

Consolidated Financial Statements

City of Saskatoon, Saskatchewan, Canada

Year Ended December 31, 2018

DRAFT

City of Saskatoon

December 31, 2018

CONTENTS

	<u>Page</u>
Consolidated Financial Statements	
Auditors' Report	
Consolidated Statement of Financial Position	2
Consolidated Statement of Operations	3
Consolidated Statement of Cash Flow	4
Consolidated Statement of Changes in Net Financial Debt	5
Notes to Financial Statements	6
Consolidated Schedule of Tangible Capital Assets	29
Schedule of Funds to Offset Taxation or User Charges in Future Years	30
Schedule of Capital Operations	31
Schedule of Reserves	32
Schedule of Revenues and Expenditures	36
Schedule of Revenues	37
Schedule of Expenses	39
Water Utility Statement of Revenues and Expenses	42
Wastewater Utility Statement of Revenues and Expenses	43
Storm Water Management Utility Statement of Revenues and Expenses	44
Saskatoon Light & Power Utility Statement of Revenues and Expenses	45
Waste Services Utility Statement of Revenues and Expenses	46
Land Operations Statement of Revenues and Expenses	47
Consolidated Revenues and Expenses	48
Summary of Revenues and Expenses	49
Summary of Capital Operations	50
Summary of Public Utilities Operating Results	51
Summary of Reserves and Surplus	51
Summary of Term Debt and Required Sinking Fund Consolidation of All Obligations	52
Summary of Term Debt and Required Sinking Fund By Responsibility Centre	53
Term Debt Maturing With Percentages	54
Summary of Property Assessment and Tax Levy	55
Saskatoon Economic Statistics	56
Major Taxpayers in Saskatoon	56
Summary of Accumulated Surplus and Net Financial Assets	57
Graphs	58

Independent Auditor's Report

To His Worship the Mayor and City Council
City of Saskatoon

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of City of Saskatoon and its subsidiaries (the "City"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, changes in net financial debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2018, and the results of its operations, changes in net financial debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the City 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.

We draw attention to the fact that the supplementary information included in all schedules and appendices following the financial statement notes does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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 PSAS, 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 City'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 City or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's 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 GAAS 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 these financial statements.

As part of an audit in accordance with Canadian GAAS, 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 City'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 City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the City 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

Chartered Professional Accountant

Saskatoon, Saskatchewan

May XX, 2019

Consolidated Statement of Financial Position

As at December 31, 2018

(in thousands of dollars)

	2018	2017
Financial Assets		
Cash and Cash Equivalents	\$ 38,277	\$ 59,446
Taxes Receivable (Note 2)	15,731	13,899
Accounts Receivable and User Charges (Note 3)	100,547	124,578
Loans Receivable (Note 4)	1,197	1,758
Land Inventory for Resale	8,132	8,617
Other Assets (Note 5)	2,151	4,454
Investments (Note 6)	453,285	418,253
Total Financial Assets	619,320	631,005
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	147,264	250,130
Deferred Revenue (Note 10)	85,560	85,191
Term Debt (Note 11)	358,983	349,153
Accrued Pension Liability (Note 8)	14,231	17,190
Employee Benefits Payable (Note 13)	42,763	43,605
Total Financial Liabilities	648,801	745,269
Total Net Financial Debt	(29,481)	(114,264)
Non-Financial Assets		
Prepaid Expenses	12,127	11,446
Tangible Capital Assets (Note 18)	4,326,264	4,154,000
Inventory of Materials and Supplies	16,049	14,887
Total Non-Financial Assets	4,354,440	4,180,333
Accumulated Surplus (Note 19)	\$ 4,324,959	\$ 4,066,069

Consolidated Statement of Operations

For the Year Ended December 31, 2018

(in thousands of dollars)

	2018 Budget	2018	2017
Revenues			
Taxation (Note 7)	\$ 254,842	\$ 254,221	\$ 242,886
Grants in Lieu of Taxes (Note 7)	4,260	4,167	6,183
User Charges	439,909	442,347	414,509
Government Transfers - Operating (Note 12)	62,190	63,773	53,500
Government Transfers - Capital (Note 12)	97,404	97,404	71,241
Investment Income	12,255	13,537	11,913
Contribution from Developers and Others - Operating	74,386	74,386	65,122
Contribution from Developers and Others - Capital	74,542	74,542	55,915
Franchise Fees	14,121	16,055	15,818
Other	21,647	22,474	20,361
Total Revenue	1,055,556	1,062,906	957,448
Expenses			
Arts, Culture and Events Venues	10,523	10,454	11,959
Community Support	17,931	17,706	17,154
Corporate Asset Management	2,559	5,672	(7,902)
Corporate Governance & Finance	45,726	48,791	38,429
Debt Servicing Costs	11,973	12,127	14,132
Environmental Health	53,532	54,553	52,581
Fire	49,873	49,972	47,737
Land Development	10,996	8,006	26,060
Libraries	19,016	23,521	23,035
Police	103,276	104,558	102,199
Recreation and Culture	70,487	69,142	65,598
Taxation & General Revenues	6,598	7,040	6,697
Transportation	180,229	179,942	159,823
Urban Planning & Development	28,017	26,706	24,345
Utilities	209,106	185,826	184,892
Total Expenses	819,842	804,016	766,739
Surplus of Revenues Over Expenses	235,714	258,890	190,709
Accumulated Surplus, Beginning of Year (Note 19)	-	4,066,069	3,875,360
Accumulated Surplus, End of Year	\$	4,324,959	\$ 4,066,069

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2018

(in thousands of dollars)

	2018	2017
Operating Activities:		
Surplus of Revenues over Expenses	\$ 258,890	\$ 190,709
Net Change In Non-Cash Working Capital Items:		
Taxes Receivable	(1,832)	(294)
Accounts Receivable and User Charges	24,031	(2,270)
Loans Receivable	561	538
Land Inventory for Resale	485	(445)
Other Assets	2,303	(2,840)
Prepaid Expenses	(681)	665
Inventory of Materials and Supplies	(1,162)	(2,036)
Accounts Payable and Accrued Liabilities	(102,866)	(28,865)
Deferred Revenue	369	11,614
Accrued Pension Liability	(2,959)	24,266
Employee Benefits Payable	(842)	2,139
Amortization	141,617	133,991
Revenue from Contributed Tangible Capital Assets	(33,898)	(27,789)
	284,016	299,383
Investing Activities		
Sale (Purchase) of Investments	(35,032)	(54,104)
	(35,032)	(54,104)
Financing Activities:		
Proceeds From Term Debt	38,815	57,778
Term Debt Repaid	(28,985)	(27,396)
	9,830	30,382
Capital Activities:		
Acquisition of Tangible Capital Assets	(279,983)	(284,698)
	(279,983)	(284,698)
Decrease in Cash and Cash Equivalents	(21,169)	(9,037)
Cash and Cash Equivalents at Beginning of Year	59,446	68,483
Cash and Cash Equivalents at End of Year	\$ 38,277	\$ 59,446

Consolidated Statement of Changes in Net Financial Debt

For the Year Ended December 31, 2018

(in thousands of dollars)

	2018	2017
Surplus of Revenues over Expenses	\$ 258,890	\$ 190,709
Net Acquisition of Tangible Capital Assets	(279,983)	(284,698)
Contributed Assets	(33,898)	(27,789)
Amortization	141,617	133,991
Deficit from Capital Transactions	(172,264)	(178,496)
Net Change in Prepaid Expenses	(681)	665
Net Change in Inventory of Materials and Supplies	(1,162)	(2,036)
Deficit from other Non-financial Expenses	(1,843)	(1,371)
Increase in Net Financial Debt	84,783	10,842
Net Financial Debt, Beginning of Year	(114,264)	(125,106)
Net Financial Debt, End of Year	\$ (29,481)	\$ (114,264)

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Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies

a. Nature of the Organization

The City of Saskatoon ("the City") is a municipality in the Province of Saskatchewan, incorporated in 1901 as a village and 1906 as a city and operates under the provisions of the Cities Act effective January 1, 2003.

The consolidated financial statements of the City are prepared by management in accordance with Public Sector Accounting Standards ("PSAS"), as recommended by the Chartered Professional Accountants of Canada ("CPA Canada"). The consolidated financial statements were prepared by the City's Finance Division. Significant aspects of the accounting policies adopted by the City are as follows:

b. Basis of Consolidation

i. Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenses and fund balances of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City, namely:

- ◆ General Revenue and Capital Funds
- ◆ Board of Police Commissioners
- ◆ Wastewater Utility
- ◆ Storm Water Management Utility
- ◆ Water Utility
- ◆ Saskatoon Light & Power
- ◆ Mendel Art Gallery (Operating as "Remai Modern Art Gallery")
- ◆ Centennial Auditorium (Operating as "TCU Place")
- ◆ Saskatchewan Place (Operating as "SaskTel Centre")
- ◆ Saskatoon Public Library ("Library")
- ◆ Saskatchewan Information and Library Services Consortium Inc. ("SILS")
- ◆ Reserve Funds

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies (continued)

b. Basis of Consolidation (continued)

i. Reporting Entity (continued)

All interfund amounts have been eliminated through the consolidation. Schedule 4, and supporting Appendices 1 to 8, include only those revenues and expenses reflected in the City's annual operating budget, which is prepared to identify the City's property tax requirements. Excluded from this Schedule are the operations of the Remai Modern Art Gallery, TCU Place, SaskTel Centre, Library, and the Sinking Fund.

The Library has an interest in the SILS, which has been proportionately consolidated.

ii. Trust and Pension Funds

Trust funds (see Note 16) and pension funds and their related operations administered by the City are not reflected in the consolidated financial statements.

iii. Accounting for School Board Transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards, are not reflected in the municipal fund balances of these financial statements. Amounts due to/from school boards are reported on the Consolidated Statement of Financial Position as accounts payable and accrued liabilities/accounts receivable.

c. Basis of Accounting

i. Use of Estimates

The preparation of consolidated financial statements in accordance with PSAS 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods. Significant estimates include accrued pension liabilities, contingent liabilities and commitments, provision for doubtful accounts, employee benefits payable, landfill liability, contaminated sites remediation, the amortization of tangible capital assets, and the allocation of costs associated with land development, including contributions from developers.

ii. Financial and Non-financial Assets and Liabilities

Financial assets and financial liabilities have been presented separately from the non-financial assets of the City on the Consolidated Statement of Financial Position. A financial asset is defined as an asset that can be used to discharge existing liabilities or finance future operations and is not for consumption in the normal course of operations. A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. Non-financial assets are those that are normally employed to provide future services and have useful lives extending beyond the current year.

iii. Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and short-term highly liquid investments with original maturities of 90 days or less at the date of acquisition and which are subject to an insignificant risk of change in value. Cash and cash equivalents are recorded at cost.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies (continued)

c. Basis of Accounting (continued)

iv Loans Receivable

Loans receivable are recorded at cost less allowance for doubtful accounts. Allowance for doubtful accounts is recognized when collection is in doubt. Loans receivable and interest revenue recognized on loans receivable are recorded at lower of cost and net recoverable value.

v. Land Inventory for Resale

The City is one of the primary property developers in the municipality. Land inventory for resale is recorded at the lower of adjusted cost and replacement cost. Adjusted cost includes amounts for land acquisition and improvements to prepare the land for sale. Land is available for resale when approved for sale by the Land Bank Committee and when all municipal services have been completed and it is reasonably anticipated that the sale will be completed within one year.

vi. Investments

All investments are recorded at amortized cost using the effective interest rate method. Premiums and discounts are amortized over the life of the investment. Investment transactions are accounted for at the settlement date. Investment income is recorded on the accrual basis. When there has been a loss in a value of an investment that is other than temporary decline, the investment is written down to recognize the loss and the loss is recognized in the consolidated statement of operations.

vii. Provision for Landfill Closure and Post Closure

The Environmental Management and Protection Act of Saskatchewan sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of landfill sites. This requirement is being provided for over the estimated remaining life of the landfill sites based on usage, and is funded through tipping fees. The annual provision is reported as an expense in Environmental Health and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position.

viii. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

♦ Buildings	25 to 50 years
♦ Plants and Facilities	20 to 50 Years
♦ Roadways	20 to 75 years
♦ Underground Networks	50 to 75 years
♦ Electrical Utility	10 to 45 years
♦ Vehicles	4 to 30 years
♦ Traffic Control	15 to 30 years
♦ Machinery and Equipment	5 to 25 years
♦ Land and Land Improvements	20 to indefinite years
♦ Furniture and Fixtures	20 years
♦ Information & Communication	15 years

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies (continued)

c. Basis of Accounting (continued)

viii. Tangible Capital Assets (continued)

A full year's amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for use. Interest costs for the construction and development of tangible capital assets are not capitalized.

- (a) Contribution of tangible capital assets
Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.
- (b) Leases
Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risk incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.
- (c) Land under roads
Land under roads that is acquired other than by a purchase agreement is valued at a nominal cost.
- (d) Cultural, historical and works of art
The City manages and controls various works of art and non-operational historical and cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are expensed.

ix. Inventories of Materials and Supplies

Inventories of materials and supplies are valued at the lower of cost and replacement cost. Cost is determined using an average cost basis.

x. Revenues and Expenses

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from development charges for services that have not yet been provided at the time the charges are collected are accounted for as deferred revenue until used for the purposes specified. Gross revenues for the 2018 fiscal year are \$1,062,906. Expenses are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due. Gross expenses for the 2018 fiscal year are \$804,016. Budget information is presented on a basis consistent with that used for actual results. The budget was approved by City Council on November 28, 2017. Any Council-approved changes made to capital budgets throughout the fiscal year have been excluded from the 2018 budgeted amounts. Amounts for contributions from developers are not specifically budgeted for and as a result, the comparison between actual and budgeted amounts on the Statement of Operations is hindered. Readers are encouraged to review Schedule 4 which includes a comparison of the City's operating budget to actual results.

xi. Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. A provision has been recorded in Accounts Payable and Accrued Liabilities for potential losses on assessment appeals outstanding as of December 31, 2018.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies (continued)

c. Basis of Accounting (continued)

xii. Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates of the revenue amount can be made. Government transfer programs include operations funding received from Funding Agreements such as the Federal Gas Tax Revenue Transfer Program, the Urban Highway Connector Program, the Provincial Revenue Sharing Program, the Provincial and Federal Police funding programs as well as Transit and Library Funding Agreements. The use of these funds are restricted to eligible expenses as identified in the funding agreements. Authorization and approval are required before the funds can be expended. Government transfers, where funding has been received, that have not met the criteria to be recognized as revenue are recorded as deferred revenue in the Statement of Financial Position.

xiii. Pension Amounts

The City of Saskatoon makes contributions to the General Superannuation, Part-Time and Seasonal Employee Superannuation, Police Superannuation, Saskatoon Police Pension Plan, Fire and Protective Services Department Superannuation Plans and Saskatoon Firefighters' Pension Plan on behalf of its staff. The General Superannuation, Police Superannuation and Fire and Protective Services Department Superannuation plans are defined benefit plans with the exception of the Part-Time and Seasonal Employee plan, which is a defined contribution plan. The Police Pension Plan and Saskatoon Firefighters' Pension Plans are contributory target benefit plans. Pension expense for the defined benefit plans are based on actuarially determined amounts. Pension expense for the defined contribution and contributory target benefit plans are based on the City's contributions.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies (continued)

d. Accounting Standards Effective Beginning On Or After April 1, 2018

Effective January 1, 2018, the City implemented the following accounting standards required for government organizations which are effective beginning on or after April 1, 2017. Adoption of these standards require all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgement to comply with the disclosure requirements of each standard.

a) Assets

PS 3210, Assets provides additional guidance on the definition of assets and new disclosure requirements for those assets not recognized in the government's financial statements. The new standard did not result in any additional disclosures.

b) Contingent Assets

PS 3320, Contingent Assets defines and establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. The existence of a contingent asset must be disclosed when the occurrence of the confirming future event is likely. The new standard did not result in any additional disclosures.

c) Contractual Rights

PS 3380, Contractual Rights defines and establishes standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

d) Inter-Entity Transactions

PS 3420, Inter-Entity Transactions specifically addresses the reporting of transactions between entities controlled by a government that comprise the government's reporting entity from both a provider and recipient perspective. The new standard did not have any impact on the financial statements.

e) Related Party Transactions

PS 2200, Related Party Disclosures define a related party and identifies disclosures for related parties and related party transactions.

Parties are considered related when one party has the ability to exercise control or shared control over the other. Related parties include key management personnel and close family members, through their relationship with the key management personnel, as they have the ability to influence and impact the City's policies, operations and strategic decisions. Key management personnel of the City have been identified as the Mayor, City Councillors, City Manager and General Managers as well as their close family members including their spouse and any dependents.

An external entity becomes a related party to the City when key management personnel and/or their close family member have the ability to influence and impact the policies, operations and strategic decisions of the external entities.

For the year ended December 31, 2018 there were no material transactions to disclose that occurred between related parties at a value other than or terms different that which would have been arrived at if the parties were unrelated.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies (continued)

d. Accounting Standards Effective Beginning On Or After April 1, 2018 (continued)

Accounting Standards Effective Beginning On Or After April 1, 2018

a) Restructuring Transactions

PS 3430, Restructuring Transactions establishes how to record and report restructuring transactions, for both transferors and recipients, the transfer of assets and/or liabilities together with related programs or operation responsibilities.

Accounting Standards Effective Beginning On Or After April 1, 2021

a) Financial Statement Presentation

PS 1201 Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships

b) Foreign Currency Translation

PS 2601 Foreign Currency Translation requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

c) Portfolio Investments

PS 3041 Portfolio Investments has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments will no longer apply.

d) Financial Instruments

PS 3450 Financial Instruments establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

e) Asset Retirement Obligation

PS 3280, Asset Retirement Obligations establish guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

1. Accounting Policies (continued)

d. Accounting Standards Effective Beginning On Or After April 1, 2018 (continued)

f) Revenue

PS 3400, Revenue establishes standards on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payor.

The City continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

e. Public-Private Partnerships

A public-private partnership ("P3s") is a contractual agreement between a public authority and a private entity for the provision of infrastructure and /or services.

The City's P3s are assessed based on the substance of the underlying agreement and are accounted as follows:

- ◆ Costs incurred during construction or acquisition are recognized in the work-in-progress and liability balances based on the estimated percentage complete.
- ◆ Construction costs, as well as the combined total of future payments, are recognized as a tangible capital asset and amortized over the useful life once the asset is in-service.
- ◆ Sources of funds used to finance the tangible capital asset and future payments will be classified based on the nature of the funds, such as debt, grants, and/or reserves.

f. Provision for Contaminated Sites

The Environmental Management and Protection Act (Saskatchewan) sets out the regulatory requirements in regards to contamination. Under this Act, there is a requirement for the persons responsible to address the contamination that is causing or has caused an adverse effect. A provision in PS 3260 is provided for sites where contamination exists that exceeds an environmental standard. The City is legally responsible or has accepted responsibility for the contamination, future economic benefits are expected to be given up and a reasonable estimate for the provision can be made.

g. Accumulated Surplus/Deficit

Accumulated surplus/deficit represents the City's net economic resources. It is an amount by which all assets (financial and non-financial) exceed liabilities. An accumulated surplus indicates that the City has net resources (financial and non-financial) that can be used to provide future services. An accumulated deficit means that liabilities are greater than assets.

h. Comparative Information

Comparative information has been restated to match the current year presentation.

2. Taxes Receivable

It is the normal practice of the City to review its accounts receivable on a regular basis and write off any accounts which are considered to be uncollectable. A general allowance of \$0 (2017 - \$0) for uncollectable taxes is included in the balance of Taxes Receivable.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

3. Accounts Receivable and User Charges

Accounts receivable consist of the following:

	2018	2017
	\$	\$
Trade and other receivable	\$ 63,747	\$ 86,433
Utility receivable	31,059	32,152
Government transfers receivable	5,741	5,993
Total	\$ 100,547	\$ 124,578

The City also calculates an allowance for uncollectable accounts relating to Utility billings. At December 31, 2018 this amount is \$50 (2017 - \$50) and is included in Accounts Receivable and User Charges.

4. Loans Receivable

City Bylaw No. 8418 was approved by City Council in 2005 to authorize a 15 year loan in the amount of \$10,550 from the City to Saskatoon Soccer Centre Inc. for the construction of the North East Soccer Park, in Forest Park, in Saskatoon. The total annual payment under the loan is shared by Saskatoon Soccer Centre Inc. and the City resulting in an amount receivable from the Saskatoon Soccer Centre Inc. of \$7,037 and a deferred grant of \$3,513 that is amortized over the life of the loan payments. Interest is recognized as earned at 2.80 percent to 4.60 percent over the life of the loan. Security on the loan is by way of an assignment lease against the Henk Ruys Soccer Centre and the North East Soccer Park. The amount receivable and deferred grant as at the end of December 31, 2018 are \$1,197 (2017 - \$1,758).

5. Other Assets

	2018	2017
	\$	\$
Deferred Charges	\$ 1,701	\$ 4,014
Other Inventory for Resale	450	440
	\$ 2,151	\$ 4,454

6. Investments

	Cost		Market	
	2018	2017	2018	2017
Investments	\$ 453,285	\$ 418,253	\$ 422,888	\$ 416,623

Investments consist primarily of corporate and government bonds. Maturities are between 2018 - 2027 with effective interest rates of 1.14% to 5.25% (2017 - 1.14% to 5.25%).

2018 Investments contain \$4,716 (2017 - \$3,706) in restricted funds related to sinking funds accumulated to retire debt.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

7. Net Taxes Available For Municipal Purposes

	2018	2017
Gross Taxation Revenue Collected	\$ 427,498	\$ 415,436
Taxes collected on Behalf of Others:		
Saskatoon School Division No. 13	(122,936)	(120,534)
St. Paul's Roman Catholic Separate School Division No. 20	(44,992)	(44,689)
Business Improvement Districts	(1,182)	(1,144)
Net Taxes Available For Municipal Purposes	\$ 258,388	\$ 249,069
Comprised of:		
Municipal	254,221	242,886
Grants in Lieu	4,167	6,183
	\$ 258,388	\$ 249,069

The Education Act and *The Cities Act* set out the manner in which collection of taxes and trailer license fees are to be submitted to the School Boards and the Business Improvement Districts. As the City is acting as agent only for the collection of such taxes, these amounts are not reflected in the Schedule of Revenue and Expenses, nor are the Assets, Liabilities, and Fund Balances of these Boards included in the consolidated financial statements.

8. Accrued Pension Liability

The City administers six employee pension plans - the General Superannuation Plan ("General Plan"), the Saskatoon Police Pension Plan, the Police Superannuation Plan ("Police Plan"), the Saskatoon Firefighters' Pension Plan, the Fire and Protective Services Department Superannuation Plan ("Fire Plan"), and the Part-Time and Seasonal Employee Superannuation Plan ("Seasonal Plan"). Combined, these plans provide pension benefits for all eligible staff of the City. General, Police, and Fire Plans are contributory defined benefit plans. The Saskatoon Police Pension Plan and the Saskatoon Firefighters' Pension Plan are contributory target benefit plans. The Seasonal Plan is a defined contribution plan. In all Plans, contributions are made by Plan members and the City as stipulated by pension agreements. The defined benefit plans provide for a benefit that is integrated with the Canada Pension Plan, and is based on years of contributory service times a percentage of average earnings as defined by each plan. The Part-Time and Seasonal Employee Superannuation Plan provides a benefit based on the annuity that can be purchased with the funds in an employee's account (i.e. a money purchase plan).

The accrued pension obligation relates to the five main plans – the Retirement Plan for Employees of the City of Saskatoon Board of Police Commissioners, the Saskatoon Police Pension Plan, the Retirement Plan for Employees of the Fire and Protective Services Department of the City of Saskatoon, the Saskatoon Firefighters' Pension Plan and the General Superannuation Plan for City of Saskatoon employees not covered by the Police and Fire and Protective Services Departments Superannuation Plans. The General Plan provides for partial inflation protection on benefits accrued to December 31, 2000. Fire and Police plans have provided for partial ad hoc indexing from time to time in the past when deemed affordable through plan surpluses. The latest increase for eligible retired members of the Fire Plan was granted January 1, 2008 and the latest increase for retired members of the Police Plan was granted July 1, 2010. In accordance with the latest filed valuation reports, the average age of the 3,565 employees accruing service under the Plans is 41.92 years. At present, the Plans provide benefits for 2,001 retirees and surviving spouses; benefit payments were \$70,314 in 2018.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

8. *Accrued Pension Liability (continued)*

Employees make contributions in accordance with the following: General Plan 8.1 percent of salary below the year's maximum pensionable earnings (YMPE) and 9.7 percent above the YMPE; Fire Plan 10.9 percent of salary; Saskatoon Firefighters' Pension Plan 9 percent of salary; Police Plan 9 percent of salary; and Saskatoon Police Pension Plan 9 percent of salary while the City contributes an equal amount. In 2018, employee contributions for current and past service were \$25,583 (2017 - \$25,260), and the City's contributions were \$28,064 (2017 - \$27,452). A separate pension fund is maintained for each Plan. Pension fund assets are invested entirely in marketable investments of organizations external to the City. The accrued pension obligation at December 31 includes the following components:

	2018	2017
Accrued Benefit Obligation	\$ (1,371,397)	\$ (1,348,433)
Pension Fund Assets		
Marketable Securities	1,420,322	1,354,112
	48,925	5,679
Unamortized Actuarial Losses	(36,075)	(5,453)
Accrued Benefit Asset	12,850	226
Valuation allowance*	(27,081)	(17,416)
Net Carrying Value Of Accrued Benefit Liability	\$ (14,231)	\$ (17,190)

Actuarial valuations for accounting purposes are performed at least triennially using the projected benefit method prorated on services. The most recent valuations were prepared by AON Consulting as at December 31, 2018 for the General Plan, December 31, 2015 for the Fire Plan, January 1, 2016 for the Saskatoon Fire Fighters' Pension Plan, December 31, 2015 for the Police Plan and January 1, 2016 for the Saskatoon Police Pension Plan. The unamortized actuarial loss is amortized on a straight-line basis over the expected average remaining service life of the related employee groups applicable to each of the Plans which is 13 years on average.

The actuarial valuations were based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, and employee turnover and mortality. The assumptions used represent the City's best estimates.

The expected inflation rate is 2.25 percent for the five Plans. The discount rate used to determine the accrued benefit obligation is 6.5 percent for the General Plan, 6 percent for the Police Plan, 6.25 percent for the Saskatoon Police Pension Plan, 5.95 percent for the Fire Plan and 6.20 percent for the Saskatoon Fire Fighters' Pension Plan. The earnings increase rate is 3.25 percent for the General Plan, 3.25 percent for the Police Plan, 3.25 percent for the Saskatoon Police Pension Plan, 3.25 percent for the Fire Plan and 3.25 percent for the Saskatoon Fire Fighters' Pension Plan.

Pension fund assets are valued using a market-related value which amortizes realized and unrealized gains and losses over a five-year period. The expected rate of return on General Plan assets is 6.25 percent, on Police Plan assets is 6 percent, on Saskatoon Police Pension Plan assets is 6.25 percent, on Fire Plan assets is 5.95 percent and on Saskatoon Fire Fighters' Pension Plan assets is 6.20 percent. The actual rate of return on Plan assets in 2018 was 6.13 percent. The market value of assets at December 31, 2018 was \$1,372,546 (2017 - \$1,398,898).

Effective January 1, 2016, the Saskatoon Fire and Protective Services Department Superannuation and Saskatoon Police Superannuation plans were amended to close the plans to new entrants, freeze pensionable service, cease employee contributions and change the cost sharing arrangement in the plan such that the City assumes full responsibility for all past and future deficits in the plan.

The City's contributions to the defined contribution pension plan for Seasonal and Non-permanent Part-time Employees were \$362 in 2018 (2017 - \$599).

*The valuation allowance is comprised of \$19,324 for the General Plan, \$3,498 for the Fire Plan, and \$4,259 for the Police Plan.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

8. Accrued Pension Liability (continued)

The total expenditures related to pensions in 2018 include the following components:

	2018	2017
Current Period Benefit Cost	\$ 40,548	\$ 39,058
Less: Employee Contributions	(25,583)	(25,260)
Amortization of Actuarial Loss	1,280	3,973
Increase in valuation allowance	9,665	14,880
Pension Expense Excluding Interest	25,910	32,651
Interest Cost On The Average Accrued Benefit Obligation	82,025	78,626
Expected Return On Average Pension Plan Assets	(82,830)	(77,121)
Pension Interest Expense	(805)	1,505
Total Pension Expense	\$ 25,105	\$ 34,156

9. Accounts Payable And Accrued Liabilities

Included in accrued liabilities is \$8,571 (2017 - \$7,357) for the estimated total landfill closure and post closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2018, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post closure care activities discounted at the City's average long-term borrowing rate of 3.50 percent. The expense recorded with respect to landfill closure liability is recorded in the Consolidated Statement of Operations.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection, and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 35 year post-closure period using the best information available to management. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 57 percent - 6,718,347 cubic meters (2017 - 58 percent - 6,311,947 cubic meterse) of its total estimated capacity of 15,457,242 cubic meters and its estimated remaining life is 53 years (2017 - 49 years). The period for post closure care is estimated to be 35 years (2017 - 35 years).

The expected lifespan for the landfill has been estimated on the basis of waste diversion rates rising slowly. With the introduction of residential curbside recycling in 2013 and the beginning of multi-unit recycling in 2014, the 2018 diversion rate is 22.75%. The expected tonnes of total recyclable material captured is lower than originally anticipated because the increase in curbside and multi-unit collection was accompanied by a decrease in recycling depot tonnage. The optimization strategy for the landfill is based on the existing facility footprint.

The unfunded liability for the landfill will be paid for per the annual approved budget where capital expenses will be funded from the Landfill Reserve.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

10. Deferred Revenue

	2017	Externally Restricted Contributions Received	Revenue Recognized	2018
	\$	\$	\$	\$
Development Charges	\$ 49,566	\$ -	\$ 3,047	\$ 46,519
Federal Government Transfers	17,191	13,576	7,750	23,017
Ticket Sales and Other	18,434	-	2,410	16,024
Total	\$ 85,191	\$ 13,576	\$ 13,207	\$ 85,560

Development charges are fees levied on new development to help pay for the infrastructure required to service new growth. Deposits are received for various capital projects from land developers. These are included in the development charges listed above. In addition, deferred Federal Government transfers are externally restricted amounts that are recognized in revenue when the conditions of use are satisfied. Ticket sales and other amounts are a result of the City and its controlled enterprises receiving cash upfront for services they are to perform in the future.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

11. Term Debt

a. Net Term Debt

	2018	2017
Water Utility	\$ 23,290	\$ 30,328
Wastewater Utility	9,956	11,941
Gas Tax	9,975	16,628
Operating fund	110,699	120,456
Public Private Partnership ("P3") Term Debt (11b)	205,063	169,800
Total Term Debt (11c)	358,983	349,153
Sinking Funds Accumulated to Retire Debt	(4,716)	(3,706)
Net Term Debt	\$ 354,267	\$ 345,447

The long-term debt is repayable as follows:

2019	\$ 27,570
2020	24,446
2021	19,047
2022	19,709
2023-2043	268,211
Total	\$ 358,983

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

11. Term Debt (continued)

Interest rates range from 1.81% to 4.68% (2017 - 1.9% to 4.68%). All debt instruments have been issued in Canadian funds.

b. P3 Term Debt

During construction of the North Commuter Parkway and Traffic Bridge ("NCPTB") and the Civic Operations Centre ("COC"), the City recorded a portion of the project costs as assets under construction, using the construction costs to date and an equivalent liability to Graham Commuter Partners ("GCP") and Integrated Team Solutions ("ITS") respectively. The term debt represented the deferred capital payment portions of the project costs based on the terms of the agreement. The project was completed during 2018; the City is now amortizing the accumulated costs of the completed project over its useful life, expensing the annual interest cost and settling the long-term liability over the term of the project agreements. The City has \$205,063 (2017 - \$169,800) to be repaid by monthly interest and principal payments over 25 years at an interest rate of 4.5%. Principal is due 2041.

c. Components of Debt:

	2018	2017
Royal Bank Bankers' Acceptance Loan - offering rate plus spread of 0.20%, revolves quarterly at progressively smaller amounts until October 22, 2018 Matured October 22, 2018	\$ -	\$ 3,809
Royal Bank Bankers' Acceptance Loan - offering rate plus spread of 0.28%, revolves quarterly at progressively smaller amounts until March 24, 2025 (offering rate at December 31, 2018 was 2.2975%)	10,130	11,561
Royal Bank Bankers' Acceptance Loan - offering rate plus spread of 0.30%, revolves quarterly at progressively smaller amounts until February 9, 2032 (offering rate at December 31, 2018 was 2.210%)	39,981	42,402
Total	\$ 50,111	\$ 57,772

The above "Components of Debt" are included in the total Net Term Debt balance in Note 11a.

d. Regulations

The regulations under *The Cities Act* require that individual debenture issue bylaws be submitted, reviewed, and approved by the Saskatchewan Municipal Board ("SMB") with the exception that an urban municipality with a population greater than 30,000 can apply to the SMB for a debt limit. The City's debt limit is \$558,000 (2017-\$558,000) as approved by the SMB. The total interest paid by the City for debt in 2018 was \$12,126 (2017 - \$14,210).

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

12. Government Transfers

The following transfers have been included in revenues:

	2018	2017
Operating Transfers		
Federal	\$ 8,554	\$ (4,443)
Provincial	55,219	57,943
	63,773	53,500
Capital Transfers		
Federal	67,511	32,005
Provincial	29,893	39,236
	97,404	71,241
	\$ 161,177	\$ 124,741

13. Employee Benefits Payable

Vacation leave is credited to employees on a monthly basis based on contractual obligations. Such credits are accumulated from the period April 1 to March 31 and may not be taken in advance. Therefore, credits earned from April 1, 2018 to December 31, 2018 would normally be available to employees after April 1, 2019. The vacation payable balance as at December 31, 2018 is \$23,876 (2017 - \$23,067) and is included in employee benefits payable in the Statement of Financial Position.

The City operates a number of Sick Leave Benefit Plans as stipulated within agreements with the various Unions and Associations of employees. These plans are based on the accumulation of sick leave credits to a specified maximum, or are guaranteed long-term disability plans. For those Unions with accumulated sick leave plans, the employee is entitled to a cash payment under specified circumstances, including retirements, based upon a formula stipulated in the union agreement.

The total of vacation payable and accrued benefit obligation for the year ended December 31, 2018 amounts to \$42,763 (2017 - \$43,605).

Employee benefits payable are recorded as financial liabilities on the Consolidated Statement of Financial Position, offset by a reduction in fund balances. The total of these liabilities is as follows:

	2018	2017
	\$	\$
Accrued benefit obligation, beginning of year	\$ 20,538	\$ 19,214
Current period benefit cost	1,595	1,545
Interest on accrued benefit obligation	401	378
Less Benefits Paid	(871)	(599)
Actuarial gain	(2,776)	-
Accrued benefit obligation, end of year	\$ 18,887	\$ 20,538

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

14. *Committments And Contingent Liabilities*

a. Lawsuits

Various lawsuits and claims are pending by and against the City. Provisions have been made for any claims that are likely and the amount of the potential loss can be reasonably estimated. It is the opinion of management that final determination of any other claims will not materially affect the financial position of the City.

b. Contaminated Sites

A provision for remediation of known contaminated sites has been accrued in Accounts Payable and Accrued Liabilities in the amount of \$10,227 (2017 - \$12,306). The provision is based on expenses expected to be incurred over the next 10 years discounted using rates ranging from .75 percent to 1.42 percent. The liability reflects the City's best estimate as at December 31, 2018, of the amount that is required to remediate sites back to current environmental standards. Where possible, provisions for remediation are based on environmental assessments completed on a site. For sites where no assessment has been completed, estimates of the remediation are completed using the best information available for the site.

The liability for contaminated sites include sites associated with former industrial operations. The nature of contamination includes chemicals, heavy metals, salt and other organic and in-organic contaminants. The sources of the contamination include underground fuel storage tanks, hazardous materials storage and other industrial activities. Sites often have multiple sources of contamination.

c. NCPTB

The North Commputer Parkway Traffic Bridge (NCPTB) qualified for P3 funding from the Government of Canada and Province of Saskatchewan. On September 8, 2015 City Council announced that Graham Commuter Partners (GCP) has been chosen to design, build, finance, operate and maintain the NCPTB. The project was completed in 2018. GCP will operate and maintain the North Commuter Parkway and adjacent roadways until 2048 and will maintain the Traffic Bridge until 2048 (note 11b).

d. COC

On October 27, 2014, City Council announced that Integrated Team Solutions (ITS) will design, build, finance and maintain the Transit Operations Facility and a permanent Snow Management Facility both located at Civic Operations Centre (COC) Phase 1. Construction of Phase 1 was substantially complete late 2016 with move in early 2017. ITS will operate the new facility until fall 2041 (note 11b).

15. *Property Realized Reserve*

The Property Realized Reserve, which is included on Schedule 3, is reported net of all withdrawals. This practice does not recognize the value of assets for property purchased but not yet sold, or repayable advances of funds. At December 31, 2018, the gross value of the Property Realized Reserve is estimated to be \$179,186 (2017 - \$154,089) itemized as follows:

	2018	2017
Gross Value of Reserve, December 31	\$ 179,186	\$ 154,089
Advances Repayable from Future Revenue Fund Provisions	(3,351)	(4,109)
Property Purchased from Reserve and not yet re-sold (at estimated cost)	(135,101)	(119,079)
Net Balance of Reserve, December 31	\$ 40,734	\$ 30,901

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

16. Trust Funds

The City administers two trust funds, the Cemetery Perpetual Care Fund and the Group Insurance Trust Fund. The reserve balances in these trusts are \$5,079 (2017 - \$4,828) and \$1,391 (2017 - \$1,344), respectively.

17. Expenses By Object

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object of expenses:

	2018	2017
Wages and Benefits	\$ 331,350	\$ 327,544
Contracted and General Services	159,645	149,564
Heating, Lighting, Power, Water and Telephone	109,870	106,737
Materials, Goods and Supplies	27,200	24,019
Finance Charges	24,266	14,132
Donations, Grants and Subsidies	10,068	10,752
Amortization	141,617	133,991
Total	\$ 804,016	\$ 766,739

18. Tangible Capital Assets

	Net Book Value	
	2018	2017
Land	\$ 335,341	\$ 325,233
Land Improvements	178,851	176,719
Buildings	573,168	563,422
Roadways	1,387,499	1,073,831
Plant and Facilities	283,648	291,490
Underground Networks	1,030,574	1,009,466
Electrical Utility	220,593	215,479
Machinery and Equipment	19,356	18,408
Traffic Control	21,732	19,041
Vehicles	87,216	83,624
Other	22,550	22,133
	4,160,528	3,798,846
Assets under Construction	165,736	355,154
	\$ 4,326,264	\$ 4,154,000

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

18. Tangible Capital Assets (continued)

For additional information, see note 21 Consolidated Statement of Tangible Capital Assets. Contributed assets totaled \$33,898 (2017 - \$27,789) and were capitalized at their fair value at the time of receipt. Assets contributed during the year consisted primarily of infrastructure components, including sanitary sewer mains, storm water mains, water mains, grading, sidewalks, roadways and street lights.

19. Accumulated Surplus

	2018	2017
Fund Balances		
Funds to offset taxation or user charges in future years (Schedule 1)	\$ 106,459	\$ 93,961
Unexpended capital financing (Schedule 2)	(194,483)	(57,106)
Reserves (Schedule 3)	249,533	207,305
	161,509	244,160
Net Investment in Tangible Capital Assets		
Tangible Capital Assets	4,326,264	4,154,000
Capital outlay financed by long-term liabilities to be recovered in future years	(129,185)	(294,916)
Capital outlay financed by internal investments	(33,629)	(37,175)
	4,163,450	3,821,909
Total Accumulated Surplus	\$ 4,324,959	\$ 4,066,069

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

20. Segmented Information

The Consolidated Schedule of Segmented Disclosures - Note 20 has been prepared in accordance with PS2700 Segmented Disclosures. Segmented Disclosures are intended to enable users to better understand the government reporting entity as well as the major expense and revenue activities of the City. For each reported segment, revenues and expenses represent amounts directly or reasonably attributable to the segment.

The segments have been selected based on a presentation similar to that adopted for the municipal planning and budgeting processes.

Segments include:

i. Arts, Culture and Events Venue

Provides opportunities for citizens to participate in and enjoy the benefits of arts, culture and events.

ii. Community Support

Provides support and community investment to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighborhood based associations and organizations.

iii. Corporate Asset Management

Provides building operation and maintenance services for the City's buildings and structures and manages its fleet of vehicles and equipment.

iv. Corporate Governance and Finance

Provides administrative, human resources, information technology and finance supports for all other business lines.

v. Environmental Health

Preserves and protects the long-term health of our urban environment.

vi. Fire Services

Provides fire prevention, public fire and life safety education, emergency response, and the direction and coordination of the City's emergency planning and preparedness.

vii. Land Development

Operates on a level playing field with the private sector, and ensures adequate levels of services inventory for both residential and industrial land are maintained to meet demand.

viii. Policing

Works in partnership with the community to develop collaborative strategies to reduce crime and victimization. In partnership with City Council and the community, continues enforcement with proactive prevention, education, and early intervention strategies.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

20. Segmented Information (continued)

ix. Recreation and Culture

Provides opportunities for citizens to participate in and enjoy the benefits of sport, recreation, culture, and park activities.

x. Taxation and General Revenues

The property levy is the amount required from property taxes to balance the operating budget. This levy includes growth in the assessment roll over the previous year plus the requirements to fund the current year's budget. Supplementary taxes are levied on properties that were changed in the current taxation year and not a part of the original levy. Other corporate revenues, including the Municipal Operating Grant, are applied to the general fund and are included in this business line.

xi. Transportation

Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.

xii. Urban Planning and Development

A proactive approach to addressing future opportunities and pressures on our community that accommodates growth and change (e.g. population, diversity of public services and amenities, broader scope of education, research, business), while balancing long-term economic, environmental, and social needs and achieving the desired quality of life expressed by our citizens.

xiii. Utilities

Provides cost-effective and high-quality electricity (Saskatoon Light & Power), quality drinking water, treatment of wastewater, recycling, and storm water management (Water and Sewer).

xiv. Saskatoon Public Library

Provides library and programming services to citizens of all ages in a downtown branch as well as local branches in communities throughout the City.

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

20. Financial Activities by Segment

b. Surplus (Deficit) of Revenues over Expenses

i. 2018

	Arts, Culture & Events Venue	Community Support	Corporate Asset Mgmt.	Corporate Governance & Finance	Enviro Health	Fire	Police	Rec & Culture	Tax & General Revenues	Trans.	Urban Planning & Design	Land	Library	Utilities	\$
Revenues															
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 231,148	\$ -	\$ -	\$ -	\$ 23,073	\$ -	\$ 254,221
Grants in Lieu	-	-	-	-	-	-	-	-	-	-	-	1,261	-	2,906	4,167
User Charges	-	-	-	445	941	594	2,210	31,021	-	19,770	50	2,905	566	383,845	442,347
Government Transfers	596	459	75	6,819	102	-	9,026	703	43,382	93,422	2,535	-	670	3,388	161,177
Investment Income	-	-	-	13,537	-	-	-	-	-	-	-	-	-	-	13,537
Contribution from Developers	2,469	-	-	-	-	-	61	49,459	-	11	-	93,499	-	3,429	148,928
Other	-	795	3,085	619	6	512	94	27	5,058	5,824	6,454	-	-	16,055	38,529
Total Revenues	3,065	1,254	3,160	21,420	1,049	1,106	11,391	81,210	279,588	119,027	9,039	97,665	24,309	409,623	1,062,906
Expenses															
Wages and Benefits	8,846	3,210	2,930	33,304	9,990	43,908	81,653	27,631	215	53,061	9,649	1,714	12,548	42,691	331,350
Contracted and General Services	4,423	5,775	581	9,417	18,893	3,924	14,071	21,327	4,466	27,424	4,013	888	3,726	40,717	159,645
Donations, Grants and Subsidies	-	8,178	44	-	205	-	12	(200)	1,646	-	122	-	61	-	10,068
Heating, Lighting, Power, Water and Telephone	1,445	143	158	70	64	72	593	6,138	3	7,304	65	23	1,448	92,344	109,870
Materials, Goods and Supplies	1,315	305	89	236	835	3,925	3,471	2,205	-	6,584	63	(339)	1,986	6,525	27,200
Finance Charges	964	-	71	2,013	104	-	30	546	-	9,638	13	-	7	10,880	24,266
Amortization	153	90	7,840	914	21,970	1,260	3,504	7,427	-	71,125	7,102	7,307	100	12,825	141,617
Total Expenses	17,146	17,701	11,713	45,954	52,061	53,089	103,334	65,074	6,330	175,136	21,027	9,593	19,876	205,982	804,016
Surplus (Deficit) of Revenues over Expenses	\$ (14,081)	\$ (16,447)	\$ (8,553)	\$ (24,534)	\$ (51,012)	\$ (51,983)	\$ (91,943)	\$ 16,136	\$ 273,258	\$ (56,109)	\$ (11,988)	\$ 88,072	\$ 4,433	\$ 203,641	\$ 258,890

Notes to Financial Statements

For the Year Ended December 31, 2018

(in thousands of dollars)

20. Financial Activities by Segment (continued)

b. Surplus (Deficit) of Revenues over Expenses (continued)

ii. 2017

	Arts, Culture & Events Venue	Community Support	Corporate Asset Mgmt.	Corporate Governance & Finance	Enviro Health	Fire	Police	Rec & Culture	Tax & General Revenues	Transp.	Urban Planning & Design	Land	Library	Utilities
Revenues														
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,086	\$ -	\$ -	\$ -	\$ 22,800	\$ -
Grants in lieu	-	-	-	-	-	-	-	-	-	-	-	1,027	-	5,156
User Charges	-	-	-	-	4,582	512	2,409	24,670	-	13,501	509	2,414	248	365,664
Government Transfers	627	112	-	92	-	-	8,476	629	46,427	48,004	2,831	-	691	16,852
Investment Income	-	-	-	11,913	-	-	-	-	-	-	-	-	-	-
Contribution from Developers	10,652	-	-	-	-	-	151	33,898	-	-	722	40,696	34	34,884
Other	-	3,922	3,089	260	-	13	48	7,751	2,926	2,352	-	-	-	15,818
Total Revenues	11,279	4,034	3,089	12,265	4,582	525	11,084	66,948	269,439	63,857	4,062	44,137	23,773	438,374
Expenses														
Wages and Benefits	9,083	3,192	7,274	27,838	10,095	42,260	78,422	26,404	237	54,628	9,348	2,287	11,855	44,621
Contracted and General Services	2,125	4,845	10,165	7,332	21,212	3,777	12,823	19,323	3,941	25,649	2,881	867	3,739	30,885
Donations, Grants and Subsidies	-	8,589	47	-	187	-	12	305	1,460	-	69	-	83	-
Heating, Lighting, Power, Water and Telephone	1,336	125	233	153	87	62	599	6,151	3	6,776	59	22	1,369	89,762
Materials, Goods and Supplies	5,064	298	(1,710)	289	664	178	3,318	1,853	-	7,495	61	(390)	1,542	5,357
Finance Charges	989	-	71	275	678	-	28	454	-	(271)	14	-	5	11,889
Amortization	67	76	5,985	898	21,908	1,295	3,332	8,365	-	66,112	7,934	5,546	80	12,393
Total Expenses	18,664	17,125	22,065	36,785	54,831	47,572	98,534	62,855	5,641	160,389	20,366	8,332	18,673	194,907
Surplus (Deficit) of Revenues over Expenses	\$ (7,385)	\$ (13,091)	\$ (18,976)	\$ (24,520)	\$ (50,249)	\$ (47,047)	\$ (87,450)	\$ 4,093	\$ 263,798	\$ (96,532)	\$ (16,304)	\$ 35,805	\$ 5,100	\$ 243,467

21. Consolidated Schedule of Tangible Capital Assets

For the Year Ended December 31, 2018

(in thousands of dollars)

	Cost				Accumulated Amortization				Net Book Value			
									Tangible Capital Assets			
									End of Year			
	Opening Balance	Additions	Disposals	Write-Downs	Balance End of Year	Accumulated Amortization Beginning of Year	Accumulated Amortization on Disposals	Accumulated Amortization	Accumulated Amortization End of Year	2018 \$	2017 \$	
Land	\$ 325,233	\$ 10,108	\$ -	\$ -	\$ 335,341	\$ -	\$ -	\$ -	\$ -	335,341	\$ 325,233	
Land Improvements	330,402	12,696	-	-	343,098	153,683	-	10,564	164,247	178,851	176,719	
Buildings	703,024	23,824	-	-	726,848	139,602	-	14,078	153,680	573,168	563,422	
Roadways	1,806,664	373,568	(838)	-	2,179,394	732,833	76	59,138	791,895	1,387,499	1,073,831	
Plant and Facilities	410,619	3,561	-	-	414,180	119,129	-	11,403	130,532	283,648	291,490	
Underground Networks	1,352,267	41,282	(1,767)	-	1,391,782	342,801	71	18,478	361,208	1,030,574	1,009,466	
Electrical Utility	390,906	16,724	(2,373)	-	405,257	175,427	1,170	10,407	184,664	220,593	215,479	
Machinery and Equipment	37,589	3,644	-	-	41,233	19,181	-	2,696	21,877	19,356	18,408	
Traffic Control	32,365	3,857	-	-	36,222	13,324	-	1,166	14,490	21,732	19,041	
Vehicles	162,828	14,791	(6,457)	-	171,162	79,204	5,800	10,542	83,946	87,216	83,624	
Other Property, Plant and Equipment	100,804	3,682	(219)	-	104,267	78,671	99	3,145	81,717	22,550	22,133	
Assets under Construction	355,154	-	(189,418)	-	165,736	-	-	-	-	165,736	355,154	
Total	\$ 6,007,855	\$ 507,737	\$ (201,072)	\$ -	\$ 6,314,520	\$ 1,853,855	\$ 7,216	\$ 141,617	\$ 1,988,256	\$ 4,326,264	\$ 4,154,000	

Schedule1 - Schedule of Funds to Offset Taxation or User Charges in Future Years

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

		2018	2017
		\$	\$
Balance, Beginning of Year	\$	93,961	\$ 83,123
Transfer to Revenue Stabilization Reserve		3,100	(653)
Decrease (increase) in Employee Benefit Payable		842	(2,139)
Decrease (Increase) in Landfill Closure/Post Closure Care Liability		(1,214)	(1,439)
Increase in Accrued Debt Principal		9,830	30,382
Decrease (Increase) in Accrued Pension Liability		2,959	(12,213)
Deficit for the Year (Schedule 4)		(3,019)	(3,100)
<i>Balance, End of Year</i>	\$	106,459	\$ 93,961

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Schedule 2 - Schedule of Capital Operations

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Source of funds			
Province of Saskatchewan	\$ -	\$ 26,456	\$ 32,106
Federal Gas Tax Program	-	649	199
Government of Canada	-	2,701	14,087
Transport Canada	-	55,492	3,179
Federal Transit Funding Program	-	4,908	9,513
Building Canada Fund (FED)	15,000	3,749	5,027
Building Canada Fund (PROV)	-	3,570	4,628
Federation of Canadian Municipalities	80	150	-
Taxation	230	2,249	82
Utility Contribution	1,360	7,766	7,011
Contributions from Developers	45,466	38,097	24,251
Appropriations			
Reserves	232,691	190,906	156,978
Library Capital Reserve	200	-	-
	295,027	336,693	257,061
Expenses			
Community Support	315	412	625
Corporate Asset Management	29,036	18,398	118,042
Corporate Governance and Finance	17,130	3,633	2,068
Environmental Health	28,838	5,173	3,123
Fire	678	2,256	5,561
Library	200	-	-
Police	12,202	2,333	2,672
Recreation and Culture	28,232	39,900	15,229
Saskatoon Land	49,677	29,054	42,237
Transportation	44,393	304,238	97,489
Urban Planning & Development	3,065	5,707	2,996
Utilities	87,828	62,966	76,229
	301,594	474,070	366,271
Decrease in Unexpended Capital Financing	(6,567)	(137,377)	(109,210)
Unexpended Capital Financing, Beginning of Year	-	(57,106)	52,104
Unexpended Capital Financing, End of Year	\$ (6,567)	\$ (194,483)	\$ (57,106)

Schedule 3 - Schedule of Reserves

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018	2017
	\$	\$
Replacement		
Albert Community Centre	\$ 50	\$ 25
Automated Garbage Containers	(29)	7
Access Transit	542	22
Boards:		
TCU Place	4,614	4,388
Saskatoon Public Library	6,572	5,783
SaskTel Centre	599	664
Buildings and Grounds Equipment	134	118
Bus Replacement	1,495	1,061
Civic Radio Reserve	20	10
Civic Vehicles and Equipment	5,829	3,559
Computer Equipment	1	25
Fire Apparatus	1,047	982
Fire Equipment	667	451
Grounds Maintenance Equipment Acquisition	2	27
Infrastructure Replacement:		
Parks	552	(168)
Storm Water Management	1,857	2,008
Surface Improvements	(133)	305
Water and Sewer Replacement	5,257	1,255
Landfill	1,282	(544)
Leisure Service Equipment	1,164	969
Paved Roadways Infrastructure	87	1,098
Photocopy Machine	226	206
Police - Vehicle/Radio	243	275
Radio Trunking	103	241
Saskatoon Light & Power	7,741	8,650
Wastewater Collection/Treatment	1,209	1,828
Water Utility	1,967	1,842
Weigh Scales	1	181
Balance, End of Year	\$ 43,099	\$ 35,268

Schedule 3 - Schedule of Reserves

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018	2017
	\$	\$
Future Expenses		
Animal Services	\$ 47	\$ 127
Animal Trading - Zoo	-	59
Active Transportation Reserve	14	14
Affordable Housing - Operating	29	497
Arbor Creek Parks	31	39
Boards:		
TCU Place	6,331	5,427
Saskatoon Public Library	31,070	27,609
Rimai Modern Art Gallery	7,646	8,737
SaskTel Centre	9,630	6,886
Bridge Major Repairs	16,164	10,314
Building Permits/Inspections	6,269	7,620
Campsite	135	139
Business Licensing Stabilization	286	142
Cemetery	670	580
Civic Buildings Comprehensive Maintenance	541	821
Civic Hospitality	215	199
Community Support Grant	99	112
Corporate Capital	239	1,133
Corporate Information Systems Development	10	39
Cosmo Stabilization	30	30
Cultural Capital	185	86
Dedicated Lands	725	1,922
Dedicated Roadways	968	689
Downtown Housing	1,128	1,293
Errors and Omissions	442	442
Facade Conservation and Enhancement	89	126
Fire Department Uniforms	127	231
Fiscal Stabilization	1,998	5,022
Forestry Farm	66	108
Fuel Stabilization	354	1,325
General Voting	454	289
Golf Course Capital	60	525
Heritage Fund	131	141

Schedule 3 - Schedule of Reserves

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018	2017
	\$	\$
Holiday Park Golf Course Development	209	158
Idylwyld Drive Maintenance	28	27
Insurance Deductible	1,373	1,809
Interest Stabilization	1,416	1,926
Lakeridge Ponding	57	57
Land Bank	(21,741)	(13,759)
Land Operations	3,673	3,626
Neighbourhood Park Enhancement	325	473
Parking Facilities	361	297
Parks Grounds Maintenance Stabilization	-	140
Pest Control	1	68
Police Equipment	(178)	(116)
Police Facilities Major Repair	96	381
Planning Levy	47	68
Prepaid Services	57,251	16,825
Property Realized	40,734	30,901
Public Works Building	193	154
Recycling Utility Stabilization	729	472
Reserve for Capital Expenditures	2,068	2,260
River Landing Capital	446	373
S'toon Minor Football Field Stabilization	20	33
Saskatoon Light & Power Distribution Extension	582	417
Saskatoon Light & Power Revenue Stabilization	2,614	2,496
Saskatoon Soccer Capital	1,577	1,326
Sign Shop Equipment Acquisition	134	205
Snow & Ice Contingency	3,611	3,113
Snow & Ice Equip Acquisition	282	17
Special Events	1,502	1,750
Sports Participation	131	115
Storm Water Management Utility Stabilization	2,056	1,753
Streetscape	2,655	1,887
Street Cleaning/Sweeping Acquisition	211	185
Sundry	5,392	5,854
Traffic Noise Attenuation	271	1
Traffic Safety	30	242
Transportation Infrastructure Expansion	(32)	236
Transit Capital	889	214

Schedule 3 - Schedule of Reserves

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018	2017
	\$	\$
Vehicle and Equipment	500	4,010
Warranty	2,184	2,135
Waste Minimization	362	205
Wastewater Collection/Treatment Capital	989	3,627
Water and Wastewater Utility Stabilization	5,648	9,935
Water Capital Projects	1,555	3,418
Balance, End of Year	206,434	172,037
Total Reserves, End of Year	\$ 249,533	\$ 207,305

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Schedule 4 - Schedule of Revenues and Expenditures

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Taxation	\$ 231,689	\$ 231,149	\$ 220,086
Grants in Lieu of Taxes	41,532	41,439	38,744
General Revenues	96,388	99,307	93,963
User Fees	55,300	52,847	51,968
Transfers from Other Government (Grants)	61,539	62,505	64,813
Land Administration Fee	4,179	2,905	2,415
Total Revenues for the Year (Appendix 1)	490,627	490,152	471,989
Expenses			
Arts, Culture and Events Venue	7,727	7,657	7,183
Community Support	17,798	17,569	18,027
Corporate Asset Management	11,303	14,240	11,751
Corporate Governance and Finance	45,265	48,189	40,230
Debt Servicing Costs	28,982	29,135	29,461
Environmental Health	19,531	20,552	18,566
Fire	49,112	49,209	47,478
Land Development	4,180	1,188	2,415
Police	99,354	100,635	96,927
Recreation and Culture	53,658	52,310	51,069
Taxation and General Revenues	7,323	7,766	7,605
Transportation	132,651	132,357	131,555
Urban Planning & Development	13,743	12,364	12,822
Total Expenses for the Year (Appendix 2)	490,627	493,171	475,089
Deficit	\$ -	\$ (3,019)	\$ (3,100)

Appendix 1 - Schedule of Revenues

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Taxation			
Property Levy	\$ 231,240	\$ 230,669	\$ 219,617
Municipal Services Agreement	281	316	298
Trailer Occupancy	97	95	103
Amusement	71	69	68
	231,689	231,149	220,086
Gants in Lieu of Taxes			
Senior Governments and Agencies	6,200	6,823	6,195
Own Utilites - Saskatoon Light & Power	34,432	22,693	22,035
Own Utilities-Water	-	5,935	5,491
Own Utilites-Wastewater	-	4,727	3,996
Land Bank Program	900	1,261	1,027
	41,532	41,439	38,744
General Revenues			
R.M. of Corman Park	180	461	246
Licence and Permits	8,294	7,204	8,223
Fines and Penalties	12,472	12,719	10,462
Automated Enforcement Fines	2,500	2,028	2,145
Property Rentals	2,845	3,086	3,089
Franchise Fees	14,120	16,055	15,818
Interest Earnings	11,496	12,171	10,402
Tax Penalties	2,050	2,504	2,267
Other Revenue	466	1,114	521
Utility Return on Investment	32,510	32,510	31,335
Administration Recovery	9,455	9,455	9,455
	96,388	99,307	93,963
User Fees			
Legal Fees	\$ 325	\$ 292	\$ 315
Tax Searches and Enforcement	215	153	169
Police	1,789	2,210	2,409
Fire	783	594	512
Engineering	367	365	323
Parking	6,210	6,698	6,613
Solid Waste Management	5,180	4,803	4,577
Environmental Protection	-	3	6
Transportation	230	246	235

Appendix 1 - Schedule of Revenues

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Cemetery	1,319	1,161	1,314
Planning	308	244	186
Tourist Campsite	637	542	596
Forestry Farm Park	1,026	1,171	1,088
Potash Corp Playland	586	413	469
Albert Community Centre	157	195	191
Marr Residence	1	-	-
Swimming Pools	482	464	461
Golf Courses	4,045	3,263	3,298
Skating Rinks	2,278	2,236	2,269
Rentals	6,537	6,488	6,234
Programming	6,645	6,075	6,054
Outdoor Sports Fields	641	737	695
Transit	14,274	13,523	13,266
River Landing	1,265	971	688
	55,300	52,847	51,968
Transfers From Other Government (Grants)	61,539	62,505	64,813
Land Administration Fee	4,179	2,905	2,415
Total Revenues	\$ 490,627	\$ 490,152	\$ 471,988

Appendix 2 - Schedule of Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Land Development			
Saskatoon Land	\$ 4,180	\$ 1,188	\$ 2,415
Arts, Culture & Events Venues			
Community Development	5,475	5,475	5,079
SaskTel Center	548	478	444
TCU Place	1,704	1,704	1,660
	7,727	7,657	7,183
Community Support			
Cemeteries	1,544	1,547	1,587
Animal Services	1,348	1,351	1,323
Community Development	3,698	3,702	3,540
Community Investments & Supports	11,208	10,969	11,577
	17,798	17,569	18,027
Corporate Asset Management			
City-Owned Property - Land	2,343	3,930	2,353
Facilities Management	8,960	10,336	9,398
Fleet Services	-	(26)	-
	11,303	14,240	11,751
Debt Servicing Costs			
Debt Charges	28,982	29,135	29,461
Corporate Governance and Finance			
Assessment & Taxation	3,543	3,174	3,060
City Clerk's Office	2,690	2,619	2,503
City Manager's Office	680	678	650
City Solicitor's Office	2,331	2,472	2,025
Corporate Support	19,898	20,188	18,769
Financial Services	3,586	3,569	3,595
General Services	8,108	11,458	5,638
Legislative	1,586	1,446	1,382
Revenue Services	2,106	1,853	1,909
Service Saskatoon	737	732	699
	45,265	48,189	40,230

Appendix 2 - Schedule of Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Environmental Health			
Waste Handling Services	13,357	14,378	12,655
Waste Reduction & Resource Recovery	1,058	1,073	1,083
Pest Management	991	984	903
Environmental Program	492	496	492
Urban Forestry	3,633	3,621	3,433
	19,531	20,552	18,566
Fire			
Emergency Measures	424	425	345
Fire Services	\$ 48,688	\$ 48,784	\$ 47,133
	49,112	49,209	47,478
Police			
Saskatoon Police Services	99,354	100,635	96,927
Recreation and Culture			
Marketing Services	635	633	610
Forestry Farm Park	2,676	2,905	2,717
Playground & Recreation Areas	857	893	874
PotashCorp Playland	587	412	468
Albert Community Centre	239	193	201
Marr Residence	23	31	35
Outdoor Pools	1,373	1,283	1,205
Golf Courses	4,045	3,263	3,299
Indoor Rinks	2,499	2,517	2,528
Leisure Centers - Rentals	10,838	10,511	10,241
Leisure Centers - Program	11,203	11,278	10,864
Spectator Ballfields	163	158	158
Outdoor Sports Fields	1,160	1,138	1,058
Parks Maintenance & Design	14,182	14,315	14,290
River Landing	1,266	971	689
Targetted Programming	598	573	564
Gordon Howe Campsite	636	541	596
Community Partnerships	438	464	447
Program Research & Design	240	231	225
	53,658	52,310	51,069

Appendix 2 - Schedule of Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Taxation & General Revenues			
Fines and Penalties	5,934	6,627	5,722
General Revenues	(511) \$	(511)	(103)
Other Levies	1,235	1,004	1,340
Property Levy	665	646	646
	7,323	7,766	7,605
Transportation			
Transit Operations	41,197	41,730	41,424
Access Transit	5,440	5,566	5,217
Transportation Services	7,302	6,795	6,979
Road Maintenance	43,510	43,010	42,822
Snow & Ice Management	13,235	12,836	13,053
Street Cleaning/Sweeping	4,239	4,287	4,521
Bridges, Subways, Overpasses	6,142	6,007	6,069
Street Lighting	7,085	6,819	6,477
Parking	3,371	4,143	3,958
Engineering	762	774	658
Impound Lot	368	390	377
	132,651	132,357	131,555
Urban Planning & Development			
Attainable Housing	423	424	287
Business Improvement Districts	108	108	108
Development Review	1,244	1,215	1,159
Regional Planning	446	445	343
Bylaw Compliance	765	666	668
Long-Range Plannin	219	217	181
Neighborhood Planning	741	599	507
Research & Mapping	466	453	419
Urban Design	2,485	2,469	2,470
Building and Plumbing Permits & Standards	5,688	4,682	5,651
Business License	1,158	1,086	1,029
	13,743	12,364	12,822
Total Expenses	\$ 490,627	\$ 493,171	\$ 475,089

Appendix 3 - Water Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Metered	\$ 65,946	\$ 64,251	\$ 60,413
Infrastructure Levy	15,217	15,105	14,864
Miscellaneous	260	299	319
Fire Protection Charge	715	715	715
Late Payment Penalties	160	177	185
	82,298	80,547	76,496
Expenses			
General	10,542	10,439	10,042
Laboratory	671	540	464
Treatment and Pumping	12,810	12,238	10,690
Buildings and Grounds	914	748	737
Meters	1,805	1,669	1,600
Watermains	8,642	9,383	9,115
Hydrants	1,321	1,377	1,600
Services	3,381	3,638	2,842
Contribution to Capital Reserves	24,381	24,177	22,741
Debt Charges	13,278	13,198	11,923
	28,983	29,053	26,272
Surplus Before Transfer from Reserve	53,315	51,494	50,224
Transfer to Stabilization Reserve	(4,553)	(3,140)	(4,742)
Surplus	\$ 48,762	\$ 48,354	\$ 45,482

Appendix 4 - Wastewater Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Metered	\$ 52,523	\$ 50,317	\$ 42,881
Infrastructure Levy	25,013	24,835	24,452
Late Payment Penalties	108	118	123
Miscellaneous	1,215	1,524	1,444
Flood Protection Levy	170	278	-
	79,029	77,072	68,900
Expenses			
General	8,339	8,085	7,406
Heavy Grit Facility	394	291	133
Laboratory	680	593	556
Lift Stations	1,954	1,824	1,586
Pollution Control Plant	7,907	7,984	6,718
Sludge Handling & Disposal	2,031	1,462	1,443
Sewer Engineering	479	434	429
Sewer Inspections	692	438	533
Sewer Maintenance	5,017	4,701	4,296
Sewer Connections	2,235	2,126	1,699
Debt Charges	6,370	6,370	6,084
Contribution to Capital Reserves	39,634	39,450	33,048
	75,732	73,758	63,931
Surplus Before Transfer from Reserve	3,297	3,314	4,969
Transfer To Stabilization Reserve	(3,297)	(3,314)	(4,969)
Surplus	\$ -	\$ -	\$ -

Appendix 5 - Storm Water Management Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Metered	\$ 6,360	\$ 6,534	\$ 6,208
Late Payment Penalties	12	12	13
	6,372	6,546	6,221
Expenses			
General	225	220	234
Storm Sewers Engineering	452	313	304
Storm Sewer Maintenance	2,017	2,305	1,934
Drainage	950	692	760
Operating Utility-Transfer to Reserves	2,728	2,728	2,696
	6,372	6,258	5,928
Surplus Before Transfer from Reserve	-	288	293
Transfer to Stabilization Reserve	-	(288)	(293)
Surplus	\$ -	\$ -	\$ -

Appendix 6 - Saskatoon Light & Power Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Metered	\$ 158,424	\$ 151,233	\$ 146,863
Municipal Surcharge	15,842	15,146	14,686
Service Connection Fee	425	418	398
Miscellaneous	681	813	691
Landfill Gas Generation	1,296	938	919
Tax Collection Commission	-	-	2
Late Payment Penalties	300	295	309
	176,968	168,843	163,868
Expenses			
General	5,468	5,046	27,233
Equipment	-	75	(105)
Custom Work	17	11	33
Power Purchased	94,300	88,661	86,473
Buildings and Grounds	792	699	542
Poles, Lines, and Feeders	6,006	5,437	5,408
Substations	1,245	978	1,063
Street Lighting	1,740	1,592	1,464
Meters	1,429	1,069	1,047
System Operations	172	106	146
Landfill Gas Generation	1,296	937	920
Util Op-SLP Prov for Cap Ext	6,250	6,250	5,816
Provision for Capital Replacement	9,826	9,826	7,694
	128,541	120,687	137,734
Surplus Before Transfer from Reserve	48,427	48,156	26,134
Transfer to Stabilization Reserve	(24,660)	(25,459)	(1,474)
Surplus	\$ 23,767	\$ 22,697	\$ 24,660

Appendix 7 - Waste Services Utility Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Revenues			
Residential Recycling	\$ 4,622	\$ 4,646	\$ 4,482
Compost	26	94	903
Multi Unit Recycling	2,567	2,580	2,599
Leaves and Grass	412	479	409
	7,627	7,799	8,393
Expenses			
General	438	722	1,546
Contractor Services	6,849	6,662	6,415
Contribution to Capital Reserve	-	157	172
	7,287	7,541	8,133
Surplus Before Transfer from Reserve	340	258	260
Transfer to Stabilization Reserve	(340)	(258)	(260)
Surplus	\$ -	\$ -	-

Appendix 8 - Land Operations Statement of Revenues and Expenses

For the Year Ended December 31, 2018

(in thousands of dollars)

(unaudited)

	2018 Budget	2018	2017
Land Sale Revenue			
Single, Multi-Family & Commercial	\$ 63,862	\$ 29,735	\$ 33,540
Industrial / Suburban Centre	7,500	19,253	7,143
	71,362	48,988	40,683
Cost of Land Sold			
Single, Multi-Family & Commercial	42,420	18,069	21,522
Industrial / Suburban Centre	4,224	11,439	4,666
	46,644	29,508	26,188
Net Sales	24,718	19,480	14,495
Other Revenue			
Rock Sales	-	-	104
Cost Recoveries	-	6	198
Property Lease	2,278	2,646	2,561
Interest	32	324	343
Total Other Revenue	2,310	2,976	3,206
Other Expenses			
Salaries & Benefits	1,815	1,535	1,448
Operating Expenses	714	575	642
Grants in Lieu of Taxes	925	1,303	1,075
Maintenance	266	236	242
Interest	883	850	978
Marketing	1,183	1,192	894
Contribution to Reserves	1,769	961	748
Total Other Expenses	7,555	6,652	6,027
Surplus	\$ 19,473	\$ 15,804	\$ 11,674

Consolidated Revenues and Expenses

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Consolidated Revenues					
Taxation	254,221	242,886	227,493	213,232	196,367
Grants in Lieu of Taxes	4,167	6,183	5,275	4,986	4,328
User Charges	442,347	414,509	392,543	379,082	360,813
Government Transfers	161,177	137,373	115,722	91,949	81,253
Investment Income	13,537	11,913	13,025	13,708	13,475
Contribution from Developers	148,928	121,037	94,051	196,143	168,324
Franchise Fees	16,055	15,818	21,701	21,616	15,250
Other	22,324	7,729	22,610	25,109	29,451
Federation of Canadian Municipalities	150	-	-	80	-
Total Revenues	1,062,906	957,448	892,420	945,905	869,261
Expenses					
Arts, Culture and Events Venues	10,454	11,959	6,226	5,661	4,878
Community Support	17,706	17,154	21,328	17,553	15,085
Corporate Asset Management	5,672	(7,902)	(5,792)	(7,867)	(7,058)
Corporate Governance & Finance	48,791	38,429	56,818	47,526	30,424
Debt Servicing Costs	12,127	14,132	16,465	14,795	19,200
Environmental Health	54,553	52,581	38,754	51,235	31,649
Fire	49,972	47,737	47,841	45,831	44,486
Land Development	8,006	26,060	1,972	1,974	1,729
Library	23,521	23,035	18,159	19,100	21,868
Police	104,558	102,199	99,926	104,043	90,334
Recreation and Culture	69,142	65,598	75,940	76,084	75,543
Taxation & General Revenues	7,040	6,697	3,672	4,681	3,491
Transportation	179,942	159,823	142,924	136,226	136,826
Urban Planning & Development	26,706	24,345	19,601	20,293	22,044
Utilities	185,826	184,892	161,732	198,376	177,195
Total Expenses	\$ 804,016	\$ 766,739	\$ 705,566	\$ 735,511	\$ 667,694
Surplus of Revenues over Expenses	\$ 258,890	\$ 190,709	\$ 186,854	\$ 210,394	\$ 201,567

Summary of Revenues

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Taxation	231,149	220,086	206,562	193,806	178,318
Grants in Lieu of Taxes	41,439	38,744	36,524	34,708	33,135
General Revenues	100,043	93,963	95,163	91,357	83,977
User Fees	52,847	51,968	50,005	49,328	48,847
Transfers from Other Governments	62,505	64,813	66,546	65,318	62,949
Land Development	2,905	2,415	2,086	3,590	7,024
	\$ 490,888	\$ 471,989	\$ 456,886	\$ 438,107	\$ 414,250

Summary of Expenses

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Land Development	1,188	2,415	2,086	3,590	7,024
	7,657	7,183	7,206	5,841	4,703
Community Support - Operating	17,569	18,027	16,001	15,944	14,388
Corporate Asset Management - Operating	14,240	11,751	11,725	10,010	10,799
Debt Servicing Costs	29,135	29,461	27,787	26,884	29,355
Corporate Governance & Finance	48,189	40,230	38,152	37,421	33,026
Environmental Health - Operating	20,552	18,566	19,127	18,622	18,456
Fire - Operating	49,209	47,478	47,120	45,955	43,944
Police	100,635	96,927	93,280	89,949	85,779
Recreation and Culture - Operating	52,310	51,069	49,623	47,930	45,881
Taxation and General Revenues - Operating	7,766	7,605	7,809	6,840	5,872
Transportation - Operating	132,357	131,555	123,242	112,497	99,992
Urban Planning and Development - Operating	12,364	12,822	13,075	14,565	14,405
	\$ 493,171	\$ 475,089	\$ 456,233	\$ 436,048	\$ 413,624

Summary of Capital Operations

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Sources of Funds					
Province of Saskatchewan	\$ 26,456	\$ 32,106	\$ 1,830	\$ 8,040	\$ 165
Federal Gas Tax Program	649	199	-	-	-
Provincial Building Communities Program	-	-	921	-	2,274
Urban Highway Connector Program	-	-	226	678	473
Government of Canada	2,701	14,087	46	57	16
Transport Canada	55,492	3,179	38,582	-	-
Federal Transit Funding Program	4,908	9,513	11	2,380	3,510
Federal Gateway and Border Crossings	-	-	-	2,056	2,961
Building Canada Fund (FED)	3,749	5,027	2,599	3,965	6,673
Building Canada Fund (PROV)	3,570	4,628	2,599	4,136	529
Federation of Canadian Municipalities	150	-	-	-	-
FCM Green Fund Grant	-	-	-	-	28
Western Economic Diversification	-	-	-	-	130
Taxation	2,249	82	2,945	3,932	4,543
Utility Contribution	7,766	7,011	6,045	5,809	8,061
Contributions from Developers Benefiting Property Owners and Other Users	38,097	24,251	29,468	60,532	41,432
Appropriations					
Reserves	190,906	156,978	178,361	170,628	251,083
	\$ 336,693	\$ 257,061	\$ 263,633	\$ 262,213	\$ 321,878
Application of Funds					
Community Support	412	625	366	326	(519)
Corporate Asset Management	18,398	118,042	55,170	24,499	16,200
Corporate Governance & Finance	3,633	2,068	1,035	1,532	2,238
Environmental Health	5,173	3,123	2,942	2,351	4,580
Fire	2,256	5,561	1,797	1,492	93
Police	2,333	2,672	2,885	3,255	4,814
Recreation and Culture	39,900	15,229	24,539	60,172	46,210
Transportation	304,238	97,489	60,875	70,363	44,897
Urban Planning & Development	5,707	2,996	13,629	12,027	11,685
Saskatoon Land	29,054	42,237	58,842	98,297	114,123
Utilities	62,966	76,229	52,634	55,999	62,225
	474,070	366,271	274,714	330,313	306,546
Increase (Decrease) in Unexpended Capital Financing	\$ (137,377)	\$ (109,210)	\$ (11,081)	\$ (68,100)	\$ 15,332
Unexpended Capital Financing, Beginning of Year	(57,106)	52,104	61,985	130,085	114,753
Unexpended Capital Financing, End of Year	\$ (194,483)	\$ (57,106)	\$ 50,904	\$ 61,985	\$ 130,085

Summary of Public Utilities Operating Results

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Net surplus after deducting operating expenses, debt charges and contributions to reserves:					
Saskatoon Light & Power	\$ 22,697	\$ 24,660	\$ 23,063	\$ 21,319	\$ 23,408
Net Surplus	22,697	24,660	23,063	21,319	23,408
Amount contributed by Utilities to Revenue as Return on Investment	\$ 22,697	\$ 24,660	\$ 23,063	\$ 21,319	\$ 23,408

Summary of Reserves and Surplus

For the Years Ended December 31, 2018 to 2014

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Reserves					
Property Realized	\$ 40,734	\$ 30,901	\$ 21,717	\$ 27,792	\$ 28,955
Replacement	43,099	34,604	26,881	18,092	(20)
Future Expenses	165,700	141,136	109,765	93,009	55,135
Surplus (Deficit)	(3,019)	(3,100)	653	2,058	553
	\$ 246,514	\$ 203,541	\$ 159,016	\$ 140,951	\$ 84,623

Summary of Term Debt and Required Sinking Fund Consolidation of All Obligations

As at December 31, 2018 to 2014

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Total Term Debt	\$358,983,525	\$ 349,153,177	\$ 318,771,454	\$ 263,051,368	\$ 238,103,885
	358,983,525	349,153,177	318,771,454	263,051,368	238,103,885
Population Estimate at July 31 (1)	278,500	273,010	266,064	262,900	257,300
Gross Debt Per Capita	\$ 1,289	\$ 1,278	\$ 1,198	\$ 1,001	\$ 925
Net Debt Per Capita	\$ 1,272	\$ 1,265	\$ 1,188	\$ 994	\$ 922
Mill Rate Supported Debt	\$ 397	\$ 441	\$ 488	\$ 529	\$ 514
Legal Debt Limit	\$ 558,000	\$ 558,000,000	\$ 558,000,000	\$ 558,000	\$ 558,000
Debt servicing costs as a percentage of total expenses	1.53 %	1.86 %	1.72 %	1.46 %	1.07 %

(1) Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

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Summary of Term Debt and Required Sinking Fund By Responsibility Centre

For the Year Ended December 31, 2018

(unaudited)

	2018	2017
	\$	\$
Waterworks Utility	\$ 23,290,018	\$ 30,327,183
Wastewater Utility	\$ 9,955,420	\$ 11,941,150
Gas Tax	\$ 9,974,638	\$ 16,627,895
P3	\$ 205,064,241	\$ 169,800,486
Total Debt Not Supported by Civic Mill Rate	\$ 248,284,317	\$ 228,696,714
Total Civic Mill Rate Debt	\$ 110,699,208	\$ 120,456,463
Total Term Debt	\$ 358,983,525	\$ 349,153,177
Sinking Funds Accumulated to Retire Debt	\$ (4,715,417)	\$ (3,706,357)
Net Debt	\$ 354,268,108	\$ 345,446,820
Population Estimate at Dec. 31 (2)	278,500	273,010
Gross Debt Per Capita	\$ 1,289	\$ 1,278
Net Debt Per Capita	\$ 1,272	\$ 1,265
Mill Rate Supported Debt	\$ 397	\$ 441

(1) All figures are based on book values and have not been adjusted for foreign currency exchange.

(2) Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

Term Debt Maturing With Percentages

As at December 31, 2018

(unaudited)

Year	Long-Term Debt Maturing \$	Percentage Yearly \$	Percentage Reduction Accumulated \$
2019	\$ 27,569,873	14.46 %	14.46 %
2020	24,445,654	12.27 %	26.73 %
2021	19,047,460	8.52 %	35.25 %
2022	19,708,554	8.77 %	44.02 %
2023	15,488,065	5.85 %	49.86 %
2024	14,296,339	4.88 %	54.74 %
2025	9,977,125	2.48 %	57.22 %
2026	8,961,424	2.00 %	59.22 %
2027	9,278,425	2.06 %	61.28 %
2028	9,650,604	2.12 %	63.41 %
2029	10,041,427	2.19 %	65.60 %
2030	10,451,047	2.25 %	67.85 %
2031	10,452,169	2.32 %	70.17 %
2032	8,101,886	0.59 %	70.76 %
2043	161,513,473	29.24 %	100.00 %
Total Debt	358,983,525	100.00 %	
Sinking funds accumulated to retire debt	(4,715,417)	-	-
Net Debt	\$354,268,108	- %	

Summary of Property Assessment and Tax Levy

For the Years Ended December 31, 2018 to 2014

(unaudited)

	2018*	2017	2016	2015	2014*
	\$	\$	\$	\$	\$
Gross Assessments	\$ 45,895,563,135	\$33,857,081,395	\$33,140,448,115	\$32,187,650,200	\$ 30,448,361,645
Exemptions	10,430,652,235	7,600,970,280	7,549,330,626	7,394,587,326	7,137,299,775
Assessed Value for Taxation	\$ 35,464,910,900	\$26,256,111,115	\$25,591,117,489	\$24,793,062,874	\$ 23,311,061,870
	Mills	Mills	Mills	Mills	Mills
Tax Rate:					
General	6.54	7.92	7.63	7.26	6.79
Library	0.65	0.80	0.77	0.74	0.72
Education:					
Public Board/Separate Board	4.12	5.03	5.03	5.03	5.03
Total	11.31	13.75	13.43	13.03	12.54
	\$ 417,131,289	\$ 389,321,440	\$ 371,481,264	\$ 348,734,339	\$ 325,598,386
Property Roll Collections:					
Current	\$ 422,067,470	\$ 380,850,825	\$ 362,771,314	\$ 340,692,675	\$ 318,630,299
Arrears	10,188,342	8,470,615	8,709,950	8,041,664	6,968,087
Total Collected	\$ 432,255,812	\$ 389,321,440	\$ 371,481,264	\$ 348,734,339	\$ 325,598,386
Percentage of Levy Collected:					
Current	96.98 %	95.65 %	95.84 %	96.44 %	96.19 %
Current and Arrears	96.84 %	95.39 %	95.67 %	96.05 %	95.98 %
Taxes Outstanding:					
Current	\$ 10,497,249	\$ 10,448,938	\$ 7,820,928	\$ 7,647,150	\$ 8,208,711
Arrears	3,448,714	2,387,274	2,164,633	2,136,065	1,580,279
	\$ 13,945,963	\$ 12,836,212	\$ 9,985,561	\$ 9,783,215	\$ 9,788,990

* Reassessment

Saskatoon Economic Statistics

For the Years Ended December 31, 2018 to 2014

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Saskatoon population (December 31)*:	268,188	266,064	262,900	257,300	248,700
Annual change	0.80 %	1.20 %	1.90 %	6.19 %	4.06 %
Saskatoon inflation rate - annual change	1.80 %	1.20 %	- %	1.90 %	1.00 %
Saskatoon unemployment rate - annual average	6.98 %	6.78 %	5.80 %	3.58 %	4.10 %
No. of Persons Employed in Saskatoon	174,043	168,233	169,625	169,100	164,175
Saskatoon Building Permits					
Total Number	3,566	3,950	4,327	4,996	5,020
Total Value	\$ 642,595	\$ 727,597	\$ 1,020,394	\$ 878,238	\$ 1,088,500
Annual Change	(9.72)%	(8.71)%	(0.13)%	(0.48)%	(3.40)%

* December population estimates are provided by Planning & Development, derived from Statistics Canada annual July estimate data.

Sources of Information: Statistics Canada, City of Saskatoon - Planning Branch, Community Services Department

Major Taxpayers in Saskatoon

2018 Taxable Assessment

(in thousands of dollars)

(unaudited)

Midtown Plaza Inc.	\$ 291,389,700
Boardwalk REIT Properties Holdings Ltd.	223,721,760
Pillar Properties Corp.	151,722,700
Mainstreet Equity Corp.	147,339,680
Calloway REIT Saskatoon South	111,789,200
Saskatoon West Shopping Centres Limited	104,914,400
Centre at Circle & Eighth Property Inc	102,941,700
959630 ALberta Inc	102,275,940
CNH Canada Ltd.	85,825,640
Nexus Holdings Inc.	84,778,420
Boulevard Real Estate Equities Ltd.	81,839,260
The Saskatoon Co-operative Association Limited	80,267,400
Deer Lodge Hotels Ltd	75,198,700
101042414 Saskatchewan Ltd	72,323,900
Dundee Canada (GP) Inc.	72,130,900

Summary of Accumulated Surplus and Net Financial Assets (Debt)

(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Accumulated Surplus	\$ 4,324,959	\$ 4,066,069	\$ 3,875,360	\$ 3,455,899	\$ 3,455,899
Net Financial Assets (Debt)	\$ (29,481)	\$ (114,264)	\$ (125,106)	68,633	68,633

Summary of Expenses by Object

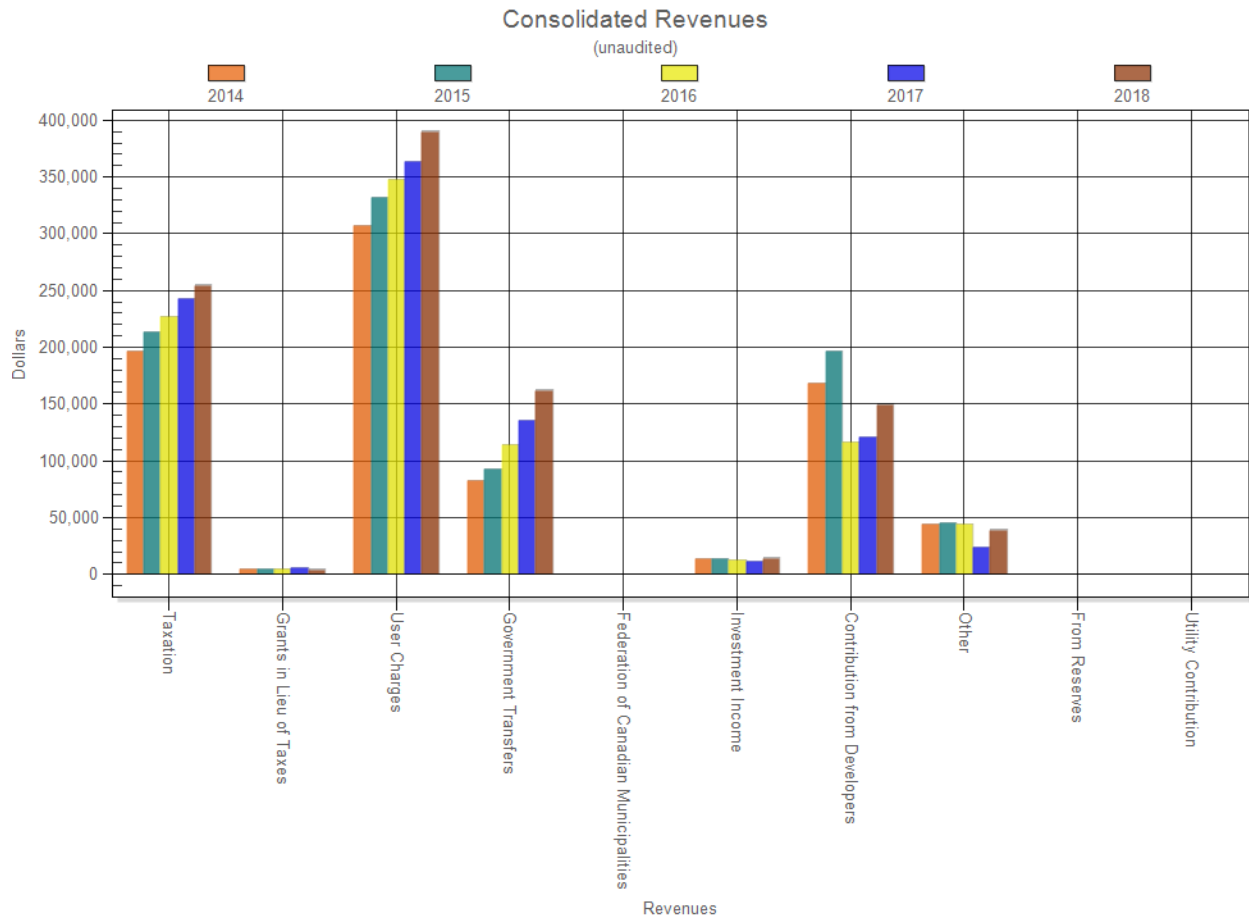
(in thousands of dollars)

(unaudited)

	2018	2017	2016	2015	2014
	\$	\$	\$	\$	\$
Wages and Benefits	\$ 331,350	\$ 327,544	\$ 280,655	\$ 282,741	\$ 266,776
Contracted and General Services	159,645	149,564	161,007	188,684	158,191
Heating, Lighting, Power, Water and Telephone	109,870	106,737	97,683	99,809	96,332
Materials, Goods and Supplies	27,200	24,019	16,635	23,353	51,101
Finance Charges	24,266	14,132	16,465	12,098	6,493
Donations, Grants and Subsidies	10,068	10,752	9,888	11,679	8,835
Amortization	141,617	133,991	123,233	116,898	109,966
	\$ 804,016	\$ 766,739	\$ 705,566	\$ 735,262	\$ 697,694

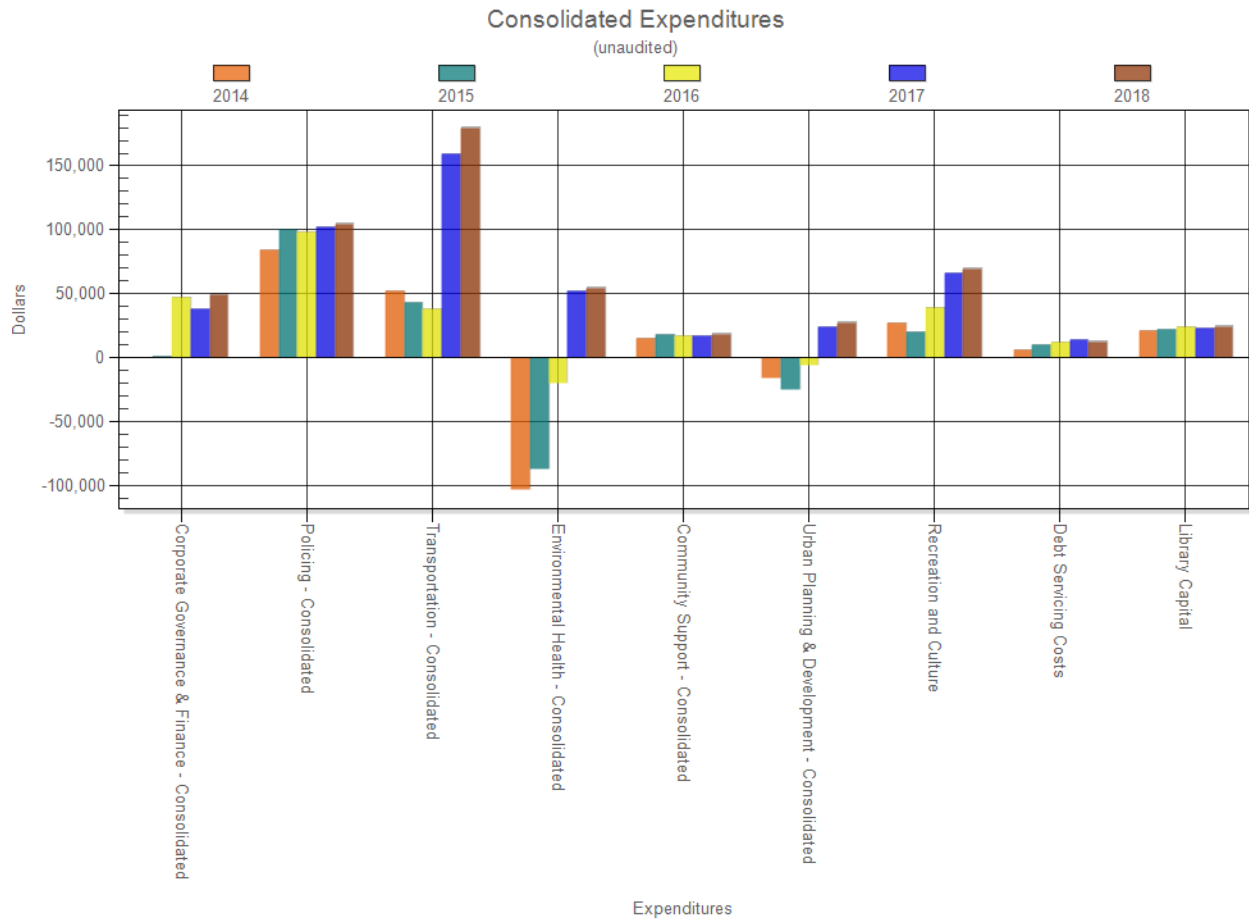
Consolidated Revenues

For the Years 2014 to 2018



Consolidated Expenditures

For the Years 2014 to 2018



Consolidated Expenditures

For the Years 2014 to 2018

