

CORNERSTONE BOARD APPROVES FINANCIAL STATEMENT

November 26, 2019 Regular (Public) Meeting of the
South East Cornerstone Public School Division (SECPSD) Board of Education



Submitted by Norm Park, Contracted Reporter for SECPSD

The financials are on their way to the provincial government for final approval.

The South East Cornerstone Public School Division's board of trustees gave unanimous approval to the 2018-19 financial statement as presented to them by their Chief Financial Officer Shelley Toth, at their November 26 open business meeting held in the division's head office in Weyburn. Prior to the presentation, Toth indicated to the media that based on funding support provided and how the division made use of the funds, she was quite pleased with the final outcomes on most levels.

Beginning with the overall outcome, it was noted that while final revenue came in \$1.75 million below budget the expense side of the ledger also showed a slight decrease from expectations, allowing the division to maintain a solid financial path. The revenue of \$111.825 million was 1.5 per cent under budgeted expectations of \$113.58 million.

Expenses came in at just over \$106 million and that was 0.4 per cent under expectations, leaving the division with a \$5.76 million surplus, compared with the expected surplus of \$7.13 million. She explained the lower than budgeted surplus is largely due to a lower than budget capital grant revenue realized for the new Legacy Park Elementary School now under construction in Weyburn. That was due to a late start on the project. The school is now expected to be completed and open for student use by September of 2021.

Grants from the province came in at regular intervals and they amounted to \$103.48 million, Toth said. Tuition fees brought in a further \$1.43 million, which was about \$166,000 above expectations and school generated funds, also came in well above budget expectations. Those funds are collected at the schools for their own use.

Toth noted that salaries and benefits amounted to \$74.71 million in the previous fiscal year, which was \$1.17 million under budget. This was due to careful management in dealing with unfilled administration and other positions, budgeted contingencies that were not realized and lower than anticipated wage increases for the most part. Goods and services, however, came in over budget by a little more than \$1 million at \$24.24 million largely due to computer supplies that had been budgeted for as tangible capital asset additions however they did not meet the capitalization threshold.

Debt servicing was down to \$691,000 or about \$14,000 under budget and amortization was also down \$291,000 from budget expectations.

With a new school structure and a new bus garage under construction in Weyburn, the school division will have budget juggling to do in the future, but Toth suggested that since the new

Legacy Park School in Weyburn, which will house the majority of their elementary grades, will be fully funded by the province's Ministry of Education over a period of time, they (Cornerstone) will be required to manage the funds and disperse them as necessary. She added that capital asset additions during the past year had amounted to \$8.6 million which included \$6.3 million in assets under construction in the form of the Legacy Park Elementary School, nine school buses and two other vehicles purchased for just over \$1 million, plus \$535,000 for furniture and equipment for various schools. There was \$627,000 spent on computer hardware and audio/visual equipment plus \$121,000 for computer software for accounting upgrades and bus routing programs. At the current state of financial affairs, she reported the accumulated surplus at Cornerstone was \$146.34 million that was mainly made up of \$127.4 million in tangible assets less \$18.7 million debt owing on these assets.

Toth ended the presentation by noting the financial statement had been prepared under the Canadian public sector accounting standards and had been audited by an external auditor. The statement will be sent to the provincial ministry for review and any amendments they wish to have implemented before they send it back to the division. Once the division receives that document, the Annual Report will be prepared and published for general public review. The board noted this is generally available in mid-December providing there are no major changes required and none were foreseen this year.

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