

## Summary of 2024 Consolidated Financial Statements

For 2024 the City of Saskatoon (City) had consolidated operating revenues of \$1.3 billion, along with consolidated operating expenses of \$1.0 billion, resulting in a net surplus of \$298.4 million. Overall, the City has strengthened its accumulated surplus from \$5.2 billion to \$5.5 billion, an increase of 5.7% over 2023 figures.

### Revenues

1. Taxation Revenues increased by 7.2% from \$324.3 million to \$347.7 million, due to the City Council approved 2024 property tax increase of 6.04%, along with a growth in the number of properties captured in the City's Property Tax roll, or other status changes throughout the year.
2. Contributions from Developers fluctuate regularly from year to year and is dependent on land development activities. This revenue has increased from \$91.4 million to \$181.6 million.
3. Investment Income increased by 29% from \$19.8 million to \$25.5 million, due to higher bond yields and bank interest rates throughout 2024.

### Expenses

1. Expenses increased from \$988.6 million to \$1.0 billion for a 2.3% increase in 2024 due in part to an increase in the approved budget expenditures.

### Assets

1. Cash and Cash Equivalents increased from \$79.4 million to \$119.8 million, and investments increased from \$582.4 million to \$732.1 million. The increase was largely driven by surplus funds from revenue minus expenditures, additional funds held in reserves at year end and other normal changes in operating activities, such as accounts payable and receivable fluctuations.
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 2023 and 2024, the City strengthened its Total Financial Assets by 28% from \$823.3 million to \$1.1 billion.

### Liabilities

1. Long-Term Debt increased by 13% from \$263.0 million to \$296.9 million in 2024, due to the additional borrowing for Utility projects of \$48.4 million less debt payments throughout 2024.
2. 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 2023 and 2024, the City increased its Total Financial Liabilities by 9.5% from \$554.0 million to \$606.6 million.

### **Reserves**

Overall reserves increased by 19.4% from \$301.1 million to \$359.4 million. At the end of 2024, surplus funds went into the Fiscal Stabilization Reserve to bring the balance from \$5.8 million in 2023 to \$17.0 million in 2024. The Snow and Ice Management Contingency Reserve increased from \$6.2 million in 2023 to \$6.9 million in 2024.

### **Restatement**

During the preparation of the 2024 financial statements, it was identified that a land acquisition amounting to \$46.9 million (\$25.0 million acquired in 2022 and \$21.9 million acquired in 2023), was not properly allocated from reserves into a tangible capital asset. It was also identified that revenues of \$21.9 million recorded into reserves were not properly allocated to Contributions from Developers. These errors have been corrected in the 2024 financial statements, and the comparative figures for 2023 have been restated accordingly.

Administration has put additional reviews in place for both these items to ensure that these types of errors do not happen in the future.