

SCHOOL DISTRICT No. 23 – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Legal Committee Meeting DATE: February 17, 2016
CHAIRPERSON: Trustee L. Mossman STAFF CONTACT: E. Sadlowski, Director of Finance

*The Committee Chairperson acknowledged that the meeting was being held
on the Traditional Territory of the Okanagan People.*

Attendees:

Board of Education:

Trustee L. Mossman (Chairperson)
Trustee R. Cacchioni (Committee Member)
Trustee C. Gorman (Committee Member) (*absent*)
Trustee J. Fraser (Acting Committee Member)
Trustee M. Baxter
Trustee D. Butler

Staff:

E. Sadlowski, Director of Finance
L. Paul, Secretary-Treasurer (*arrived at 6:38 pm*)
K. Kaardal, Superintendent of Schools/CEO
T. Beaudry, Assistant Superintendent
B. Bertram, Executive Assistant (*Recorder*)

Partner Group Representation:

COTA Susan Bauhart, President
COPAC Rick Davidson, Member at Large
COPVPA Mike Dornian, Treasurer (*arrived at 6:38 pm*)
CUPE Wendy Johnson, President
District Student Council Kylie Hill, Grade 12, OKM

Agenda/Additions/Amendments/Deletions

Trustee Fraser was appointed Acting Committee Member in the absence of Trustee Gorman.

February 17, 2016 Agenda – approved.

Reports/Matters Arising

January 20, 2016 Committee Report – received as presented.

Public Question/Comment Period

Jamie Patterson, Springvalley Elementary School Parent, requested information on the additional cost to the Central Okanagan School District as a result of the negotiated provincial agreement for teachers' health care benefits.

The Director of Finance responded that, prior to the negotiated provincial agreement, school districts had negotiated their own health care cost agreements with their teachers, and the Central Okanagan's agreement with COTA members included an upgraded plan that was subsidized by teachers. When the provincial agreement was negotiated, a calculation error was made for the Central Okanagan School District as they didn't recognize the subsidy by teachers. As this is a cost pressure for our District only, relief has been requested from the Ministry, and the District is awaiting the results of that request.

Discussion/Action Items

1. Revenue and Expense Summary at January 31, 2016

The Director of Finance reviewed the Revenue and Expense Summary which is a checkpoint to ensure that budgeted amounts for all categories are proceeding as expected, and provides a comparative to the previous year's revenue and expenses. Committee members discussed the reserves (surplus) available. The Ministry of Education's Deloitte Report recommends that a reasonable reserve amount is 2 – 3% of the operating expenditures. The Central Okanagan School District's reserve amount sits at one half of 1% of the operating expenditures.

Outcome

The Committee received the Revenue and Expense Summary at January 31, 2016, and recommended that the Summary be forwarded to the Board of Education as an Information Item.

2. 2016/2017 Operating Budget Consultation

The Director of Finance provided a presentation on the provincial budget announcement for education funding which was, in essence, status quo for school districts. The province is funding teacher and CUPE labour settlements, however provision has not been made for general or special education enrolment increases, and has not addressed the increasing costs for MSP, general inflation and the move to Next Generation Network technology by all school districts. The province believes it can handle enrollment increases within the formula. A review of 2016/2017 preliminary budget assumptions shows an anticipated budget pressure of approximately \$3.58 million.

A revised budget timeline was provided and includes the Public Finance and Legal Committee Meeting on April 6th at 6:30 pm. That meeting format will incorporate a presentation of potential budget recommendations followed by a public forum for all Partner Group and public to provide input. Further public feedback will be gathered during the week of April 7th – 13th. At the April 20th Public Finance and Legal Committee Meeting, staff will bring forward preliminary budget recommendations for committee discussion.

The budget timeline will be amended to include the deadline date of Thursday, March 31st for all budget requests to be submitted, and will note that the budget is not finalized by the Board until the June 22nd Public Board Meeting.

The District funding announcement, typically received by March 15th each year, may be delayed. The announcement is public information and will be posted to the District website once received, along with the amended budget timeline.

Information Items

1. Review of the Administration Costs and Operating Reserves for BC Public Schools

The Director of Finance reviewed the report from the BC Association of School Business Officials, released on January 8, 2015, which provides information on administration costs and operating reserves for BC Public Schools. Statistics Canada reports that BC has the lowest per pupil district administration cost in Canada.

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

Future Public Board Meeting Information Items:

- Revenue and Expense Summary at January 31, 2016
- Review of the Administration Costs and Operating Reserves for BC Public Schools

Meeting Schedule

April 6, 2016 at 6:30 pm	April 20, 2016 at 6:30 pm	May 18, 2016 at 1:00 pm
June 15, 2016 at 6:30 pm	September 21, 2016 at 1:00 pm	October 19, 2016 at 6:30 pm
November 16, 2016 at 1:00 pm		

Items for Future Finance and Legal Committee Meetings

- Update – 2012 and 2014 Deloitte Reports - Ministry of Education
- Funding for Syrian Refugees

April (1 st meeting)		April (2 nd meeting)	
- Overview of Budget Allocation and Potential Budget Recommendations		- Central Okanagan School District Preliminary Budget Proposal – Superintendent's Preliminary Budget Recommendations	
- Budget Consultation with Partner Groups and the Public		- Trustee Indemnity for the Fiscal Year	
May		June	
- Auditor's Report to the Finance Committee – Initial Communication on Audit Planning for the Year		- School District No. 23 (Central Okanagan) Annual Budget for the Fiscal Year	
- Annual CommunityLINK Allocations		- Finance and Legal Committee – Review of Mandate, Purpose and Function	
- Trustee Travel Expenses			
- Financial Update – International Education Program			
- Review of Policy 425 and Regulations 425R - Student Fees			

Questions – Please Contact:

Trustee Lee Mossman, Chairperson
Eileen Sadlowski, Director of Finance

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