

COMMITTEE REPORT

COMMITTEE V - FINANCE & LEGAL

TUESDAY, 2011 November 08

Committee Report to the Board 2011 November 28

The Committee met to discuss the following items:

1. Use of Local Capital Reserve to Fund Feasibility Studies

R. Krowchuk, Secretary Treasurer, presented a report dated 2011 November 03 entitled *Project Definition Reports – Nelson Elementary, Begbie Elementary, Fleming Elementary and John Oliver Secondary Schools*. He noted that:

- the Planning and Facilities Committee endorsed the proposed definition reports for Nelson Elementary, Begbie Elementary, Fleming Elementary and John Oliver Secondary on 2011 November 01;
- the Ministry of Education no longer provides up front funding for feasibility studies related to proposed capital projects;
- School districts are requested to provide interim funding for feasibility studies which would be reimbursed by the Ministry of Education once the project agreement is approved for each capital project; and
- the Board approved a letter on 2011 November 07 to be sent out to the Ministry of Education to request the use of the Capital Reserve to provide financing for the proposed feasibility studies.

IT IS RECOMMENDED that the Board approve interim funding of up to \$423,000 from the Local Capital Reserve for the completion of Project Definition Reports for Nelson, Begbie, Fleming, and John Oliver schools on the understanding that the Ministry of Education will reimburse these expenditures once the individual Project Agreements are approved.

2. **2011/2012 First Quarter Financial Report**

F. Coughlan, Director of Finance, presented a report dated 2011 November 08, *Quarterly Financial Report*. This report represents the first quarterly report of operating revenues and expenditures for 2011/2012 as at 2011 September 30. F. Coughlan noted that:

- the updated projection was based on budget approvals by the Board to date, enrolment driven changes for funding and staffing as at 2011 September 30 and other projected changes in revenue and expenditure factors;
- the projected surplus for 2011/2012 is estimated at \$0.16 million; and
- the variances identified in the First Quarter Financial Report are primarily due to enrolment changes.

This item was received for information.

3. **Statement of Financial Information (SOFI) Report**

R. Krowchuk presented a report dated 2011 November 08, *Statement of Financial Information for the Period July 1, 2010 to June 30, 2011*. In accordance with the *Financial Information Act* (“*the Act*”), each school board is required to prepare a report of financial information for each fiscal year. The report included:

- a Schedule of Remuneration and Expenses that lists all payments made to trustees and to those employees with remuneration exceeding \$75,000; and
- a Schedule of Suppliers of Goods and Services that lists total payments made to suppliers in excess of \$25,000.

This item was received for information.

4. **2011/2012 Operating Budget Book**

F. Coughlan presented the *2011/2012 Preliminary Operating Budget Book* for the Vancouver Board of Education for 2011/2012. She noted that the operating budget book reflects the Board approved 2011/2012 Preliminary Budget and includes the following items:

- an overview of the 2011/2012 budget;
- five year history of expense and enrolment;
- the budget changes approved by the Board of Trustees in May 2011 and June 2011; and
- expense and staffing information on a function and program basis.

The 2011/2012 Operating Budget Book is also available on the Financial Information page of the VSB website (<http://www.vsb.bc.ca/financial-information>).

This item was received for information.

5. Reinstatement of the PST and GST system – Response from the Minister of Finance

R. Krowchuk referred to a letter from the Minister of Finance and Deputy Premier dated 2011 October 27. The letter indicated that with the elimination of the Harmonized Sales Tax (HST), and return to the Provincial Sales Tax (PST) and Goods and Services Tax (GST) system of taxation, the Province has committed that all permanent PST exemptions will return with the re-implemented PST and that there would be no need for a PST rebate for school districts.

This item was received for information.

6. New Business / Enquiries

a. Proposed Request for Proposal (RFP) for Resource Allocation Review

R. Krowchuk provided a verbal report regarding a proposed Resource Allocation Review to assist the district in identifying a strategic budget approach for the 2012/2013 Budget Process. It was recommended that the district issue a Request for Proposal (RFP) to request services from either a professional accounting or consulting firm to assist with this process. He noted that other public sector organizations have engaged professional accounting or consulting services to conduct a review of this nature. A similar review was conducted at the Ottawa-Carleton School Board. Given the timing for the 2012/2013 budget process, it was further recommended that if a contract was to be awarded, it should be approved by the Board in December, 2011.

Some Committee members expressed support to proceed with the RFP process for Resource Allocation Review, however, they cautioned that the process must preserve the goals and values of the district.

It was agreed that the results of the Price-Waterhouse, Ottawa-Carleton School Board review process be emailed to Committee members and representatives.

This item was received for information.

7. Date and Time of Next Meeting

The next meeting of this Committee is scheduled for Monday, 2012 January 09 at 17:30 hours.

Meeting adjourned at 1830 hours.

Sharon Gregson, Chairperson

Committee V Members Present:

Patti Bacchus, Jane Bouey, Mike Lombardi

Other Trustees Present:

Ken Clement, Ken Denike, Carol Gibson

District Management Team Present:

Rick Krowchuk, Jordan Tinney,
Flavia Coughlan

Association Representatives Present:

Anna Maria Niccoli-Mullet, VEPVPA
Harjit Khangura, IUOE
Monica Hoberg, DPAC
Lorelei Russell, PASA
Paul Faoro, CUPE 15
Brent Boyd, CUPE 407
Gary Xia, VDSC