounts receivable, accounts receivable – Destination Marketing Program and accounts payable and accrued liabilities approximate fair value due to the short-term maturity of these items.

Short-term investments are comprised of equities and bonds which are carried at fair value and money market funds and GICs which are carried at amortized cost on the statement of financial position. The fair value of investments is approximately equal to their carrying value. Due to recent negotiation of CEBA loan fair value approximates carrying value.

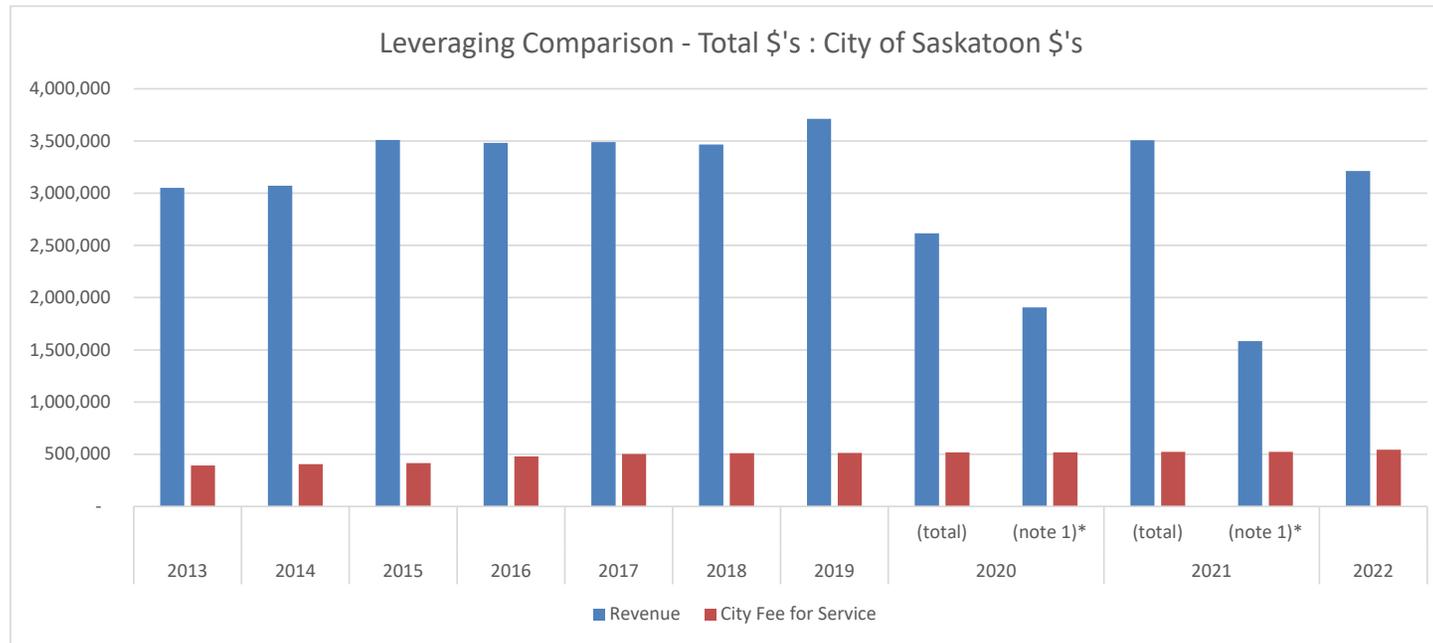
## 13. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

### Leveraging Comparison - Year to year

	2013	2014	2015	2016	2017	2018	2019	2020		2021		2022
								(total)	(note 1)*	(total)	(note 1)*	
Revenue	3,050,698	3,071,326	3,509,121	3,480,477	3,488,740	3,465,065	3,712,459	2,614,585	1,905,046	3,506,435	1,583,070	3,213,778
City Fee for Service	392,000	405,000	414,600	480,200	502,200	510,100	513,800	518,800	518,800	523,800	523,800	543,900
Leveraging Ratio	6.8:1	6.6:1	7.5:1	6.3:1	6.0:1	5.8:1	6.2:1	4.0:1	2.7:1	5.7:1	2.0:1	4.9:1

\* Note 1: Revenue = Excluding Federal + Provincial Support (i.e. CEWS, CERS, WED/PrairiesCan funds, CEBA, & Tourism Saskatchewan-one time projects)  
(727,973) (1,939,556)



### Leveraging Comparison - Year to year

	2013	2014	2015	2016	2017	2018	2019	2020	2020*	2021	2021*	2022
Leveraging Ratio	6.8	6.6	7.5	6.3	6.0	5.8	6.2	4.0	2.7	5.7	2.0	4.9

2023

# Financial Statement & Results Reporting



Discover <sup>ᑭᓄᑦ</sup>  
saskatoon

# THANK YOU TO OUR 2022 BOARD OF DIRECTORS



**Patty Schweighardt**  
Chair, Governance  
Committee  
GM, Delta Hotels by  
Marriott Saskatoon



**Councillor  
Bev Dubois**  
City Councillor  
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VP, Saskatoon Airport  
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**Andrea LaFond**  
CEO, Meewasin Valley  
Authority



**Christine Ruys**  
Member, Saskatoon Sport  
& Major Event Advisory  
Committee  
University of Saskatchewan



**Hanif Hemani**  
Owner, Express  
Employment  
Professionals



**Tammy Sweeny**  
Chair, Business Events  
Advisory Panel  
CEO, TCU Place



**Darlene Brander**  
CEO, Wanuskewin

# The Evolution of Discover Saskatoon's Role

The focus of Destination Marketing Organizations (DMOs), like Discover Saskatoon, is evolving to fulfill a new role in communities across the world. Traditionally, a DMO's main role was to develop clever taglines and churn out promotional campaigns. Yet with the abundance of online information available to travellers, the research and booking process has changed dramatically, causing a shift in the roles and responsibilities of your destination representative.

A new title has emerged to better define the scope of work the team at Discover Saskatoon does for you – a Destination Management and Marketing Organization (DMMO). While destination marketing helps in positioning our destination as an attractive city to visit and invest in, the added focus on destination management means to ensure its sustainability over a prolonged period of time.

It's not just about bringing people to Saskatoon, it's about keeping our community healthy and whole at the heart of what we do, elevating the visitor experience once travellers arrive and communicating with them after they leave. In addition to traditional marketing channels, Discover Saskatoon has, in fact, been ahead of this global shift to DMMO, creating compelling invitations in core global markets while working closely with our community and strategic partners to drive quality of life and economic prosperity here at home.



# Tourism Trends in 2022

## Taking stock of tourism's biggest challenges



**Rising Rates:** High consumer demand for travel as restrictions are lifted, coupled with reduced supply and capacity, as well as workforce-related constraints, ever-increasing inflation, are all contributing to rising travel costs.



**Getting Here:** Reduced availability to transportation—both air and ground—is creating barriers to connect travellers with a destination. In Saskatoon, our collaborative efforts with the Saskatoon Airport Authority and the Province will be focused on improving air access. Inter-provincial partnerships will enable short term access from other markets.



**Finding Talent:** A diminished workforce capacity and lack of training is a challenge to industry recovery. Retraining and upskilling existing workers, while attracting new and previous members, is critical.



# Tourism Trends in 2022

## Taking stock of tourism's biggest challenges

*continued*



**Business Travel & Events: A Slow Recovery:** Leisure travel is leading the way to short-term recovery, while corporate travel faces a slower return. Deloitte's corporate travel survey, *How the pandemic is reshaping corporate travel (2021)*, forecasts that business travel will likely recover only to around 80% of pre-pandemic levels by 2024. A focused effort on showcasing Saskatoon's Sectors of Strength in partnership with Trade & Export partners can improve this recovery time for Saskatoon.

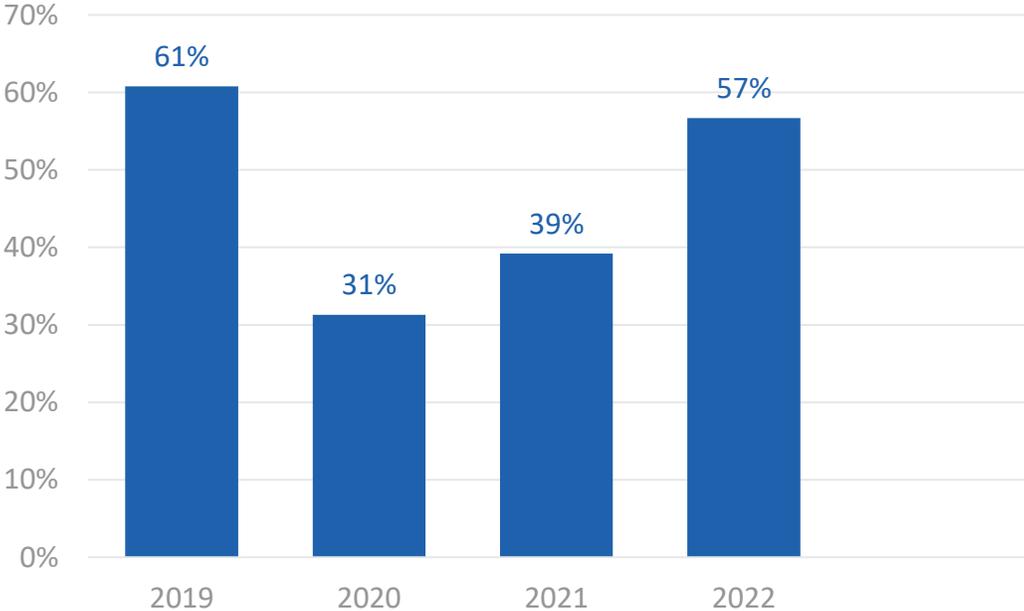


**Funding for DMOs:** Most Destination Organizations rely on funding through tourism related levies called Destination Marketing Programs (DMP). We have relied more on non-traditional sources of funding and building partnerships with community organizations to ensure the opportunity for Saskatoon to remain relevant and competitive in the world. Our opportunity is to stabilize and grow revenues now and into the future as these funding programs will no longer exist from 2023 and beyond.



# Occupancy Rate % 2019 - 2022

## FOUR-YEAR HOTEL OCCUPANCY LEVELS



Year-over-year occupancy rate recovery continues stronger but remains below pre-pandemic levels. 2022 average occupancy rate reached 56.7%, 4.1 PP lower than the same period in 2019 but 17.5 PP higher than in 2021.

2022 could be considered the first normalized year for the Saskatchewan economy; however, various factors, including a delay in the lifting of COVID restrictions in other provinces and countries, had an impact on travel to and from Saskatchewan, further impacting our hospitality sectors from seeing a 100% regular year.

# DISCOVER

Saskatoon's 2022  
Strategies To Secure A  
Strong Future



# Destination Leadership

Stephanie Clovechok,  
Chief Executive Officer



# Destination Leadership & Corporate Services Team



Kaurie May  
Director,  
Finance & Operations



Marcy Atchison  
Executive Assistant  
Office Coordinator



Shirley Gles  
Accounting Coordinator  
Contract



# Destination Leadership

## Eleven Major Initiatives in 2022

- 1 Partnership with Saskatoon Tribal Council Signed
- 2 3 Year Destination Marketing Partnership Signed with SDMH
- 3 3 Year Destination Strategy Developed & Completed
- 4 Tourism Relief Fund Secured \$489,000
- 5 Organizational Improvement Initiatives Completed
- 6 2023 Management & Marketing Plan Completed
- 7 External Advisory Committees Established & Launched
- 8 City of Saskatoon Fee for Service Agreement Reviewed
- 9 SDMH Incorporated & Board Partnership Launched
- 10 24 SDMH Hotel Contracts Signed for 2023-2025
- 11 SDMH Incorporated & Board Partnership Launched

# Saskatoon Destination Marketing Hotels Inc. Partnership

- Incorporation Completed
- Brand & Website Launched
- Monthly Partner Hotel Meetings Launched
- SDMH Board Meetings Launched
- SDMH Board Collaboration in Annual Business Plan Launched

# SASKATOON DESTINATION MARKETING HOTELS





# Strengthening Community Involvement

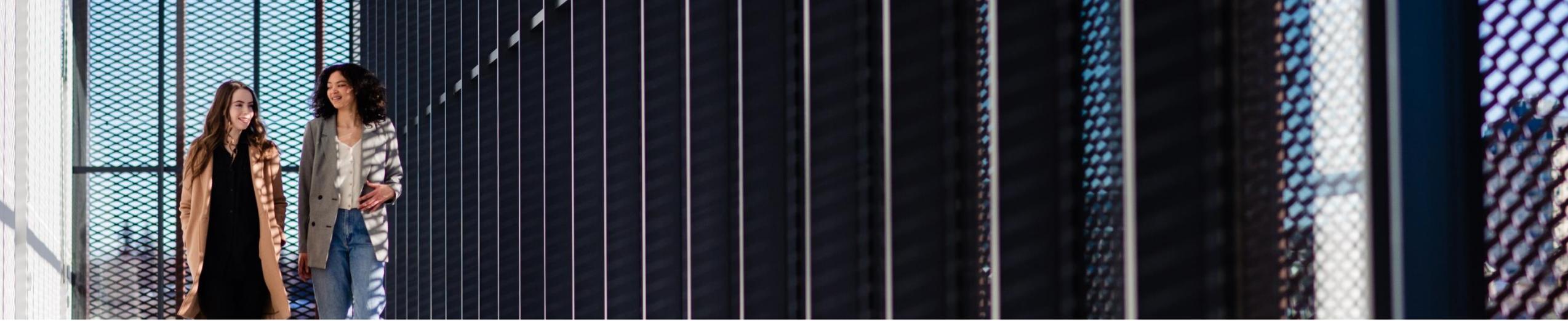
## Two New External Advisory Committees

### **Business Event Advisory Panel (BEAP)**

The Business Event Advisory Panel (BEAP) provides strategic advice to Discover Saskatoon in the pursuit of acquiring business events in Saskatoon. This panel works to identify and evaluate opportunities for major business events for the city of Saskatoon by supporting Discover Saskatoon with advocacy, ambassadorship, and communications relating to business events.

### **Saskatoon Sport & Major Events Advisory Committee (SSME)**

The Saskatoon Sport & Major Events Advisory Committee (SSME) operates as an advisory committee as it relates to the development and procurement of sport and major events in Saskatoon. This group provides advice and input regarding strategic plans, and development of communications to market and develop sport and major event resources.



# Dedication to Revenue Generation

- \$498k = Federal Tourism Relief Fund
- \$186.5k = Heritage Canada (2022-23)
- ~\$21k = Heritage Canada (2022 small items)
- \$40k = Tourism Saskatchewan
- \$200k = City of Saskatoon Civic Hospitality Fund Reserve for Bid Incentives
- \$41k = Emergency CEWS/CERS

# Partnership Agreement Signed With Saskatoon Tribal Council & Seven Member Nations

Tourism has a significant role to play in Canada's journey to Truth and Reconciliation.



# 2023 – 2025 Destination Strategy Completed



**Purpose**

To invite all people to discover and have transformational experiences in Saskatoon that create lasting value and support a vibrant future.

Description: The essence of our purpose encapsulates inclusivity, the ability to discover, share in the lived experiences of our land, and participate in the co-creation of economic and social value.

**Vision**

For Saskatoon to be a destination of choice that creates connections and inspires discovery.

Description: Whether you are local to the region or visiting from afar, at the heart of the Saskatoon experience is kinship and connection – connection to self, to each other, to the land, and to the community. Together, we inspire visitation and drive economic prosperity by creating meaningful connections through business, sporting events, leisure activities, and lasting memories. The stories of this city deserve to be told and it is our responsibility to do so in ways that are intentional, inclusive, and authentically Saskatoon.

This vision for Saskatoon is for a vibrant urban centre on the edge of abundant, protected nature. It is a destination of choice, beloved by travellers from near and far who come to discover and connect to self, to each other, to the land and community.

Discover Saskatoon | Strategy Report | 3

**Strategic Pillar**

Discover Saskatoon's strategic pillars provide the framework for decision making regarding efforts and investments to enhance Saskatoon's visitor economy. These goals offer guidance on how to achieve the overarching vision and develop a competitive positioning for Saskatoon as a destination.

- 1 Enhance & Evolve the Visitor Experience**  
Our focused efforts on authentic cultural experiences and commitment to community engagement characterize us as an essential Canadian travel destination.
- 2 Develop a thriving sector**  
Our advocacy and promotion of equitable economic development provides value to all our stakeholders, elevating the quality of life and place for the Saskatoon community.
- 3 Live & Lead with our Brand**  
Our offerings and initiatives connect emotionally to all consumers and clients alike, driving demand for experiences and visitation to Saskatoon.
- 4 Operate a culturally sound & performance-based organization**  
We believe that by being a value-based organization our performance will thrive. Our commitment to coaching, mentorship, communication, professional development and succession planning ensure the right people are in the right places to serve our stakeholders.

**Community Well-Being**

With over 100 years of legacy and leadership at home and abroad, Saskatoon has built a strong foundation for the visitor economy to strengthen and grow. Discover Saskatoon will help to fuel economic and social wellbeing to hotels, attractions, businesses, and the community at large by driving visitation, extending traveller stays, increasing tourism spending and inspiring demand for Saskatoon experiences.

Discover Saskatoon | Strategy Report | 4



# The Destination Strategy

Saskatoon is a place like no other, a land of abundance and opportunity where residents and an estimated 2.7 million visitors per year alike can experience life connected. Wherever you hail from, you'll feel the significance of this land. Not only does the visitor economy create jobs and generate revenue, but it also drives awareness of this amazing city around the world, in turn, contributing to our city's local economic vibrancy, future prosperity, and quality of life.

**This plan provides a shared direction of what we want to accomplish and how we will leave a positive legacy in the work we do. We know where we are going, how we're going to get there and what we want to accomplish along the way.**

**Doing business must contribute to positive outcomes from a broader perspective:**



**For our businesses:** through competitiveness and profits that are contributing to overall social wellbeing.



**For our planet:** regenerating natural capital and avoiding all forms of waste.



**For our people:** a sector of satisfied employees inspired by our long-term vision, and a healthy local community where equality and diversity are thriving.

# The Brand

## Vision

For Saskatoon to be a destination of choice that creates connections and inspires discovery

## Purpose

To invite all people to discover and have transformational experiences in Saskatoon that create lasting value and support a vibrant future.

Our community is at the heart of everything we do. Our mandate remains the same: we serve our community and our partners by telling the stories of Saskatoon and promoting our city on national and global stages. While we are a representation of the voice that lives here, we do not own that voice.

We are constantly unearthing the **storytellers** and **ambassadors** of our destination.

[VIEW BRAND SITE & TOOLKIT](#)

## The future of tourism is kinship and connection

Whether you are local to the region or visiting from afar, at the heart of the Saskatoon experience is kinship and connection—connection to self, to each other, to the land and to the community.



## Our Iconic Story

Our logo was purposefully created to reflect the spirit of Treaty 6. The icon, wordmark and Cree syllabics honour our commitment to restoration, regeneration and reconciliation.

Created by local artist Christine Marie, a woman of Métis and Filipino roots, our new icon is a visual reminder that we are all treaty people, crossing bridges together in the land of the living skies.

### THE SUN

A nod to the land of the living skies, it pays respect to the land and is reflective of the Treaties.

### THE BRIDGE

An invitation to cross the various bridges in Saskatoon to discover all it offers! Discover this place.

### THE WATER & HANDSHAKE

Representing unity with one another and is a sign of respect for the presence of others. This reflects a foundation of kinship, unity with the land and one another.



# Marketing & Communications Team



Sarah Berger  
Director,  
Marketing & Communications



Angela Worobec  
Manager,  
Communications & Brand



Darby Sutherland  
Manager,  
Earned Media



Geeta Singh  
Manager,  
Digital Marketing



Danielle Byl  
Membership & Visitor  
Experience Manager



Christine Booth  
Media & Digital  
Content Specialist

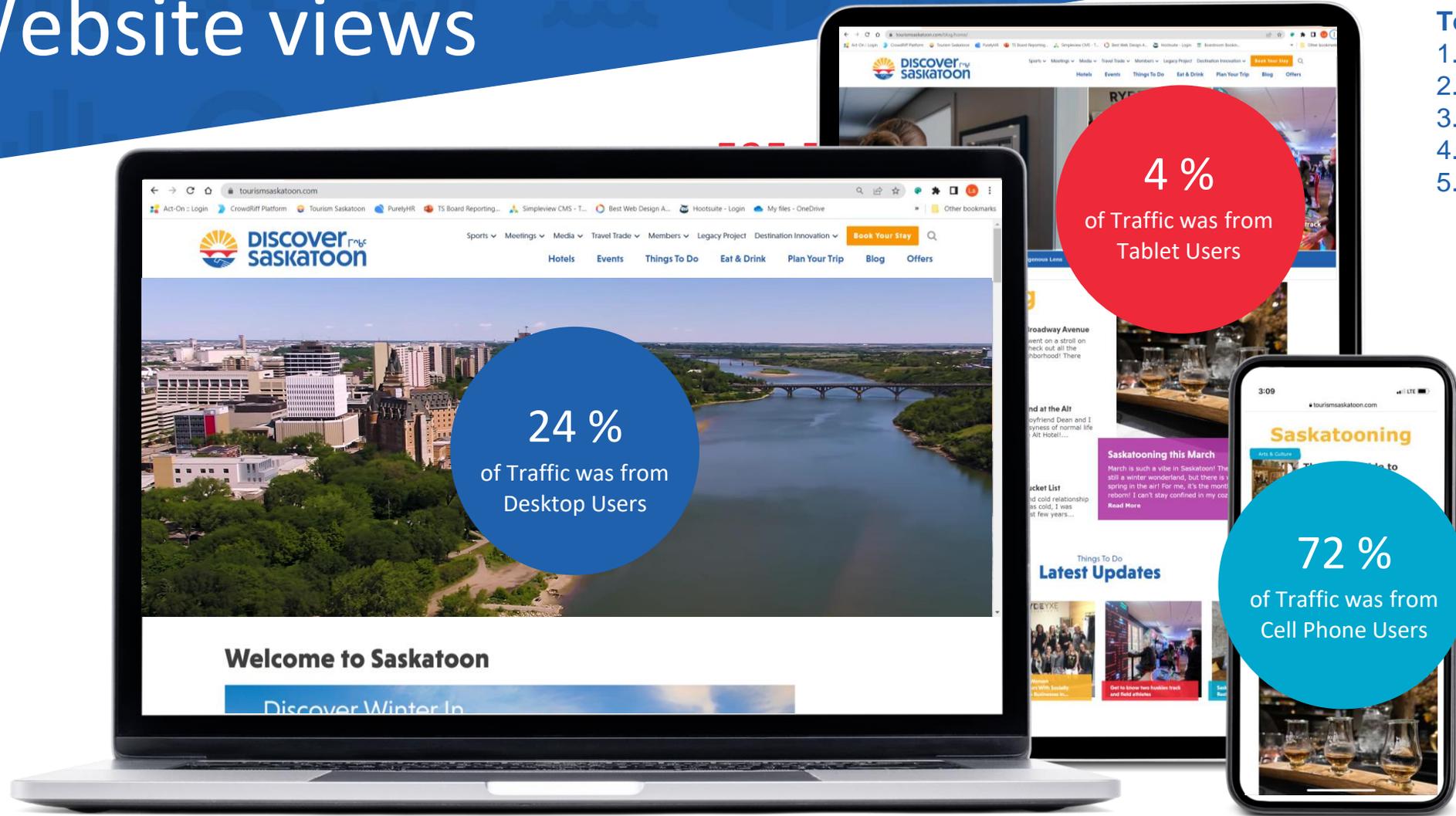


Bailie Knowles  
Marketing &  
Communications Coordinator

# Website views

## Top 5 User location:

1. Canada
2. United States
3. India
4. United Kingdom
5. Australia

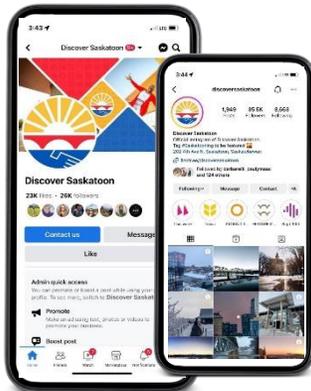
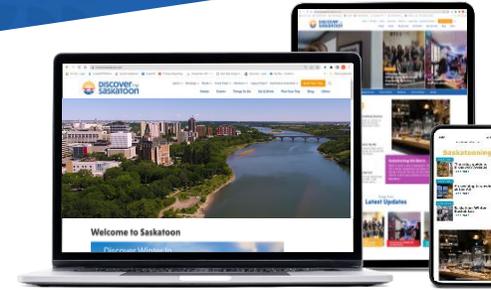


# 2022 Campaign Success



Campaigns	Digital Ad IMpressions
Discover Saskatoon Ongoing Awareness	<b>1,994,288</b>
VISA75 Campaign	<b>1,459,365</b>
Member/ Partner Promotional Campaigns: <ul style="list-style-type: none"> <li>• Offers</li> <li>• Events</li> <li>• Discover Saskatoon Pass Campaign</li> <li>• Saskatoon Craft Producer Pass</li> <li>• Family Fun Pass</li> <li>• Arctic A Man Under THE ICE (TCU &amp; Sasktel)</li> <li>• Experience Campaign</li> <li>• Partner Hotels</li> </ul>	<b>2,091,937</b>
Website Traffic-enchanted Package	<b>363,299</b>
Winter Campaign 2022 <ul style="list-style-type: none"> <li>• Winter Fun YXE Campaign</li> <li>• Winter Staycation 2022</li> <li>• SK RUSH Staycation</li> </ul>	<b>1,189,702</b>
Summer Campaign	<b>228,244</b>

# Digital Engagement In 2022 vs. 2021



## Global Marketing Website visitors by location

Outside of Canada	Canadian Provinces	Within Saskatchewan
<b>47,121</b>	<b>488,655</b>	<b>297,636</b>
vs. 35,145 - 34% increase	vs. 375,087 - 30% increase	vs. 272,372 - 9% increase

*66,445 Website Referrals to Members & Hotel Partners*

## Social Media Engagements with Discover Saskatoon content

Facebook reach	Instagram reach	Twitter Impressions	LinkedIn Impressions
<b>1,338,543</b>	<b>414,021</b>	<b>887,875</b>	<b>114,201</b>
vs. 1,029,359 - 30% increase	vs. 286,103 - 45% increase	vs. 708,300 - 25% increase	



# Top Searches

## WEBSITE

**Most searched Keywords:** things to do in saskatoon | saskatoon | enchanted forest saskatoon | saskatoon events | Bessborough skating rink | tourism saskatoon | discover saskatoon | fun things to do in saskatoon

**Avg. Time Spent on Website:** 1:17 (increased by 5.28%)

## BLOG

**Most searched Keywords:** saskatoon | northern lights saskatoon | brunch saskatoon | charcuterie saskatoon | date ideas saskatoon | dessert saskatoon | saskatoon berries | antique stores saskatoon | what is saskatoon known for

**Avg. Time Spent on Blog:** 1:12 (increased 16.87%)

## Top 5 visited Web Pages:

1. [Things To DO](#)
2. [Festivals and Events](#)
3. [New Years Eve Celebrations](#)
4. [Glow Saskatoon](#)
5. [Meewasin Skating Rink](#)
6. [Home Page \(www.tourismsaskatoon.com\)](#)

## Top 5 visited Blogs:

1. [Cool and Interesting Facts About Saskatoon](#)
2. [Saskatoon's Cutest Skating Rinks](#)
3. [Ringing In 2023](#)
4. [9 Indoor Spots to Take a Date in Saskatoon This Winter](#)
5. [6 NYE dinners in Saskatoon you should RSVP to](#)
6. [Water sliding in Sliding in Saskatoon](#)



# Earned Media



**Attended 3**

Key media Marketplaces



**65**

Face-to-Face meetings with  
Key Media Partners



**Hosted 9**

Key Media in Saskatoon to  
Encourage Inclusion in Key Target  
Publications



**23**

Earned Media Publications

**Top Media Placements:** Forbes, Vacay.ca, Travel & Leisure, Adventure Travel News.



# Visitor Experience



**\$7020**

Retail Sales  
+485% vs 2021



**700+**

Visitors Centre Inquiries  
+35% vs 2021



**417**

Collateral Distributed  
+129% vs 2021



# Membership Services



320

Total Members  
-13% vs 2021



\$49,457

Membership Income  
+8% vs 2021



41

Member Email  
Communications Sent



50%

Open Rate: Member Email  
Communications  
*Benchmark is 28%*

# Business Development Team



Tyler Lloyd  
Director,  
Business Development



David Larson  
Business Development  
Manager



Shannon Davies  
Business Development  
Specialist



Jenny Dao  
Business Development  
Manager Ottawa Contract



Anahi Soria  
Business Development  
Specialist, Travel Trade &  
National



Chelsea (McLean) Pitre  
Business Development  
Specialist, International



Tiffany Dodds Little  
Business Development Specialist, Sport &  
Major Events



# LEGACY

PROJECT

Launched Legacy Project  
Website & Brand

Hosted Launch Event  
for Legacy Project

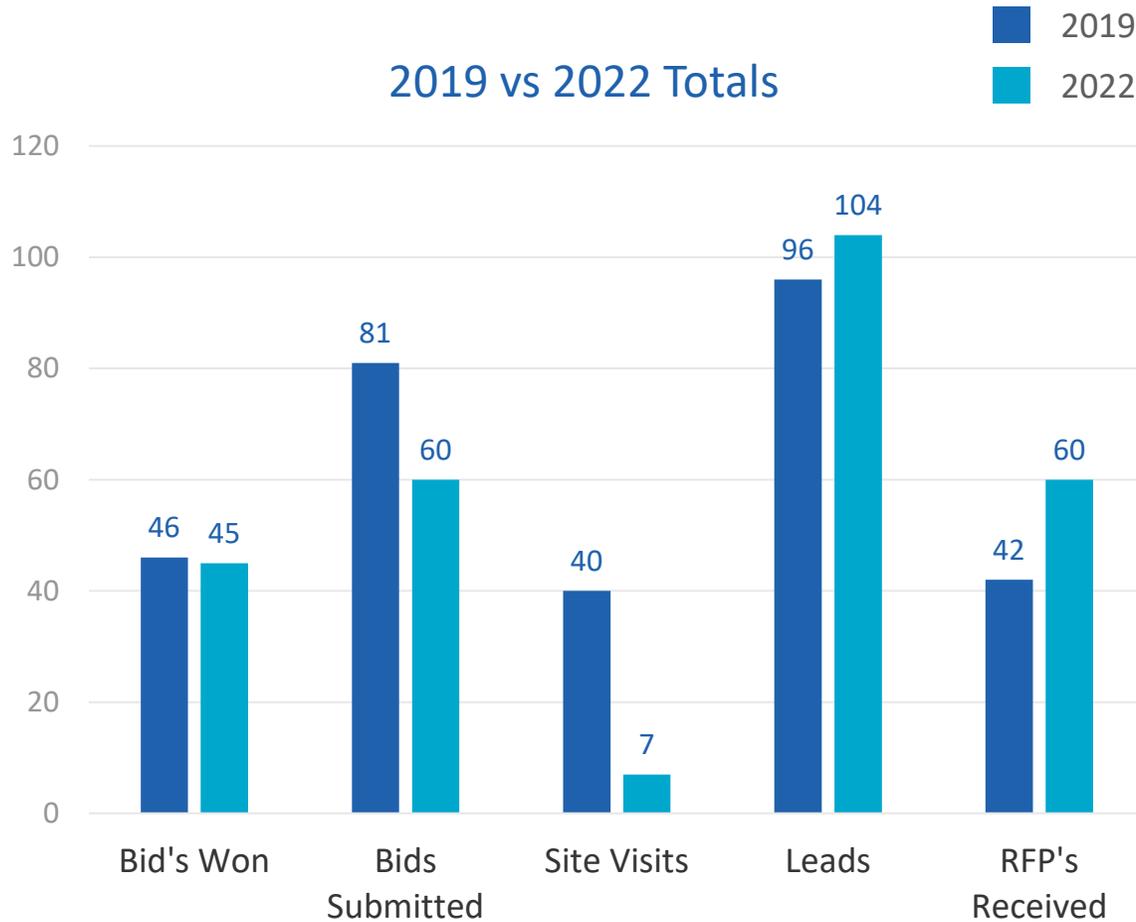
Legacy Builders Awarded with  
Builder Awards

prospective Legacy  
Builders

20

3

# Business Development 2022 Metrics



**38,265**  
Total Contracted  
Room Nights 2019

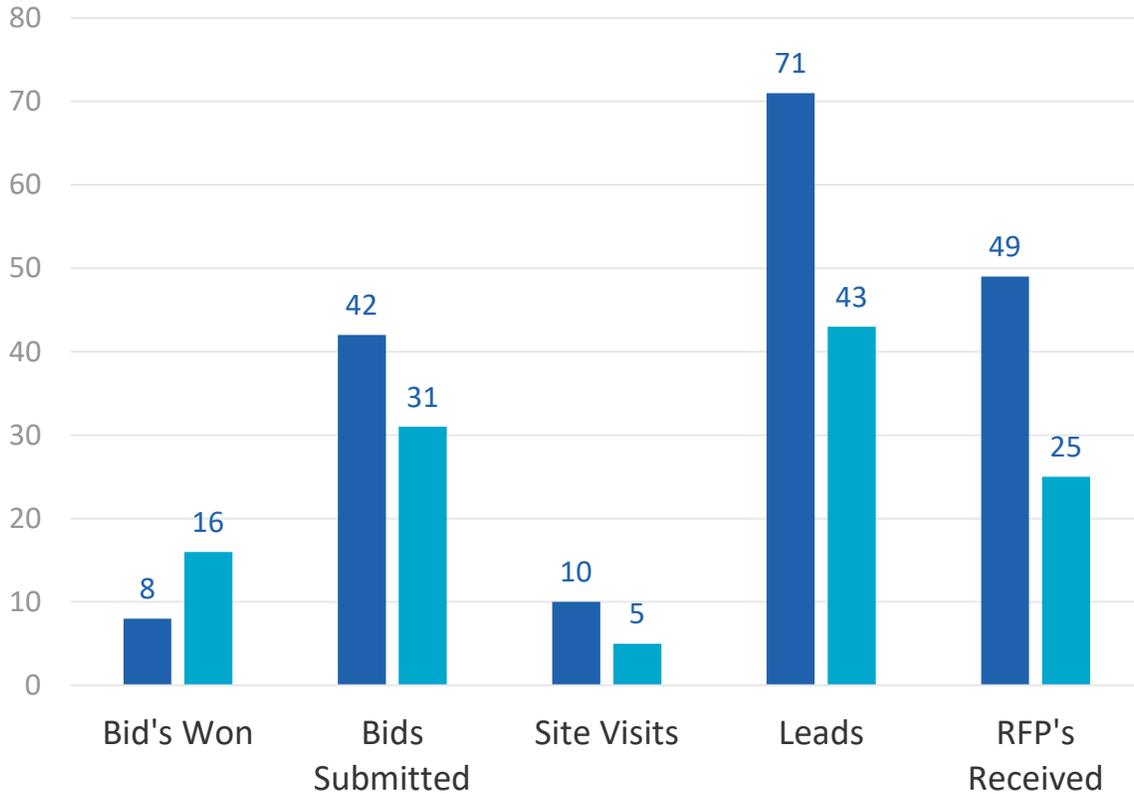
**15,248**  
Total Contracted  
Room Nights 2022

**15,417**  
Total Anticipated Contracted  
Room Nights for 2023

# National Events & Sales

### 2019 vs 2022 Totals

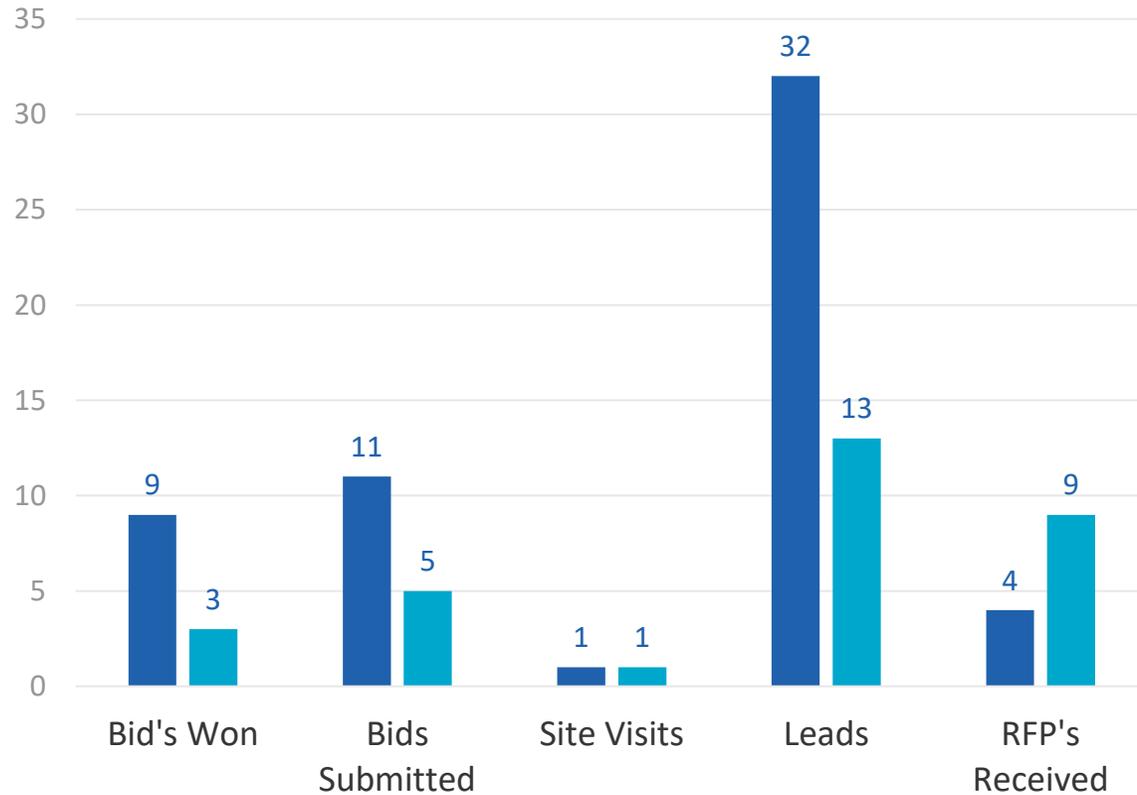
■ 2019  
■ 2022



# International Events & Sales

2019 vs 2022 Totals

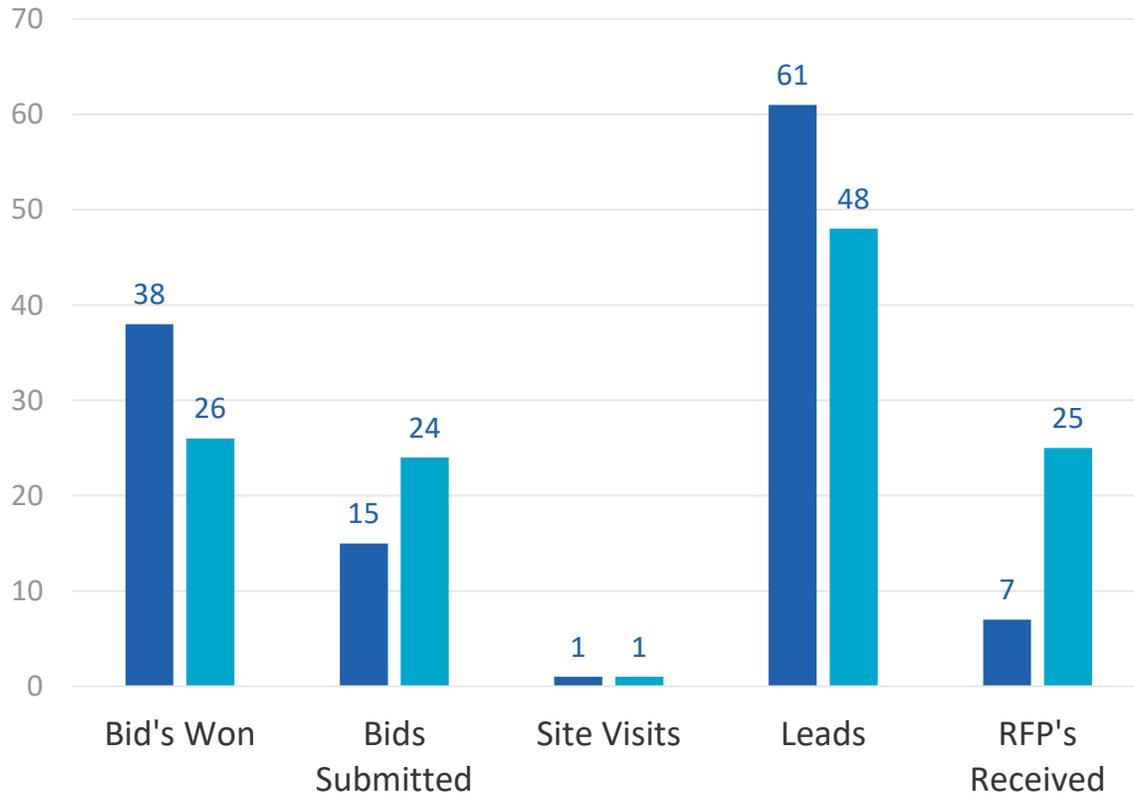
■ 2019  
■ 2022



# Sport & Major Events

2019 vs 2022 Totals

■ 2019  
■ 2022





# Travel Trade



**Hosted 56**

Face-to-Face Meetings with  
Tour Operators and RTOs



**Hosted 16**

Key Tour Operators  
on FAMs



**Trained 68**

Reservation Agents at Key  
Tour Operators



**Trained 129**

Travel Agents with Clear CTAs



# Destination Innovation



3

Participants in the  
Experience Development  
Program



2

New Experiences  
Developed and  
Launched



Phase One Completed

Partnership & Development  
Project with the Saskatoon  
Tribal Council

# DESTINATION INNOVATION 2021 & 2022 EXPERIENCE DEVELOPMENT & EXPORT READINESS

**Meewasin Valley Authority:  
Naughty By Nature, Grazing  
Dinner & Winter Sips and Skating**



**Living Sky Adventures:  
Balance on the Water**



**Station Arts:  
Garden Alchemy**



**The Local Kitchen:  
Rooted Cooking Class and  
Neighborhood Tour**



**Stumbletown:  
Distillation a Grain to  
Glass Experience**



**Back 2 Nature: Stand Up  
Paddleboard & Sauna  
Experience**



**Black Fox Farm & Distillery:  
Winter Whiskey &  
Snowshoe Experience**



**Farm One Forty:  
Guided Farm Tours & On  
Farm Culinary Experience**



**Delta Bessborough:  
Dining in the Domes  
Experience**



**Champetre Country:  
Full Day and Half Day  
Experiences**



**Picaro Restaurant:  
Family Style Taco  
Making Experience**



**Wanuskewin Heritage Park:  
Winter Camp Experience &  
Guided Tour**

