

SCHOOL DISTRICT No. 23 – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Legal Committee DATE: November 19, 2008

CHAIRPERSON: Trustee Hunt-Binkley STAFF CONTACT: L. Paul, Secretary-Treasurer
E. Sadlowski, Director of Finance

Attendees:

Trustee A. Hunt-Binkley (Chairperson)	Staff:
Trustee M. Baxter (Acting Committee Member)	L. Paul, Secretary-Treasurer
Trustee G. Scanlan (Acting Committee Member)	E. Sadlowski, Director of Finance
Absent: Trustee C. Wiebe (Committee Member)	M. Essler, Executive Assistant (Recorder)
Absent: Trustee R. Cacchioni (Committee Member)	

Partner Group Representation:

COPAC	Gail Given, Member
COTA	Tom Potts, President
COPVPA	No representative
CUPE	Leanne Louie, Executive Member
DSC	No representative

Committee Members Queries/Comments

Trustee Hunt-Binkley

- At the recent BCSTA Provincial Council meeting, there was discussion surrounding School District budgets. There were comments made on how many Districts conclude that there is little discretion School Districts have once the Ministry of Education requirements and Collective Agreement requirements are met. It was suggested that Districts need to consider reviewing their budgets from the perspective of what are the minimum legal requirements for a particular item and then how this line item can be supplemented. The Committee discussed zero-based funding. Trustee Hunt-Binkley, suggested that when discussions/comments are made about the budget, it should be noted which items are required by the Ministry of Education and Collective Agreements, and also ensure that mention is made what the School District is providing over and above the requirements.

Trustee Baxter

- At a recent Public Board Meeting, the Superintendent provided a presentation on District Operational Trends. Trustee Baxter felt the comparator School Districts were not School Districts of a sufficiently similar nature as School District No. 23. By consensus, the Committee concurred that Trustee Baxter would request information on the District Operational Trends in comparison to School Districts of similar nature as School District No. 23.

Discussion/Action Items

- 1. Amendment to Policy 370 – Expenses: Auto and Travel
Review of Travel Reimbursement Rates
(attachment)**

Trustee Hunt-Binkley advised that at the previous Coordinating Committee meeting, there were discussions that the amendments to Policy 370 – Expenses: Auto and Travel should be vetted through

the Finance and Legal Committee, with a recommendation to the Board for the November 26, 2008 Public Board Meeting. This way the review of the reimbursement rate for automobile travel to the Fraser Valley and Lower Mainland would not have to be reviewed as part of the Annual General Meeting. The Director of Finance advised that a review of the reimbursement rate is conducted approximately two times per year, in January and July. The amendments to Policy 370 – Expenses: Auto and Travel include the removal of reference to the reimbursement rate for automobile travel to the Fraser Valley and Lower Mainland being set at the Board of Education Annual General Meeting, and the inclusion of a review when the per kilometer reimbursement rate is changed and adjusted as required. The Committee discussed the inclusion in the amended Policy that any changes to the kilometer reimbursement rate be forwarded to the Finance and Legal Committee as an Information item.

Outcome:

THAT: The Finance and Legal Committee forward to the Board for approval at the November 26, 2008 Public Board Meeting, the amendments to Policy 370 – Expenses: Auto and Travel.

2. Amendment to Policy 115 – Inaugural and Annual Board Meetings

(attachment)

As the Committee is recommending to the Board the approval of amendments to Policy 370 – Expenses: Auto and Travel, as per above, there is a requirement for an amendment to Policy 115 – Inaugural and Annual Board Meetings.

Outcome:

THAT: The Finance and Legal Committee forward to the Board for approval at the November 26, 2008 Public Board Meeting, the amendments to Policy 115 – Inaugural and Annual Board Meetings.

3. Annual Review of Trustee Indemnity

(attachment)

Referred to the Finance and Legal Committee from the Coordinating Committee – November 4, 2008

Trustee Hunt-Binkley reviewed the three options provided for the Trustee indemnity. The Trustee Indemnity is to be determined each year at the Inaugural/Annual General Meeting. The Coordinating Committee, on November 4, 2008, requested that a review and recommendation be prepared for that purpose by the Finance and Legal Committee. The Schools Districts used for comparison information include Abbotsford, Langley, Richmond, Burnaby, Coquitlam and Greater Victoria. The Committee discussed the options and concurred to make a recommendation to the Board to reflect an increase of 2% in relation to other employee group increases. The Director of Finance advised that the teacher increase in 2008 was actually 2.5%, plus harmonization, and the other partner groups were 2%. There may be a slight increase in the Trustee indemnity when the recommendation comes forth to the Board for approval, as the calculations will include 2.5% for teachers and 2.0% for all other partner groups which will affect the weighted average.

Outcome:

THAT: The Finance and Legal Committee forward to the Inaugural Meeting on December 8, 2008 the following recommendation:

That the Board increase the Trustee indemnity to reflect the weighted average of other employee group increases of 2.5% for teachers, and 2% for other partner groups, and that the Trustee indemnity be reviewed by the Finance and Legal Committee each year for recommendation to the Annual General Meeting or Inaugural Meeting.

4. Revenue and Expense Summary at October 31, 2008

(information provided at meeting)

Eileen Sadlowski, Director of Finance, reviewed the Revenue and Expense Summary for the period ended October 31, 2008. The proposed Final Budget 2008/2009 is approximately \$1.6 million above

the Approved Preliminary Budget 2008/2009 as the per pupil funding was higher as more students were registered and the course load funding was also different this year. The special education funding was also increased to reflect the increase in special education students registered. The Other Fees and Revenue has also increased primarily due to Strong Start funding and ACE IT funding.

The expenses are increasing as individual schools are adding increments to their non-enrolling as well as classroom teacher staffing. Principal and Vice-Principal salaries are a little higher than planned as there are more FTE to cover. The differences between Actual October 31 2008 and Prior Actual October 31, 2007 are mainly due to contractual increases. The difference in CEA and Aboriginal Advocate salaries is reflective of the difference in the number of pay periods up to October 31. The Professional Services are higher than October 2007 due to software maintenance costs. Utility increases reflect the higher cost of utilities. The rentals and leases are higher due to the increase in portable moves conducted this past summer. Portable moves and Storefront Leases are included in Rentals and Leases line item.

In the Expense by Program portion of the Revenue and Expense Summary, Off Shore Students are now included which enables tracking of our instructional costs. The Off Shore Students relate to International students and there are some school-based and District expenses provided to support these students. The figures include the District Staff salaries which currently is low as the individual replacing the Director of International Education has not commenced. The Plant Maintenance is somewhat higher than expected as it reflects salary increases, an extra pay period and the focus on completing summer work when the workers are available. The increase in Busing reflects the extra pay period and recovery for field trips.

The Statement of Revenue and Expense indicates that the excess of revenue over expenditures is less because of the extra pay period for employees. Next year there will require decisions to be made around reserves.

Outcome:

THAT: The Finance and Legal Committee receive the Revenue and Expense Summary at October 31, 2008;

AND FURTHER THAT: The Revenue and Expense Summary at October 31, 2008 be forwarded to the Board as an information item.

Information Items

1. Update on Pension Funds

(attachment)

Eileen Sadlowski, Director of Finance, reviewed the Memorandum from Doug Pearce CEO/Chief Investment Officer, British Columbia Investment Management Corporation (bcIMC) dated October 1, 2008 titled Financial Market Turmoil. In response to concerns expressed by pension plan members, Doug Pearce indicates that pension funds are secure and are not affected by the volatile market.

2. Update on District's Investment Portfolio

Eileen Sadlowski, Director of Finance, requested updated information from Cairy Holtby, B.A., CIM, RBC Dominion Securities, on the District's Investment Portfolio. The information received indicates that the market value of the Bonds has been maintained.

Recommendations/Referrals to the Board/Coordinating Committee/Other Committees

November 26, 2008 Public Board Meeting:

- Amendment to Policy 370 – Expenses: Auto and Travel
Review of Travel Reimbursement Rates
- Amendment to Policy 115 – Inaugural and Annual Board Meetings
- Revenue and Expense Summary at October 31, 2008

December 8, 2008 Inaugural Board Meeting:

- Annual Review of Trustee Indemnity

Items for Future Finance and Legal Committee Meetings

- Draft New Policy 208 – Confidential Disclosure: Reporting and Investigating Allegations of Financial Irregularity – *Future*
- District Credit Cards
- Trustee Personal Travel Budget – review of carry forward from year to year

Meeting Schedule

To be determined at the Inaugural Meeting on December 8, 2008.

Questions – Please Contact:

Anna Hunt-Binkley, Chairperson

Phone: (250) 766-5690

Larry Paul, Secretary-Treasurer

Phone: (250) 470-3216

email: lpaul@sd23.bc.ca

Eileen Sadlowski, Director of Finance

Phone: (250) 470-3224

email: esadlows@sd23.bc.ca

Anna Hunt-Binkley, Chairperson