



ST. PAUL'S ROMAN CATHOLIC  
SEPARATE SCHOOL DIVISION No. 20

**TREASURER'S REPORT**  
**ANNUAL MEETING OF ELECTORS**  
Twelve Month Period Ending August 31, 2009

**Rooted** Growing Reaching *Transforming*

# GREATER SASKATOON CATHOLIC SCHOOLS 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 fiscal period ended August 31, 2009 and to comment on the overall financial position of Greater Saskatoon Catholic Schools.

The 2009 provincial budget introduced significant changes for education funding and the property tax system. The provincial government now determines the rate in mills to be levied for public school divisions by setting province-wide tax rates for each of the three major property classes – residential, commercial and agricultural. Minority faith school boards can still set different tax rates, as is their constitutional right, but if they choose to set a higher rate, any increased revenue will be subtracted from the provincial grant. If the rate is lower, the government will assume the board's funding requirements have decreased and it will adjust its grant accordingly.

These result of these changes when compared to original budget estimates results in significant increases in grant revenue with offsetting decreases in actual tax revenue as property tax rates are applied retroactively from January 1, 2009 to August 31, 2009.

## *ACCOUNTING POLICIES*

In response to direction received from the Ministry of Education and the Ministry of Finance, the Financial Statements reflect the accounting policy for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. This accounting policy, which was adopted as of September 1, 2008, was applied retroactively and resulting changes have been fully disclosed and accounted for in the Financial Statements.

Effective September 1, 2008, employee future benefit costs, assets, and obligations are now included in the Financial Statements based on actuarial assumptions and methods used to measure assets, liabilities and costs for financial accounting purposes.

## *FINANCIAL STATEMENT*

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The school division ended the year with a consolidated deficit of \$1,910,759 which was realized on revenues of \$135,975,930, expenditures of \$136,869,992, reduction of capital lease obligations of \$144,697 and capital debt repayment of \$872,000.

Actual revenue was under budgeted revenue by \$1,099,764. The major factors contributing to the overall budget variance were in increases in department grants of \$2,382,159, external services of \$49,931, school based funds of \$595,277 complementary services of \$397,663, and other revenue of \$548,536 with decreases in tuition and related fees of \$103,107 and tax revenue of \$4,970,223.

Actual expenditure was under budgeted expenditure by \$4,344,616. The major factors contributing to the overall budget variance were in increases in instruction of \$3,272,974, transportation of \$393,456, external services of \$1,537,552, school based funds of \$801,858 and interest and bank charges of \$105,896 with decreases in governance of \$26,878, administration of \$28,309, plant operations and maintenance of \$9,714,010, tuition and related fees of \$222,459, and complementary services of \$464,696.

***RECOMMENDATION:***

That the Financial Statements and Treasurer's Report for the fiscal year ended August 31, 2009 be approved as presented.

## ***OPERATING REVENUE***

### ■ Property Taxation

Total tax revenue was under budget by \$4,970,223. The variance occurred as a result of the application of the new provincial formula and provincial mill rate and property reassessment less discounts, cancellations and appeals.

### ■ Grants

Grants were over budget by \$2,382,159. The main reasons for the variance were in the increase in operating grants of \$11,306,095 as a result of the change in the provincial funding formula and decrease in capital grants of \$8,923,936.

### ■ External Services Revenue

External Services revenue was over budget by \$49,931. The main reason for the variance was the increase of other grant revenue of \$25,000, miscellaneous revenue of \$35,102 and food sales of \$26,024, in decrease in grant revenue of \$35,973 and rentals of \$222.

### ■ School Based Funds Revenue

School based funds revenue was over budget by \$595,277. 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 \$397,663. The main reason for the variance was in additional grants approved for educational programs throughout the year.

### ■ Tuition Fees and Other Revenue

Tuition fee revenue was under budget by \$103,107. The main reason for the variance was the change in the provincial funding formula resulting in the redundancy of existing tuition agreements

### ■ Other Revenue

Other fee revenue was over budget by \$548,536. The main reason for the variance was the increase in operating fund revenue of \$502,509, capital fund revenue of \$44,429 and other fund revenue of \$1,598.

## ***OPERATING EXPENDITURE***

### ■ Governance

Governance expenditure was under budget by \$26,878 as a result of the increase in board members indemnity of \$7,217 and convention expense of \$13,171 and decrease in other governance expense of \$47,266.

### ■ Administration

Total administration expenditure was under budget by \$28,309. The main factors contributing to the variance resulted from the increase in salaries and benefits of \$28,234, travel of \$633 and professional development of \$160 and decrease in communication expense of \$23,312, supplies and services of \$14,023, non-capital equipment of \$876 and building operating expense of \$19,125.

### ■ Instructional Services

Total instructional services expenditure was over budget by \$3,272,974 as a result of the increase in instructional salaries and benefits of \$1,073,145, program support salaries and benefits of \$1,313,551, instructional aids of \$10,942, supplies and services of \$130,784, communication of \$65,728, travel of \$89,492, student related expense of \$2,443 and capital fund equipment of \$909,066 and decrease in non-capital equipment of \$100,712 and professional development of \$221,465.

### ■ Plant Operations And Maintenance

Total expenditure for all items in this category was under budget by \$9,714,010 as a result of the increase in plant salaries and benefits of \$275,278, supplies and services of \$4,082, non-capital equipment of \$11,501, building operating expense of \$436,761, travel of \$23,903 and decrease in professional development of \$2,744 and capital projects of \$10,462,791.

### ■ Pupil Transportation

This category of expenditure was over budget by \$393,456. The main factor causing the variance was the increase in contracted transportation of \$401,482 as a result of additional routes to support rural access, pre-kindergarten, immersion and special needs programs and decrease in salaries and benefits of \$8,026.

### ■ Tuition And Related Expense

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Total expenditure was under budget by \$222,459. The main reason for the variance was the change in the provincial funding formula resulting in the redundancy of existing tuition agreements.

■ Complementary Services

Total expenditure was under budget by \$464,696. The main reason for the variance was as a result of decrease in salaries and benefits of \$320,604 and other program expense of \$144,092.

■ External Services

Total expenditure was over budget by \$1,537,552. The main reason for the variance was as a result of the increase in instructional aids of \$4,730, supplies and services of \$73,582, non-capital equipment of \$49,815, building operating expense \$107,912, student related expense \$38,057, capital equipment of \$125,629 and other fund supplies and services of \$1,187,885 and decrease in salaries and benefits of \$38,174, communications of \$525, travel of \$1,746, professional development of \$4,572 and contracted transportation \$5,041.

■ School Based Funds

Total expenditure was over budget by \$801,858. The main reason for the variance was in the level of fundraising expense generated through school based activities.

■ Interest And Bank Charges

This category of expenditure was over budget by \$105,896. The main factor causing the variance was the increase in current interest and bank charges of \$108,781 and decrease in capital loan interest of \$2,885.

■ Capital Fund Debt Principal Repayment

This category of expenditure was over budget by \$144,697. The main factor causing the variance was the increase in the reduction of the capital lease obligation of \$144,697.

*For additional information  
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