

Summary of 2023 Consolidated Financial Statements

For 2023 the City of Saskatoon (City) had consolidated operating revenues of \$1.13 billion, along with consolidated operating expenses of \$988.6 million, resulting in a net surplus of \$146.1 million. Overall, the City has strengthened its accumulated surplus from \$5.0 billion to \$5.16 billion, an increase of 2.9% over 2022 figures.

Revenues

1. Taxation Revenues increased by 5.2% from \$308.2 million to \$324.3 million, due to the Council approved 2023 property tax increase of 3.93%, 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. General revenues increased from \$65.8 million in 2022 to \$79.8 million in 2023. This is due in large part to increase in revenues from SaskTel Centre and TCU Place.
3. Investment Income increased by 35% from \$16.8 million to \$19.8 million, due to higher bond yields and bank interest rates throughout 2023.

Expenses

1. Expenses of \$988.6 million for 2023 saw an increase of 9.0% over 2022 figures due in part to an increase in the approved budget expenditures and \$16.0 million within the Snow and Ice Management program for the cleanup costs that were incurred in 2023 for the December 2022 snow event.

Assets

1. Cash and Cash Equivalents increased by from \$60.4 million to \$79.4 million, and investments increased from \$545.6 million to \$582.4 million.
2. When looking at the City's overall level of liquidity, Finance looks at the City's Total Financial Assets, which is a combination of Cash, Receivables, Other Assets and Investments. When comparing these totals between 2021 and 2022, the City strengthened its Total Financial Assets by 2.6% from \$802.4 million to \$823.3 million.

Liabilities

1. Long-Term Debt decreased by 5% from \$277.0 million to \$263.0 million, due to debt payments throughout 2023.
2. A new addition to the Financial Liabilities section is adoption of the Asset Retirement Obligation (ARO) standard which results in an estimated \$36.97 million liability. This value estimates the liability that is outstanding for the City associated with the retirement of tangible, long-term assets for example asbestos in buildings, or landfill obligation. The 2022 financial statements have been restated to reflect the changes that would have occurred if the ARO standard would have been in place. This helps to ensure comparability within the statements.

3. 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 2022 and 2023, the City decreased its Total Financial Liabilities by 2.8% from \$569.8 million to \$554.0 million.

Reserves

Overall Reserves increased by 8.2% from \$278.2 million to \$301.1 million. At the end of 2023, surplus funds went into both the Fiscal Stabilization and the Snow and Ice Management Contingency Reserve to leave balances of \$5.8 million in Fiscal and \$6.2 million in the Snow and Ice Management Contingency reserve. Both reserves were at \$0 at the end of 2022.