



**Central Okanagan
Public Schools**
Together We Learn

CENTRAL OKANAGAN PUBLIC SCHOOLS - BOARD COMMITTEE REPORT

Finance and Audit Committee Meeting

Public Meeting

Wednesday, September 20, 2023, 4:00 pm

School Board Office

1040 Hollywood Road S

Kelowna, BC

Board of Education:	Trustee W. Broughton, Chair Trustee V. Johnson, Committee Member Trustee C. Desrosiers, Committee Member Trustee J. Fraser Trustee A. Geistlinger Trustee L. Guderyan
Staff:	Delta Carmichael, Secretary-Treasurer/CFO Kate Cumming, Assistant Secretary-Treasurer Kirsten Nugent, Finance Manager Kevin Kaardal, Superintendent of Schools/CEO Lise Bradshaw, Executive Assistant (Recorder)
Absent:	Terry Beaudry, Deputy Superintendent of Schools
Partner Groups:	Susan Bauhart, COTA President Kieran Fahy, CUPE Secretary-Treasurer Roslyn Hazen, COPAC Treasurer Scott Sieben, COPVPA President Cayden Jensen, DSC Co-President

**The Central Okanagan Board of Education acknowledged that this meeting was being held
the unceded, Traditional Territory of the Okanagan People.**

AGENDA

September 20, 2023 Committee Agenda - approved as presented.

REPORTS/MATTERS ARISING

Finance and Audit Committee Public Meeting Report - June 21, 2023

June 21, 2023 Committee Report - received as distributed.

RECOGNITION/PRESENTATIONS/DELEGATIONS

Presentation: Report to the Finance and Audit Committee - Communication of Audit Results and Audited Financial Statements Fiscal Year 2022/2023

Tyler Neels of Grant Thornton LLP presented the Report to the Finance and Audit Committee regarding the audit results and audited financial statements for the fiscal year 2022/2023. The Report highlighted:

- Deliverables required,
- Asset retirement obligations,
- Internal control observations - journal entries,
- Significant transactions,
- Areas of focus,
- Accounting practices,
- Other reportable matters,
- Adjustments and uncorrected adjustments,
- Cybersecurity.

The 2022/2023 audit of the Central Okanagan Public Schools is substantially completed, and the Final Audited Financial Statements will be provided, for final approval, at the next Public Board meeting scheduled for September 27, 2023. Once approved, the Audited Financial Statements will be provided to the Ministry of Education and Child Care by September 30, 2023.

Mr. Neels and staff responded to queries from the Committee.

PUBLIC QUESTION/COMMENT PERIOD

There were no questions or comments from the Public.

COMMITTEE MEMBERS QUERIES/COMMENTS

There were no questions or comments from the Committee members.

DISCUSSION/ACTION ITEMS

Audited Financial Statements Fiscal Year 2022/2023

The Assistant Secretary-Treasurer presented the Audited Financial Statements for the 2022/2023 fiscal year, which included a Statement of Financial Position, Statement of Operations, Statement of Remeasurement Gains and Losses, Statement of Changes in Net Debt, and Statement of Cash Flows.

The President of COTA queried:

- if the District increases the estimate of 'teacher illness' days when preparing the budget
- where the sale of the McWilliams Centre/Doyle Avenue property was listed on the Financial Statements
- if the District will be requesting additional Classroom Enhancement Funding for 2023/2024
- TTOC release costs for training vs illness
- the higher costs for meetings and supplies
- the possible benefit holiday for staff
- staffing in International Education

The Treasurer of CUPE queried the funding for SWIS workers.

Trustee Fraser queried the asset retirement obligation in the District.

The Assistant Secretary-Treasurer, the Secretary-Treasurer/CFO and the Superintendent of Schools/CEO responded to queries.

Outcomes:

The Finance and Audit Committee received the Audited Financial Statements Fiscal Year 2022/2023, as attached to the Agenda, and as presented at the September 20, 2023 Finance and Audit Committee Public Meeting.

The Committee recommended that the Board of Education receive and approve the Audited Financial Statements Fiscal Year 2022/2023.

2022/2023 Accumulated Operating Surplus

The Assistant Secretary-Treasurer presented information on the 2022/2023 Accumulated Operating Surplus. Board Policy 161 *Accumulated Operating Surplus* establishes the guidelines and resources on the accumulation and use of operating surplus.

The President of COTA queried whether schools' discretionary funds would be returned, and stated that growth in Central Okanagan Public Schools appears to be a double-edged sword considering that it also means the need for portables, which are funded by the District.

Trustee Guderyan queried the recommended percentage for a surplus.

Trustee Desrosiers thanked the finance team for their hard work and hoped that they could look for more ways to have a surplus in future years.

The Assistant Secretary-Treasurer, the Secretary-Treasurer/CFO and the Superintendent of Schools/CEO responded to queries.

Outcomes:

The Finance and Audit Committee received the 2022/2023 Accumulated Operating Surplus for the year ended June 30, 2023, as attached to the Agenda, and as presented at the September 20, 2023 Finance and Audit Committee Public Meeting.

The Committee recommended that the Board of Education receive and approve the 2022/2023 Accumulated Operating Surplus.

DISCUSSION/INFORMATION ITEMS

Financial Statement Discussion and Analysis for the Year Ending June 30, 2023

The Assistant Secretary-Treasurer stated that the Ministry of Education and Child Care requires school districts provide a Financial Statement Discussion and Analysis Report to accompany the annual Audited Financial Statements as supplementary information.

The Secretary-Treasurer/CFO reviewed the Financial Statement Discussion and Analysis for the Year Ending June 30, 2023 and responded to committee questions regarding inflationary costs and funding for committees under the Strategic Plan.

RECOMMENDATIONS/REFERRALS TO THE BOARD/COORDINATING COMMITTEE/OTHER COMMITTEES

Public Board Meeting – September 27, 2023

- Audited Financial Statements Fiscal Year 2022/2023 (Action)
- 2022/2023 Accumulated Operating Surplus (Action)

- Financial Statement Discussion and Analysis for the Year Ending June 30, 2023 (Information)

ITEMS FOR FUTURE FINANCE AND AUDIT COMMITTEE MEETINGS

October

- Financial Update at September 30th
- Student and Family Affordability Fund Update as of June 30, 2023
- Feeding Futures Budget and Program Overview

November

- School District No. 23 (Central Okanagan) Budget Development Principles
- School District No. 23 (Central Okanagan) Budget Development Timeline

January

- Amended Annual Budget for the Fiscal Year
- Ministry of Education and Child Care Recalculation Allocation
- Financial Update at December 31st
- Budget Survey Development
- Annual Review of Committee's Mandate, Purpose and Function

February

- Budget Presentation
- School Fees Summary

April (1st Meeting)

- Overview of Budget Allocation
- Budget Consultation Input Received
- Trustee Indemnity for the 2024/2025 Fiscal Year

April (2nd Meeting)

- Central Okanagan School District Preliminary Budget Proposal – Superintendent's Budget Recommendations
- Financial Report at March 31st

May

- Auditor's Report to the Finance and Audit Committee – Initial Communication on Audit Planning for the Year
- Annual CommunityLINK Allocations
- Financial Update - International Education Program
- Financial Update - Feeding Futures Program

June

- School District No. 23 (Central Okanagan) Annual Budget for the Fiscal Year
- 2023/2024 Accumulated Operating Surplus Review

FUTURE FINANCE AND AUDIT COMMITTEE MEETINGS

4:00 pm, Wednesday October 18, 2023
Main Board Room, 1040 Hollywood Rd. S.

MEDIA QUESTIONS

No Media present.

ADJOURNMENT

The meeting adjourned at 5:05 pm.

Questions - Please Contact:

Trustee Broughton, Chair at 250-718-9219 or Wayne.Broughton@sd23.bc.ca

Kate Cumming, Assistant Secretary-Treasurer at 250-860-8888 or Kate.Cumming@sd23.bc.ca

Wayne Broughton, Chair