
2018 Audited Financial Statements and Financial Reports

Recommendation

That the report of the Chief Financial Officer dated May 27, 2019, be received as information.

Topic and Purpose

The purpose of this report is to present the City of Saskatoon's (City) 2018 Audited Financial Statements and Financial Reports.

Report Highlights

1. The 2018 Audited Consolidated Financial Statements reflect a clean audit opinion from the City's external auditor.
2. Other 2018 Financial Reports included are financial statements for the City's superannuation plans, the Saskatoon Public Library and civic boards.

Strategic Goal

The Audited Consolidated Financial Statements support the Strategic Goal of Asset and Financial Sustainability by demonstrating how the City invests in what matters, and demonstrates openness, accountability and transparency in the allocation of resources.

Background

At its meeting on March 25, 2019, when considering the 2018 preliminary year-end financial results, subject to an external audit, City Council resolved:

- “1. That a transfer of \$970,600, equivalent to the 2018 fuel deficit, be transferred from the Fuel Stabilization Reserve to the 2018 year-end results in order to balance the budget;
2. That a reduction of \$488,500 in the budgeted contribution to the Snow & Ice Management Reserve be approved;
3. That the Snow & Ice surplus of \$788,389 not be transferred to the Snow & Ice Management Reserve;
4. That a reduction of \$800,000 to the budgeted contribution to the Civic Buildings Comprehensive Maintenance Reserve be approved;
5. That a reduction of \$352,810 to the Golf Course Capital Reserve be approved; and
6. That a \$760,466 withdrawal from the Fiscal Stabilization Reserve be applied to the 2018 year-end results in order to balance the budget.”

Report

City of Saskatoon 2018 Audited Consolidated Financial Statements

The preliminary 2018 operating net deficit of \$3.02 million has been confirmed via the external audit as seen on Schedule 5 (Schedule of Revenues and Expenditures) in the Consolidated Financial Statements (Attachment 1).

The City's 2018 Audited Consolidated Financial Statements have been prepared in accordance with Canadian public sector accounting standards as established the Public Sector Accounting Board (PSAB). At its meeting on May 13, 2019, the Standing Policy Committee on Finance approved the 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.

The City's Statement of Financial Position remains in a healthy position with the balance of all reserves at \$249.5 million, up from \$207.3 million in 2017. The increase is mainly due to continued collection of levies related to development that offset prepaid expenditures previously incurred through Saskatoon Land and development-type reserves such as the Prepaid Services, Property Realized and Land Bank Reserves.

Other 2018 Financial Reports

In addition to the 2018 Audited Consolidated Financial Statements, the following reports are attached:

- 2018 Draft Financial Statements – Superannuation Plans (Attachment 2)
- 2018 Draft Audited Financial Statements – Saskatoon Public Library (Attachment 3)
- 2018 Audited Financial Statements – Civic Boards (Attachment 4)

Communication Plan

Once the reports have been received by City Council, the 2018 Annual Report will be finalized, which will include the results of the 2018 Business Plan and the Audited Consolidated Financial Statements.

The finalized 2018 Annual Report will be posted on the City's website. Hard copies will be forwarded to stakeholder organizations including the Chamber of Commerce, North Saskatoon Business Association, and Business Improvement Districts, and will also be available to the public.

Due Date for Follow-up and/or Project Completion

There is no follow-up required.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. City of Saskatoon Draft 2018 Consolidated Financial Statements
2. 2018 Draft Financial Statements – Superannuation Plans
3. 2018 Saskatoon Public Library Draft Consolidated Financial Statements
4. 2018 Audited Financial Statements – Civic Boards

Report Approval

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Reviewed by: Kerry Tarasoff, Chief Financial Officer
Approved by: Jeff Jorgenson, City Manager

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