



"Accepting the Challenge"

Finance Committee Minutes

Thursday, December 9, 2010 – 2:00 p.m.

Conference Room, Administration Office

Present: M. Sefton, M. Snelling, P. Bartlette (alternate), Dr. D. Michaels,
G. Barnes, K. Zabowski.

Regrets: L. Ross

Guests: L. Grosseart and R. Bright – Representatives of BSIMA

1. CALL TO ORDER:

In the absence of the Chairperson, Trustee Bartlette assumed the position of Acting-Chairperson for the meeting. The Finance Committee Meeting was called to order at 2:05 p.m. by Trustee Bartlette

3. APPROVAL OF AGENDA

The Finance Committee Agenda was approved as circulated.

4. COMMITTEE GOVERNANCE GOAL ITEMS

NIL

5. OTHER COMMITTEE GOVERNANCE GOAL ITEMS

A) Meeting with BSIMA Representatives (Timed event 2:00 – 2:50)

The Acting Chairperson welcomed Linda Grosseart and Roger Bright representing the Brandon Schools Instrumental Music Association to the meeting. Discussions were held regarding the number of students currently registered in the various band programs; the money provided by the Division for the purchase of large instruments; the cost of registration fees to participate in the band programs; and the possibility of discounts to students should the Division increase funding to the BSIMA.

The BSIMA inquired about the possibility of having the Division pay for maintenance and repair of instruments and then billing the organization as they currently do with respect to purchase of large instruments thereby saving the BSIMA the GST on such services. The Division noted they would need to check with their auditors regarding the legality of doing this for the BSIMA. BSIMA noted they are currently using students to clean instruments and providing them with an honourarium for their work.

The BSIMA requested clarification regarding who owns the instruments and how they are perceived by the Division as a group. It was noted that the Division owned the large instruments such as the percussion sets, as well as the sound systems and anything else that stays in the schools, while the BSIMA owned the smaller instruments that they rent out. It was agreed that an inventory of these items needed to be completed. It was further noted that the Division perceives the BSIMA as a separate organization. Discussions were held as to whether or not the BSIMA was a registered charitable organization or not. It was agreed this would be followed up on by the Division to determine the registered status of the BSIMA.

Discussions were also held regarding Friends of Education and the possible role of that organization should the BSIMA not be their own registered charity. BSIMA noted they saw themselves as a supporting program above and beyond the classroom instruction - providing ancillary support and not essential support. They noted they now have a staff and find themselves involved in human resources, a role they did not think parents should be playing. They noted they do not use the money they receive for enhancements to the program such as trips, but more for program requirements.

It was agreed that the matter needs to be reviewed in more detail. The Education Committee needed to meet with the BSIMA to determine where the organization fits within the Brandon School Division before any further funding can be provided. Senior Administration noted that a review of the program's specific learning outcomes and general learning outcomes as set out by the Provincial Government needed to be reviewed as well. The matter would return to the Finance Committee for further discussion following a review of the matter by the Education Committee.

B) 11/12 Budget Preparation

The Committee reviewed the meetings held with various stakeholders to date. It was noted that the minutes from these meetings would be added to the consultation documentation put together for the Board prior to budget deliberations.

C) 2011/2012 Budget Sustainability Requests

Superintendent, Dr. Michaels, reviewed the various sustainability requests currently being prepared by Senior Administration as follows:

- Reading Recovery
- Empower Reading Training;
- Early Years Literacy Support;
- Grade 3-4 Transition/Middle Years Literacy Support;
- Vice-Principal Positions;
- Principal Positions.

Discussions were held regarding expediting the process for allocation of additional teaching staff in the fall. It was agreed a motion to overspend the budget by a certain amount of money would give Senior Administration and School Administrators greater flexibility to staff the schools in a quick and efficient manner while limiting the commitment of funds on a year by year basis. The Committee agreed that a possible all-day/every-day kindergarten pilot would give the Division more credibility when bringing forth discussions on their proposed MSBA resolution regarding this matter. The Committee asked that the Education Committee consider bringing the matter forth as a possible budget enhancement for 2011/2012.

D) Financial Variance Analysis Report

This matter had been brought forward from the Regular Board Meeting held November 22, 2010 wherein Trustee Kruck had inquired about the possibility of adding a copy of the monthly financial variance analysis report to the Committee minutes. The Committee agreed that a copy of the report would be added as an appendix to all future Finance Committee Minutes.

E) Tender for Audit Proposals

Secretary-Treasurer, Mr. Barnes, provided the Committee with background information regarding the length of contract for the current auditors noting due to changes in the PSAB practices and changes in the Secretary-Treasurer's Department, the current contract had been extended for two years. Discussions were held regarding whether or not to extend the contract for another year allowing the new Board time to work through their first budget process or to put forth a tender proposal immediately. It was agreed the current auditor contract would be extended for one more year after which the matter would then be reviewed again.

Recommendation:

That the current audit contract with BDO Dunwoody be extended for a period of one year.

F) **Confirm Payments of Account (November)**

The payment of accounts for November circulated to the Committee were reviewed and accepted.

G) **Review Monthly Reports (November)**

The monthly report for November circulated to the Committee was noted. The financial report was accepted. A copy of the November 2010 Financial Statement Review has been attached to the minutes as Appendix "A".

5. **OPERATIONS INFORMATION**

NIL

6. **NEXT REGULAR MEETING: Thursday, January 13, 2011, 2:00 p.m., Board Room.**

The meeting adjourned at 3:50 p.m.

Respectfully submitted,

L. Ross (Chairperson)

M. Sefton

M. Snelling

P. Bartlette (Alternate)

November 2010 Financial Statement Review

Revenues:

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1. **Provincial revenues** – Operating grant comes in semi-monthly September to June and are on schedule. Other grants such as for the Community Schools initiative at New Era are also recorded here (65K per year).
2. **Federal revenues** – Budget is for the Grant we will be receiving for the French Monitor who is working at Ecole Harrison. We have also received federal funding for the Drug & Alcohol program of \$32,100 to date.
3. **Municipal** – Special Levy revenue.

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4. **Other School Division** – \$126,000 has been billed for Non-resident and residual fees in November
5. **First Nations** – Billing for September to December has been done in November. \$127K
6. **Private organizations** – Partial Tuition fees for Visa Students has been received for 3 students (4500 x 3). We have received \$79,600 revenue from the Food Services program at Crocus Plains, \$18,400 in joint use recovery and \$48,000 in rental income to date. Other ancillary vocational revenue at Crocus Plains amounted to \$23,400 and we have received \$55,500 for July through November from the Brandon Regional Health Authority for a Service Agreement we have with them for the LEAPS project.
7. **Other Sources** – where we record interest earned on Bank accounts.

Expenses:

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8. **Regular instruction** 70.09% budget remaining
Consists of costs related directly to the K - 12 classroom, e.g. teachers, textbooks, related supplies, services, and equipment such as desks, chairs, tables, audio visual equipment and computers. Also includes school based administration costs including principals, vice-principals, and support staff.
 - Administration – 67.63% budget remaining
 - English Language – 70.31% budget remaining
 - French Immersion – 72.19% budget remaining
 - SR Years Technology – 66.26% budget remaining
 - Most of the Expenses in this category are offset by Technical Vocational Grants as well as revenue generated through the vocational programs.

We have identified two areas where we are projecting savings:

1. Sick Leave	241,200
2. Replacing retirees	<u>285,100</u>
Total	<u>\$526,300</u>

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November 2010 Financial Statement Review

9. **Student Support Services** 72.11% budget remaining

Consists of costs specifically related to students who have exceptional learning needs, as well as counseling and guidance and resource costs for all students. Students with exceptional learning needs are students who have physical, cognitive, sensory or emotional/behavioural disabilities or are identified as gifted.

- Administration – 81.08% budget remaining
- Clinical & Related Services – 68.64% budget remaining
- Special Placement – 72.96% budget remaining
- Regular Placement – 70.62% budget remaining
- Other Resources – 74.53% budget remaining
 - Expenses for the federally funded Drug and Alcohol project are incurred in this category and are offset by the grant
- Counseling & Guidance – 71.28% budget remaining

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10. **Community Education** 66.34% budget remaining

Consists of costs related to providing services (such as community use of facilities and gym rentals) and non-credit courses to community groups and individuals. Includes pre-kindergarten education.

- Community Services & Rec. – 38.83% budget remaining
 - Expenses for the Community Schools provincially funded grant at New Era for the AFTER SCHOOL PROGRAM are recorded here and are offset by Grant Revenue.
- Pre-Kindergarten Education – 81.48% budget remaining

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11. **Divisional Administration** 59.05% budget remaining

Consists of costs related to the administration of the school division including the board of trustees and the superintendent's and secretary-treasurer's departments.

- Board of Trustees – 49.75% budget remaining
 - Services budget of \$123,400 includes \$73,200 of expenses made for Annual MSBA fees
- Instructional MGMT & Admin – 61.91% budget remaining
 - Supplies budget of \$5600 has been spent but is offset by under spending in the services budget
- Business & Admin Services – 59.14% budget remaining
- Management Information Systems – 64.10% budget remaining

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12. **Instructional and Other Support Services** 66.41% budget remaining

November 2010 Financial Statement Review

Consists of costs related to support services for students, teaching staff, and the educational process, such as libraries/media centres, professional development, and curriculum consulting and development.

- Curricular, Consulting & Development – 71.04% budget remaining
- Library/Media Centre – 70.78% budget remaining
- Professional & Staff Development – 58.95% budget remaining
 - PD budget for various projects are being spent but at this point we are assuming that they will adhere to the overall amount budgeted.
- Health Services & Attendance – 70.36% budget remaining
- Food Services – 70.56% budget remaining
- Other – 91.53% budget remaining

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13. Transportation 73.88% budget remaining

Consists of all costs, including supervisory and clerical personnel, related to the transportation of pupils. Does not include the purchase of school buses as they are recorded in the Capital Fund.

- Administration – 59.05% budget remaining
- Regular – 74.71% budget remaining

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14. Operations / Maintenance 64.06% budget remaining

Consists of all costs, including supervisory and clerical personnel, related to the upkeep, maintenance, and minor repair of all school division buildings and grounds. Includes utilities, taxes, insurance, and supplies. Does not include capital costs. Desks, chairs, tables and computer equipment are to be included in the instructional functions, not in Function 800.

- Administration – 58.02% budget remaining
- School Buildings Maintenance – 66.43% budget remaining
- School Buildings Repair & Replacement – 38.99% budget remaining
 - Expenses in this category are not spent evenly throughout the year. It includes the capital & maintenance and contingency budget which Maintenance is completing.
- Other Buildings – 61.43% budget remaining
- Grounds – 58.60% budget remaining

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15. Fiscal 62.79% budget remaining

Consists of operating loan interest, bank charges, bad debt expenses and the Health and Education Levy (payroll tax of 2.15% of salaries.