

**BOARD OF EDUCATION
SCHOOL DISTRICT NO. 78 (FRASER-CASCADE)**

**DRAFT MINUTES OF THE BUDGET ADVISORY
COMMITTEE MEETING
May 9, 2016**

PRESENT:

Board - Committee Members:

Heather Stewin	Trustee
Cindy Ferguson	Trustee

Representatives:

Lori Izawa	Parent	DPAC
Lynne Marvell	President	FCTA
Darlene Smith	Payroll	CMAWBC
Cathy Speth	Representative	AEC

Staff:

Karen Nelson	Superintendent
Natalie Lowe-Zucchet	Secretary-Treasurer

Recording Secretary:

Laurie Bjorge	Accounting/Data/Human Resources
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Regrets:

Tom Hendrickson	Chair	
Bruce Becker	Principal	FCPVPA
Kevin Bird	Assistant Superintendent	
Clair Gill	Parent	DPAC
Brad Bourel	Maintenance	CMAWBC

1. Call to Order

Trustee Stewin called the meeting to order at 4:30 p.m. in the District Education Office in Hope, B.C.

2. Approval of Agenda

IZAWA/SMITH

THAT the Agenda be approved as presented.

Carried

3. Approval of Minutes – April 11, 2016

IZAWA/SMITH

THAT the Minutes of the Budget Advisory Committee meeting held on April 11, 2016 be approved.

Carried

4. Draft Budget Presentation

The Secretary-Treasurer presented the draft budget that will be presented to the Board for approval. Changes to revenue and expenses were explained. More dollars were put in the budget that was actually required. Differences are negligible as to where the district is spending, which means the district is maintaining business as usual. Funding has shrunk in comparison to cost which is why budget surplus is being used from previous years to balance.

The budget shows anticipated enrolment growth, which is part of the reason the district is now out of funding protection. There is a slight decline in funding from the Ministry. The budget is showing an overall increase in revenue mostly due to amortization of deferred capital. This does not result in an increase in actual cash for the district, simply a GAAP function that is reflected on paper. In terms of expenses, there is a slight increase in administration due to wage increase of non-unionized members, however, overall the district is holding steady because of cuts to administration staff.

The Schedule of Operating Revenue by Source shows a slight increase of operating revenue from \$19,054,536 to \$19,194,960 for 2016/17. \$3.2 million of operating funds are received through LEA/Direct Funding from First Nations. As shown in Schedule 2, Operating Revenue and Expense, funding and expenditures remain stable. There is a noticed increase in inflation, utility costs, and benefit costs, however, decreases such as LED lighting cost savings and teacher pension decreases have helped minimize the impact on schools. Overall the district will encounter a net deficit of \$1,166,905, which is offset by a budget surplus. Accounting practices have improved over the years. District staff have become diligent to collect money that is owing and paying bills in a timely manner ensuring penalties aren't incurred.

There has been a slight increase to principal and vice-principal salaries. There was a small savings with the departure of the vice-principal at Kent Elementary. There was an increase in education assistant hours as the need had increased substantially. Employee benefits cost declined due to premium holiday and teacher pension decreases.

Special purposes funds which used to be called trust funds include LIF, StrongStart, Community Link, Ready Set Learn. LIF funding consists of 80% to teachers' salaries and 20% to SEAs' salaries, which is mandated by collective agreement. The district is not anticipating a decline in special needs students.

5. Budget Report Comparison

The Secretary-Treasurer reviewed the Budget Report and explained the process that she and the principals engage in to come up with the school budgets. Working together, the Preliminary Budget is created.

6. Draft Administration Savings Plan

The district exceeded the savings target. The savings from the C.E.Barry closure could be used again as long as the costs weren't incorporated back into the budget. WorkSafe BC savings of \$37,000 savings last year was due to a drop in rates and will continue to be a savings. The teacher pension plan reduction was used as well in the cost savings.

7. Staff Reduction/Retirement by School

The Secretary-Treasurer explained the staff reductions. Compared to last year, the district had less temporary support staff. Staff that are laid off at the end of the year more than likely will be brought back, depending on student enrolment. The Secretary-Treasurer noted there are more retirements that need to be added to spreadsheet.

8. ICBC Insurance Update

The latest Shared Service Plan is ICBC insurance. Currently the district has an insurance renewal date of September 30th. All vehicles had to be inspected and insured by this date. The government now has decided all districts must change to a June 30th date which the district will have to implement this June. The district will still need to self-insure comprehensive and collision costs through School Protection Branch. Comprehensive deductible rate will change from \$300 to \$1000.

9. Enrolment Information

The Secretary-Treasurer reviewed the enrolment numbers and enrolment trend. The recording secretary noted to fix the Hope chart.

10. Questions

The committee further discussed the change to ICBC insurance. The Secretary-Treasurer noted as well that after this first year of change, districts are able to go back to their local insurance agents. The government's intent by making this change is to take advantage of mass buying power resulting in cost savings.

IZAWA/FERGUSON

THAT the proposed budget be forwarded to the Board of Education for approval.

Carried

Adjournment

IZAWA

THAT the meeting be adjourned.

Carried

Meeting adjourned at 5:30 p.m.

Notice of Next Meeting: Fall, 2016