



November 10, 2022

To: Saskatoon Youth Soccer Inc.
Saskatoon Adult Soccer Inc.

Dear SSCI Member Representatives,

Please find attached the 2020/21 Audited Financial Statements of Saskatoon Soccer Centre Inc. The intention of this correspondence is to clarify items contained within the statements, as well as expand on the financial position of SSCI as an organization.

Within the Audited Statements for the year ending September 30, 2021, the Statement of Operations indicates a deficiency of revenue over expenses for 2021 of \$292,418, compared to the previous year's result which was an excess of \$332,163. Please note that these statements reflect operations based on the accrual method of accounting.

In addition, year-end adjustments are also made which remove the cost of capital expenditures, as well as our mandatory annual contributions to the Dedicated Capital Reinvestment Fund. Capital expenditures totalled \$32,980 in 2019/20 and \$201,110 in 2020/21. The deferred 2020 Fund contribution of \$100,000 was recognized in 2020/21, and the 2021 reduced contribution of \$100,000 will be recognized in the 2021/22 financial statements.

The attached *Statement of Cash Flows* from our most recent audited statements takes these additional expenditures into account, and shows a year-end increase in cash of \$47,278 for 2020/21, preceded by a decrease of \$119,051 in 2019/20. This positive result during challenging times is the result of continued access to government grants to help offset some wages and expenditures, and a stronger than anticipated return to sport activities from our members and other key user groups including youth soccer, ball hockey and volleyball. We also continue to carefully and regularly monitor our expenditures in all areas.

We continue to invest heavily in our facilities beyond the regular required maintenance, and invested \$32,980 in 2019/20 and \$201,110 in 2020/21 on capital expenditure projects to improve the facilities. Major projects over the last decade include: installation of sprung flooring on all four fields at Henk Ruys, parking lot repairs, front entrance repairs, indoor turf replacement and expansion, and the addition of bleachers and beach courts. Additional major projects include upgrading the lighting to energy efficient LED lights at both facilities, and the installation of ventilation fans at the Saskatoon Sports Centre to help with air flow and heat build-up. We also undertook significant enhancements to our beach courts including new sand and additional lighting, replaced and added chilled water fountains with water bottle fillers, installed projectors and screens in both our community meeting rooms, and installed new safety

...2



November 10, 2022

Page 2

equipment to our indoor divider curtains. SSCI also partnered with Saskatoon Pickleball Inc. to undertake a major flooring upgrade project on Uptown Orthodontics Field over the summer of 2021 to the benefit of our members and user groups. We also continue to look to and plan for the future. We will be required to replace the outdoor turf and lights in the near future at an anticipated cost of \$1.25 million, and replacement of the indoor turf will follow soon after for an additional \$600,000. We are also actively discussing opportunities to update the flooring on Family Focus Field, and a potential future expansion to enhance turf field access.

As our organization was in a strong financial position prior to the pandemic, we made the decision to accelerate our debt servicing costs. This resulted in our mortgage payments being retired early, saving our organization a significant amount in interest payments. We also made our last debenture payment in the summer of 2020. The City of Saskatoon graciously agreed to reduced annual contributions to the Dedicated Capital Reserve Trust throughout the pandemic, however we are now required to increase those contributions by at least \$400,000 annually, in addition to our regular payments, until the fund is fully capitalized.

The challenges of COVID-19 have had a significant impact on our financial position. Faced with a full facility closure in March 2020, our cash reserves and access to government grants allowed us to continue operations until we were able to reopen, albeit on a very reduced scale. We offered a 20% reduction in our Member league rental fees for the 2020/21 indoor season to help support our sport and ensure an opportunity for players to resume league play, but we continued to experience ongoing expenses as a result of the pandemic - including the added expense of hiring Commissionaires to enforce the Proof of Vaccination policy implemented to keep our leagues operating safely. While we remain financially viable by virtue of operational cutbacks where possible, government grants when applicable, and our reserves, we are now focused on rebuilding those reserves to continue our investments in the facilities to the benefit of our Members – with regular turf replacements being a top priority.

We very much appreciate the opportunity to work closely with you to determine the future of SSCI, and continue to partner to provide world class facilities for our youth and adult players and grow the game in our community.

Sincerely,

Jodi Blackwell
Chief Executive Officer

Cc: Saskatoon Soccer Centre Board of Directors

Attachment: Saskatoon Soccer Centre Inc. 2020/21 Audited Financial Statements