

July 18, 2024

Dr. M. Boda
Chief Electoral Officer
Elections Saskatchewan
301 – 3303 Hillsdale Street
Regina, SK S4S 6W9

(via Email)

Dear Dr. M. Boda:

**Re: Office of the Chief Electoral Officer
Financial Statements**

We enclose the financial statements of the Office of the Chief Electoral Officer for the year ended March 31, 2024 and our report on these financial statements.

We issue audited financial statements and other final documents electronically using the Office's secure file-share program. Please whitelist the email account saskauditor@auditor.sk.ca to ensure it is not blocked or sent to junk.

Yours truly,



Tara Clemett, CPA, CA, CISA
Provincial Auditor

Enclosure

cc: (via Email)

J. Colin, Chief Operating Officer, Elections Saskatchewan
A. Thompson, Director of Finance, Elections Saskatchewan

OFFICE OF THE CHIEF ELECTORAL OFFICER

FINANCIAL STATEMENTS

For the year ended March 31, 2024

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of the Office of the Chief Electoral Officer, which comprise the statement of financial position as at March 31, 2024, and the statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Office of the Chief Electoral Officer as at March 31, 2024, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 Office of the Chief Electoral Officer 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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 Office of the Chief Electoral Officer'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 Office of the Chief Electoral Officer or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office of the Chief Electoral Officer'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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Office of the Chief Electoral Officer'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 Office of the Chief Electoral Officer'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 Office of the Chief Electoral Officer 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.

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 identified during the audit.

Regina, Saskatchewan
July 15, 2024

A handwritten signature in black ink that reads "T. Clemett".

Tara Clemett, CPA, CA, CISA
Provincial Auditor
Office of the Provincial Auditor

**OFFICE OF THE CHIEF ELECTORAL OFFICER
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31**

	<u>2024</u>	<u>2023</u>
Financial Assets		
Due from the General Revenue Fund	\$ 1,852,549	\$ 1,020,444
	<u>1,852,549</u>	<u>1,020,444</u>
Liabilities		
Accounts Payable	1,551,175	868,914
Accrued Employee Costs	301,374	151,530
	<u>1,852,549</u>	<u>1,020,444</u>
Net Debt (Statement 3)	<u>-</u>	<u>-</u>
Non-financial Assets		
Tangible Capital Assets (Note 4)	552,459	757,971
Prepaid Expenses	101,064	-
	<u>653,523</u>	<u>757,971</u>
Accumulated Surplus (Statement 2)	<u>\$ 653,523</u>	<u>\$ 757,971</u>
Contractual Obligations (Note 5)		

(See accompanying notes to the financial statements)

**OFFICE OF THE CHIEF ELECTORAL OFFICER
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31**

	2024		2023
	Budget (Note 6)	Actual	Actual
Revenue			
General Revenue Fund	\$ 10,370,000	\$ 9,072,299	\$ 6,246,776
Miscellaneous Income	-	313	107
Total Revenue	<u>10,370,000</u>	<u>9,072,612</u>	<u>6,246,883</u>
Expenses			
Operating:			
Salaries and Benefits	2,059,521	2,055,365	2,191,875
Contractual Services	406,830	850,827	1,090,166
Communications and Advertising	15,000	20,555	49,136
Employee Travel	65,564	35,546	47,845
Supplies and Services	242,119	177,920	157,436
Office Rent, Insurance and Utilities	388,348	408,481	393,800
Equipment	223,900	259,604	212,155
Amortization (Note 4)	251,764	231,852	272,633
Total Operating Expense	<u>3,653,046</u>	<u>4,040,150</u>	<u>4,415,046</u>
Events:			
2023 Saskatchewan Boundaries Commission Costs (Note 10) (Schedule 1)	-	-	188,743
2023 Saskatoon Meewasin By-Election Costs (Note 11) (Schedule 2)	-	-	452,845
2023 Athabasca By-Election Costs (Note 12) (Schedule 3)	-	-	4,862
2023 Lumsden-Morse By-Election Costs (Note 13) (Schedule 4)	544,140	549,459	225
2023 Regina Coronation Park By-Election Costs (Note 13) (Schedule 5)	486,865	393,813	371
2023 Regina Walsh Acres By-Election Costs (Note 13) (Schedule 6)	480,865	380,319	225
2024 General Election Costs (Note 14) (Schedule 7)	5,456,848	3,813,319	1,344,080
Total Events Expense	<u>6,968,718</u>	<u>5,136,910</u>	<u>1,991,351</u>
Total Expenses	<u>10,621,764</u>	<u>9,177,060</u>	<u>6,406,397</u>
Operating (Deficit)	<u>\$ (251,764)</u>	<u>\$ (104,448)</u>	<u>\$ (159,514)</u>
Accumulated Surplus, beginning of year		757,971	917,485
Accumulated Surplus, end of year (Statement 1)		<u>\$ 653,523</u>	<u>\$ 757,971</u>

(See accompanying notes to the financial statements)

**OFFICE OF THE CHIEF ELECTORAL OFFICER
STATEMENT OF CHANGE IN NET DEBT
FOR THE YEAR ENDED MARCH 31**

	<u>2024</u>	<u>2023</u>
Operating Deficit	\$ (104,448)	\$ (159,514)
Acquisition of Tangible Capital Assets (Note 4)	(26,340)	(113,119)
Amortization of Tangible Capital Assets (Note 4)	231,852	272,633
Change in Prepaid Expenses	(101,064)	-
	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Debt	-	-
Net Debt, beginning of year	-	-
	<u>-</u>	<u>-</u>
Net Debt, end of year (Statement 1)	<u>\$ -</u>	<u>\$ -</u>

(See accompanying notes to the financial statements)

**OFFICE OF THE CHIEF ELECTORAL OFFICER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31**

	2024	2023
Cash from (used for) operating activities:		
General Revenue Fund appropriation received	\$ 8,240,507	\$ 5,932,230
Salaries and benefits paid	(3,411,503)	(2,904,562)
Supplies and other expenses paid	(4,701,600)	(2,914,549)
Change in Prepaid Expenses	(101,064)	-
Cash (used for) from operating activities	26,340	113,119
Cash from (used for) capital activities:		
Purchase of Tangible Capital Assets (Note 4)	(26,340)	(113,119)
Cash from (used for) capital activities	(26,340)	(113,119)
Increase (Decrease) in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of the year	-	-
Cash and cash equivalents, end of the year	\$ -	\$ -

(See accompanying notes to the financial statements)

**OFFICE OF THE CHIEF ELECTORAL OFFICER
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024**

1. Authority and Purpose

The Chief Electoral Officer is an officer of the Legislative Assembly and is appointed by resolution of the Assembly. The mandate of the Office of the Chief Electoral Officer (Office) is to administer provincial elections, enumerations and provincial election finances under *The Election Act, 1996*. The Office maintains the province's political contributions tax credit disclosure regime under *The Political Contributions Tax Credit Act*, and administers referenda, plebiscites and time votes according to *The Referendum and Plebiscite Act* and *The Time Act*. The net cost of the operations of the Office is borne by the General Revenue Fund of the Province of Saskatchewan.

The Office is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards. The Office maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to obtain reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are maintained.

2. Summary of Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards. These statements do not include a Statement of Remeasurement Gains and Losses as the Office has no activities that give rise to remeasurement gains or losses. As a result, its accumulated surplus is the same as its accumulated operating surplus.

The following policies are considered significant:

- (a) **Reporting Entity** – The reporting entity is the Office of the Chief Electoral Officer, for which the Chief Electoral Officer is responsible.
- (b) **Revenue** – The Office receives statutory appropriations from the General Revenue Fund to carry out its work. General Revenue Fund appropriations are included in revenue when amounts are spent or committed.
- (c) **Tangible Capital Assets and Prepaid Expenses** – Tangible capital assets are reported at cost less accumulated amortization. All capital assets are amortized on a straight-line basis over a life of two to ten years. Work in progress (WIP) is not amortized until completed and placed in service for use. Prepaid expenses are recorded at cost and

expensed as they are consumed. Tangible capital assets and prepaid expenses are accounted for as assets by the Office because they can be used to provide the Office services in future periods. These assets do not normally provide resources to discharge the liabilities of the Office unless they are sold.

- (d) **Accounts Payable and Accrued Employee Costs** – Accounts payable primarily includes obligations to pay for goods and services acquired prior to year end. Accrued employee costs include the salary, vacation, and severance owed to staff of the Office at year end. Amounts are carried at cost and approximate fair value due to their short-term nature.
- (e) **Use of Estimates** – These statements are prepared in conformity with Canadian public sector accounting standards. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Differences are reflected in current year operations when identified.

3. New Standards and Amendments to Standards

The following new Public Sector Accounting Standards (effective for fiscal years beginning on or after April 1, 2023) have been considered for the Office and determined to have no impact:

PSG-8, Purchased Intangibles
PS3160, Public Private Partnerships
PS3400, Revenue

PS1202, Financial Statement Presentation, is a new standard which may impact the Office, is not yet effective for the year ended March 31, 2024, and has not been applied in preparing these financial statements. The new standard is effective for financial statements beginning on or after April 1, 2026. The extent of the impact on adoption of this standard is not known at this time.

4. Tangible Capital Assets

The recognition and measurement of tangible capital assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Office.

	2024						2023
	Computer Hardware	Machinery & Equipment	Office Furniture & Equipment	Buildings & Improvements	System Development	Total	Total
Cost:							
Beginning of year	\$ 178,672	\$ 85,305	\$ 4,615	\$ 843,506	\$ 2,042,269	\$ 3,154,367	\$ 3,330,715
Additions	-	26,340	-	-	-	26,340	113,119
Transfers	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	(289,467)
End of Year	178,672	111,645	4,615	843,506	2,042,269	3,180,707	3,154,367
Accumulated Amortization:							
Beginning of year	159,161	31,147	4,615	823,345	1,378,128	2,396,396	2,413,230
Annual amortization	9,755	11,165	-	6,705	204,227	231,852	272,633
Disposals	-	-	-	-	-	-	(289,467)
End of year	168,916	42,312	4,615	830,050	1,582,355	2,628,248	2,396,396
Net Book Value, end of year	\$ 9,756	\$ 69,333	\$ -	\$ 13,456	\$ 459,914	\$ 552,459	\$ 757,971

5. Contractual Obligations

Operating Leases

Minimum annual payments under operating leases on property over the next year are as follows:

2024/25	112,500
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6. Budget and Lapsing of Appropriation

Budget amounts reflected on an expense basis represent funds appropriated by the Legislative Assembly to enable the Chief Electoral Officer to carry out the Office's duties under *The Election Act, 1996*. The amount appropriated for the year was \$10,370,000.

An amount of \$8,858,000 was appropriated at the beginning of the fiscal year. Three by-elections occurred in the constituencies of Lumsden-Morse, Regina Coronation Park, and Regina Walsh Acres on August 10, 2023. Supplemental funding of \$1,512,000 was requested to cover the costs associated with these by-elections.

The Office follows *The Financial Administration Act, 1993* with regards to its spending. If the Office spends less than its appropriation by March 31 the difference is not available to acquire goods and services in the next fiscal year.

7. Pension Plan

The Office participates in a defined contribution pension plan for the benefit of its employees. The Office's financial obligation of the plan is limited to making payments of 8.6% of employees' salaries for current service. Pension costs are not included in these statements as the costs are borne by other agencies (Note 8).

8. Costs Borne by Third Party Agencies

The Office has not been charged with certain administrative costs and employee benefit costs. These costs are borne by the Legislative Assembly Service and the Ministry of Finance. No provision for these costs has been made in these statements.

9. Financial Instruments

The Office's financial instruments include Due from the General Revenue Fund, Accounts Payable, and Accrued Employee Costs. The carrying amount of these instruments approximates fair value due to their immediate or short-term maturity. These instruments have no significant interest rate or credit risk.

10. 2022 Saskatchewan Boundaries Commission

The Constituency Boundaries Act, 1993 requires that a Provincial Constituency Boundaries Commission be established every 10 years to review and recommend changes to constituency boundaries in the province. The Office of the Chief Electoral Officer was appointed as the Secretariat for the Commission. No costs were incurred in 2023-24.

11. 2022 Saskatoon Meewasin By-Election Costs

The Saskatoon Meewasin By-Election took place on September 26, 2022. No costs were incurred in 2023-24.

12. 2022 Athabasca By-Election Costs

The Athabasca By-Election took place on February 15, 2022. No costs were incurred in 2023-24.

13. 2023 By-Election Costs

By-Elections for the Lumsden-Morse, Regina Coronation Park, and Regina Walsh Acres constituencies took place on August 10, 2023. Due to the timing of the events, some expenses for 2023-24 were estimated. Any difference between estimated and actual expenses will be reflected in 2024-25.

14. 2024 General Election Costs

The 2024 General Election Costs are being incurred over four fiscal years. The costs for 2023-24 have been reflected in these financial statements.

**Office of the Chief Electoral Officer
2023 Saskatchewan Boundaries Commission Costs**

<u>2022 Saskatchewan Boundaries Commission</u>	2024		2023
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Salaries and Benefits	\$ -	\$ -	\$ 98,083
Contractual Services	-	-	9,804
Communications and Advertising	-	-	61,258
Employee Travel	-	-	13,020
Supplies and Services	-	-	1,475
Office Rent and Utilities	-	-	2,702
Equipment	-	-	2,401
Total Event Expenses (Statement 2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 188,743</u>

**Office of the Chief Electoral Officer
2023 Saskatoon Meewasin By-Election Costs**

<u>2022 Saskatoon Meewasin By-Election</u>	<u>2024</u>		<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Salaries and Benefits	\$ -	\$ -	\$ 92,842
Contractual Services	-	-	43,477
Communications and Advertising	-	-	113,057
Employee Travel	-	-	3,859
Supplies and Services	-	-	62,103
Office Rent and Utilities	-	-	31,875
Equipment	-	-	682
Reimbursement of Election Expenses	-	-	104,950
Total Event Expenses (Statement 2)	\$ -	\$ -	\$ 452,845

**Office of the Chief Electoral Officer
2023 Athabasca By-Election Costs**

<u>2023 Athabasca By-Election</u>	<u>2024</u>		<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Salaries and Benefits	\$ -	\$ -	\$ -
Contractual Services	-	-	208
Communications and Advertising	-	-	2,347
Employee Travel	-	-	-
Supplies and Services	-	-	68
Office Rent and Utilities	-	-	140
Equipment	-	-	-
Reimbursement of Election Expenses	-	-	2,099
Total Event Expenses (Statement 2)	\$ -	\$ -	\$ 4,862

**Office of the Chief Electoral Officer
2023 Lumsden-Morse By-Election Costs**

<u>2023 Lumsden-Morse By-Election</u>	<u>2024</u>		<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Salaries and Benefits	\$ 127,371	\$ 127,620	\$ -
Contractual Services	79,110	92,797	-
Communications and Advertising	81,450	39,437	121
Employee Travel	31,255	24,980	-
Supplies and Services	90,535	87,233	104
Office Rent and Utilities	33,500	27,563	-
Equipment	5,249	1,051	-
Reimbursement of Election Expenses	95,670	148,778	-
Total Event Expenses (Statement 2)	\$ 544,140	\$ 549,459	\$ 225

**Office of the Chief Electoral Officer
2023 Regina Coronation Park By-Election Costs**

<u>2023 Regina Coronation Park By-Election</u>	2024		2023
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Salaries and Benefits	\$ 104,036	\$ 70,225	\$ -
Contractual Services	79,110	90,691	-
Communications and Advertising	76,950	30,949	371
Employee Travel	3,755	3,700	-
Supplies and Services	87,095	78,303	-
Office Rent and Utilities	17,000	14,875	-
Equipment	5,249	1,077	-
Reimbursement of Election Expenses	113,670	103,993	-
Total Event Expenses (Statement 2)	<u>\$ 486,865</u>	<u>\$ 393,813</u>	<u>\$ 371</u>

**Office of the Chief Electoral Officer
2023 Regina Walsh Acres By-Election Costs**

<u>2023 Regina Walsh Acres By-Election</u>	<u>2024</u>		<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Salaries and Benefits	\$ 104,036	\$ 65,347	\$ -
Contractual Services	79,110	87,469	-
Communications and Advertising	76,950	30,949	121
Employee Travel	3,755	3,003	-
Supplies and Services	87,095	76,755	104
Office Rent and Utilities	17,000	14,875	-
Equipment	5,249	1,077	-
Reimbursement of Election Expenses	107,670	100,844	-
Total Event Expenses (Statement 2)	\$ 480,865	\$ 380,319	\$ 225

**Office of the Chief Electoral Officer
2024 General Election Costs**

<u>2024 General Election</u>	<u>2024</u>		<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Salaries and Benefits	\$ 1,627,246	\$ 1,242,789	\$ 498,209
Contractual Services	1,983,564	1,190,300	538,228
Communications and Advertising	245,000	288,680	87,821
Employee Travel	53,888	52,479	40,953
Supplies and Services	915,050	579,513	94,982
Office Rent and Utilities	231,000	243,501	2,086
Equipment	401,100	216,057	81,801
Total Event Expenses (Statement 2)	\$ 5,456,848	\$ 3,813,319	\$ 1,344,080