



SASKATCHEWAN RIVERS PUBLIC SCHOOL DIVISION NO. 119

CHIEF FINANCIAL OFFICER REPORT
ANNUAL MEETING OF ELECTORS
For The Year Ending August 31, 2012

SASKATCHEWAN RIVERS PUBLIC SCHOOL DIVISION BOARD OF EDUCATION AUDITED FINANCIAL STATEMENT

INTRODUCTION

I am pleased to present the Audited Financial Statement on the financial operations of the school division for the year ended August 31, 2012 and to comment on the overall financial position of Saskatchewan Rivers Public Schools.

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA).

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

The budget approved by the Board of Education was developed to support provision of information for the provincial funding model for school divisions and is used to manage program spending within the guidelines of the funding model. Given differences between the funding model and generally accepted accounting principles established by PSAB, the budget figures presented have been adjusted to conform to the basis of accounting used to prepare the financial statements.

The public accounts statements are available on the school division website and are prepared in accordance with The Education Act and Regulations. These documents require the reporting of certain financial information not formally contained in the year-end financial statements and are prepared in accordance with these requirements and are based on the same records from which the audited financial statements have been prepared.

FINANCIAL SUMMARY

The school division ended the year with a surplus of \$5,360,703 which was realized on revenues of \$96,520,181 and expenses of \$91,159,478.

Actual revenue was over budgeted revenue by \$6,045,387. The major factors contributing to the overall budget variance were in increases in department grants of \$4,112,027, tuition and related fees of \$1,281,907, other revenue of \$501,618, external services of \$342,638, school generated funds of \$130,359 and complementary services of \$86,141, and with a decrease in tax revenue of \$409,303.

Actual expense was under budgeted expense by \$705,453. The major factors contributing to the overall budget variance were in decreases in other expenses (the provision of uncollectable taxes and interest) of \$1,234,511, plant operations and maintenance of \$795,265, transportation of \$273,696, tuition and related fees of \$130,965, school generated funds of \$107,559, administration of \$47,160 and governance of \$26,038, with increases in instruction of \$1,386,138, external services of \$444,790 and complementary services of \$78,813.

RECOMMENDATION

That the Financial Statements and Treasurer's Report for the fiscal year ended August 31, 2012 be approved as presented.

OPERATING REVENUE

Property Taxation

Total tax revenue was under budget by \$409,303. The variance occurred as a result of the application of the provincial mill rate and property reassessment less discounts, cancellations and appeals.

Grants

Grants were over budget by \$4,112,027. The main reasons for the variance were in the increase in operating grants of \$3,873,622 and increase in capital grants of \$257,703.

Tuition Fees and Other Revenue

Tuition fee revenue was over budget by \$1,281,907. The main reasons for the variance were in the increase in Federal Government and First Nations tuition fees of \$485,227 and an increase in Federal Government and First Nations Capital Fees of \$808,398.

School Generated Funds Revenue

School generated funds revenue was over budget by \$130,359. The main reason for the variance was in the level of revenue generated through school based activities.

Complementary Services Revenue

Complementary services revenue was over budget by \$86,141. The main reason for the variance was in additional grants approved for educational programs throughout the year.

External Services Revenue

External Services revenue was over budget by \$342,638. The main reason for the variance was the increase in operating grants.

Other Revenue

Other fee revenue was over budget by \$501,618. The main reason for the variance was the increase in reimbursements of \$575,633 and a decrease in interest revenue of \$46,929.

OPERATING EXPENSE

Governance

Governance expense was under budget by \$26,038 as a result of the decrease in convention expense of \$37,100 and an increase of elections of \$10,287.

Administration

Total administration expense was under budget by \$47,160. The main factors contributing to the variance resulted from the decrease in building operating expense of \$22,862, communication expense of \$9,844, amortization of \$69,547, non-capital equipment of \$2,776, travel of \$568, and increase in salaries and benefits of \$41,828, supplies and services of \$14,599, and professional development of \$2,010.

Instructional Services

Total instructional services expense was over budget by \$1,386,138 as a result of the increase in instructional salaries and benefits of \$2,825,402, and a decrease in program support salaries and benefits of \$646,511, instructional aids of \$169,496, supplies and services of \$126,284, non-capital equipment of \$53,816, communications of \$66,905, travel of \$162, professional development of \$126,662, student related expense of \$10,076, and amortization of \$239,352.

Plant Operations And Maintenance

Total expense for plant operations and maintenance was under budget by \$795,265 as a result of the decrease in salaries and benefits of \$150,036, supplies and services of \$2,856, non-capital equipment of \$7,860, building operating expense of \$554,851, communications of \$5,286, travel of \$15,457, and amortization of \$60,509, and an increase in professional development of \$1,592.

Student Transportation

This category of expense was under budget by \$273,696 as a result of the decrease in salaries and benefits of \$7,913, supplies and services of \$38,671, furniture and equipment of \$17,101, building operating expenses of \$21,608, contracted transportation of \$126,684 and amortization of \$53,017.

□ Tuition And Related Expense

This category of expense was under budget by \$130,965. The main reason for the variance was the change in the provincial funding formula resulting in the redundancy of existing tuition agreements.

□ School Generated Funds

Total expense for school generated funds was under budget by \$107,559. The main reason for the variance was a decrease in supplies and services expense of \$127,096.

□ Complementary Services

Total expense for complementary services was over budget by \$78,813. The main reason for the variance was as a result of the increase in salaries and benefits of \$109,680, professional development of \$952, amortization of \$3,629, and a decrease in instructional aids of \$1,800, building operating expense of \$17,367, and contracted transportation and allowances of \$16,281.

□ External Services

Total expense for external services was over budget by \$444,790. The main reason for the variance was as a result of the increase in salaries and benefits of \$133,914, instructional aids of \$17,273, supplies and services of \$209,994, non-capital equipment of \$23,345, building operating expense of \$30,272, communications of \$3,345, professional development of \$35,138, and a decrease in travel of \$1,701, contracted transportation \$1,195, and amortization of \$5,595.

□ Other expenses

This category of expense was under budget by \$1,234,511. The main factor causing the variance was the write down of the provision for uncollectable taxes of \$1,242,527.

For additional information
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