BRANDON SCHOOL DIVISION

Finance Committee Minutes

Tuesday, October 14, 2014, 2:00 p.m.
Boardroom, Administration Office

Present: K. Sumner, M. Sefton, L. Ross,
Dr. D. Michaels, D. Labossiere, E. Jamora

Regrets:

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1.   CALL TO ORDER:

The Finance Committee Meeting was called to order at 2:04 p.m. by Committee Chairperson, Mr. K. Sumner.

2.   APPROVAL OF AGENDA

3.   REVIEW OF COMMITTEE MINUTES

The Minutes of the Committee meeting held July 7, 2014 were received as information.

4.   COMMITTEE GOVERNANCE GOAL ITEMS

A)   **Presentation of 2013-2014 Financial Audit – BDO Canada LLP (Timed event with Auditor – Mr. Todd Birkhan.**

Chairperson, Mr. Sumner, welcomed Mr. Todd Birkhan & Ryan Duthie, the Division Auditors from BDO Canada LLP, to the meeting. Mr. Birkhan began his presentation by saying that there were no surprises with the audit, which tells BDO that the information used to make decisions throughout the year by BSD are correct. This year the audit was completed earlier than usual.

Mr. Birkhan then reviewed the Audit Letter addressed to the Board explaining the process involved in undertaking the audit. Mr. Birkhan spoke about the responsibilities of the auditor under the PSAB rules; he reviewed the audit approach and provided clarity regarding the "overall audit strategy" and "materiality".   He noted the letter included information regarding "Likely aggregate misstatements" resulting from the Province's requirements to include sick pay liability and long service accrual. Trustees asked questions for clarification.

Mr. Birkhan advised that Mr. Duthie would be speaking to the Board of Trustees at their Regular meeting to be held in the evening on October 14, 2014 regarding the audit.

Trustee Sumner and Trustee Sefton thanked Secretary-Treasurer Denis Labossiere and Assistant Secretary-Treasurer Eunice Jamora and the finance team for all their hard work.

The Committee agreed to move forward with their recommendations regarding acceptance of both the Auditor's Reports and the audited financial statements. The Committee Chairperson thanked Mr. Birkhan for his presentation. Mr. Birkhan exited the meeting at 2:40 p.m.

The Secretary-Treasurer reviewed the Variance Summary Report and answered Trustee questions.

Dr. Michaels noted that the process we use to budget is based on information and trends from previous years. The difference this year was that Senior Administration met every week and monitored the budget closely. The internal processes are also better.

5.   OTHER COMMITTEE GOVERNANCE MATTERS

A)   Confirm Payments of Account (July, August, September)

Accepted as circulated.

B)   Review Monthly Reports

Accepted as circulated.

C)   2015/16 Budget Preparations

The Secretary-Treasurer spoke to the 2015/2016 Budget Preparation memo and to the surplus. The undesignated surplus as of September 30, 2014 is 3.16% of the 2014/15 budget, which meets the 2% contingency fund policy. The following will be recommended at the October 14, 2014 Board meeting:

a) The Capital and Maintenance per capita school allocation remain at $20.00 per pupil with an additional $5.00 per pupil be allocated to Divisional maintenance;

b) A 2% inflationary increase on the capita school amount be allocated to the Maintenance Department contingency;

c) The allocation for equity/aging buildings be increased to $100,000;

d) Inflationary increases be provided as advised by suppliers eg: employee benefits, utilities, taxes, school bus maintenance;

e) A 2.0% inflationary increase provided for controllable services and supplies;

f) A 2.0% inflationary increase on the school instructional supply budget.

The 2014/2015 budget provide for expected enrollment growth.

Dr. Michaels noted that the Board has made lots of progress in regards to what governance means, as they have taken ownership of the budget processes.

6.   OPERATIONS INFORMATION

7.   NEXT REGULAR MEETING: TBA

The meeting adjourned at 3:15 p.m.

Respectfully submitted,

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K. Sumner (Chairperson)   L. Ross

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M. Sefton   P. Bartlette (Alternate)