



**WINDSOR-ESSEX CATHOLIC  
DISTRICT SCHOOL BOARD**

*"Learning together in faith and service"*

1325 California Avenue  
Windsor, ON N9B 3Y6  
CHAIRPERSON: Barbara Holland  
DIRECTOR OF EDUCATION: Paul A. Picard

**REGULAR BOARD MEETING  
Tuesday, November 25, 2014 at 7:00 p.m.  
Windsor Essex Catholic Education Centre  
John Paul II Board Room**

**AGENDA**

1. Call To Order
2. Opening Prayer
3. Recording of Attendance
4. Approval of Agenda
5. Disclosure of Interest - Pursuant to the Municipal Conflict of Interest Act.
6. Presentations:
7. Delegations: *None* --
8. Action Items:
  - a. Previous Meeting Minutes
    - i) Minutes of the Regular Board Meeting of October 28, 2014 1-8
  - b. Items from the Emergency Committee of the Whole Board In-Camera meeting of October 28, 2014 --
9. Communications:
  - a. External (Associations, OCSTA, Ministry): *None*
  - b. Internal (Reports from Administration)
    - i) Report: Audit Committee Annual Report to the Board of Trustees for the Year Ended August 31, 2014 (M. Iatonna) 9-14
    - ii) Report: 2013-2014 Year-End Budget Variance Report (M. Iatonna) 15-30
10. Committee Reports:
  - a. Report: Special Education Advisory Committee Minutes from the September 18, 2014 meeting (C. Geml) 31-34

11. Unfinished Business: *None*
12. New Business:
  - a. Report: 2013-2014 Fiscal Year-End Financial Statements (M. Iatonna) 35-65
13. Notice of Motion:
14. Remarks and Announcements:
  - a. Chairperson of the Board
  - b. Director of Education
  - c. Board Chaplain
15. Remarks/Questions by Trustees
16. Pending Items: *None*
17. Future Regular Board Meetings: *Unless stated otherwise, all meetings will be held on the fourth Tuesday of the month at the Windsor Essex Catholic Education Centre - 1325 California Avenue, Windsor beginning at 7:00 p.m.*
  - Tuesday, December 2, 2014 – *Inaugural/Organizational Meeting at 7:30 pm*
  - Tuesday, December 16, 2014 (Third Tuesday of the month due to Christmas holiday)
  - Tuesday, January 27, 2015
  - Tuesday, February 24, 2015
  - Tuesday, March 24, 2015
  - Tuesday, April 28, 2015
  - Tuesday, May 26, 2015
  - **MONDAY**, June 22, 2015

*Committee of the Whole Board In-Camera Meetings will be held on the second Tuesday of the month at 6:00 pm (closed sessions).*
18. Adjourn to In-Camera meeting, if required:
19. Closing Prayer
20. Adjournment

**Barbara Holland**  
*Chairperson of the Board*

**Paul A. Picard**  
*Director of Education & Secretary of the Board*



1325 California Avenue  
Windsor, ON N9B 3Y6  
CHAIRPERSON: Barbara Holland  
DIRECTOR OF EDUCATION: Paul A. Picard

**REGULAR BOARD MEETING**  
**Tuesday, October 28, 2014 at 7:00 p.m.**  
**Windsor Essex Catholic Education Centre**  
**John Paul II Board Room**

**MINUTES**

**PRESENT**

**Trustees:**

F. Alexander	J. Macri
M. DiMenna, Vice-Chair	B. Mastromattei
F. Favot	J. McMahon
B. Holland, Chair	
K. Dumlao, Student Trustee	
V. Gaspard, Student Trustee	
Rev. L. Brunet, Board Chaplain	

**Regrets:**

Trustees Soulliere and Courtney

**Administration:**

P. Picard (Resource)	E. Byrne	C. Norris
C. Geml	S. Fields	S. O'Hagan-Wong
J. Bumbacco	P. King	M. Seguin
M. Iatonna	R. Lo Faso	J. Ulicny
	P. Murray	

**Recorder:**

B. Marshall

1. Call To Order – Chair Holland called the meeting to order at 7:01 pm.
2. Opening Prayer – Fr. Brunet opened the meeting with a prayer.
3. Recording of Attendance – Trustee Courtney sent her regrets due to illness. Trustee Soulliere sent regrets due to a prior commitment.
4. Approval of Agenda - Chair Holland noted that the handout for agenda item 12d) Tender Approval – Snow Removal is at trustee places and was previously provided to trustees electronically.

**Moved by Trustee McMahon and seconded by Trustee Mastromattei that the October 28, 2014 Regular Board meeting agenda be approved as distributed. *Carried***

5. Disclosure of Interest - Pursuant to the Municipal Conflict of Interest Act. *None*
6. Presentations: *None*
7. Delegations: *None*
8. Action Items:
  - a. Previous Meeting Minutes
    - i) Minutes of the Committee of the Whole Board In-Camera Meeting of September 9, 2014

**Moved by Trustee Mastromattei and seconded by Trustee Favot that the Minutes of the Committee of the Whole Board In-Camera meeting of September 9, 2014 be adopted as distributed. Carried**

- ii) Minutes of the Regular Board Meeting of September 23, 2014

**Moved by Trustee DiMenna and seconded by Trustee Macri that the Minutes of the Regular Board meeting of September 23, 2014 be adopted as distributed. Carried**

- b. Items from the Committee of the Whole Board In-Camera meeting of October 14, 2014

Vice Chair DiMenna reported that the Windsor-Essex Catholic District School Board convened a closed Committee of the Whole Board meeting on October 14, 2014 pursuant to the Education Act - Section 207, to consider specific personnel, real property matters, potential litigation matters and other matters permitted or required to be kept private and confidential under the Freedom of Information and Protection of Privacy Act.

**Moved by Trustee DiMenna and seconded by Trustee Macri that the recommendations and directions of the Committee of the Whole Board at its in-camera meeting of October 14, 2014 be approved. Carried**

Vice Chair DiMenna made the following announcements:

From the October 14, 2014 Committee of the Whole Board in-camera meeting:

- Lease Extension – Catholic Central Annex - 321 Tecumseh Road East.

9. Communications:
  - a. External (Associations, OCSTA, Ministry):
    - i) Ontario Catholic School Trustees' Association (OCSTA) Memorandum dated October 14, 2014: OCSTA Trustee Award of Merit

**Moved by Trustee DiMenna and seconded by Trustee Favot that the Ontario Catholic School Trustees' Association (OCSTA) Memorandum dated October 14, 2014 – Trustee Award of Merit be received as information. Carried**

- b. Internal (Reports from Administration)
- i) Report: Enrolment/Staffing School Organization Information for Elementary and Secondary Schools, September 2014

Executive Superintendent Bumbacco presented highlights of the Enrolment/Staffing School Organization Information for Elementary and Secondary Schools for September 2014.

Addressing Trustees' inquiries, Superintendents Murray and Ulciny explained Specialty Teachers, grade 12 projections, non-Catholic admissions and Educational Assistant assignments per school.

**Moved by Trustee Macri and seconded by Trustee DiMenna that the Board receive the report *Enrolment/Staffing School Organization Information of our Elementary/Secondary Schools – September 2014* as information. Carried**

- ii) Report: 2014 Summer Programs – Focus on Youth and Summer School

**Moved by Trustee Macri and seconded by Trustee DiMenna that the Board receive the *Summer Programs: Focus on Youth and Summer School* report as information. Carried**

- iii) Report: 2013-14 Real Property Disposition and Acquisition Summary

**Moved by Trustee Macri and seconded by Trustee Alexander that the Board receive the *2013–14 Property Disposition and Acquisition Summary* as information. Carried**

- iv) Report: Grade 9 Assessment of Mathematics and the Ontario Secondary School Literacy Test (OSSLT)

**Moved by Trustee Macri and seconded by Trustee Mastromattei that the Board receive the *2013-2014 Grade 9 Assessment of Mathematics and the Ontario Secondary School Literacy Test (OSSLT)* report as information. Carried**

10. Committee Reports:

- a. Report: Special Education Advisory Committee Minutes from the September 18, 2014 meeting

**Moved by Trustee DiMenna and seconded by Trustee McMahon that the Board receive the *Minutes of the Thursday May 22, 2014 Special Education Advisory Committee meeting* as information. Carried**

- b. Report: French Immersion Advisory Committee Minutes from the May 15, 2014 meeting

**Moved by Trustee McMahon and seconded by Trustee Favot that the Board receive the Minutes of the May 15, 2014 French Immersion Advisory Committee meeting as information. *Carried***

- c. Report: Parent Involvement Committee – Proposed Budget and Strategic Initiatives 2014-2015

**Moved by Trustee Macri and seconded by Trustee DiMenna that the Board receive the 2014-2015 proposed budget and strategic initiatives of the Parent Involvement Committee. *Carried***

11. Unfinished Business: *None*

12. New Business:

- a. Report: Amended Policy T:01 Student Trustee (*final approval*)

**Moved by Trustee McMahon and seconded by Trustee DiMenna that the Board provide final approval of Draft Amended Board Policy T: 01 Student Trustees, as approved in principle on September 23, 2014. *Carried***

- b. Deferred Report: Amended Policy: T:06 Trustee Honoraria (*final approval*)

**Moved by Trustee DiMenna and seconded by Trustee Alexander that the Board provide final approval of Amended Policy T: 06 Honoraria for Trustees, as approved in principle on June 23, 2014, and as amended for compliance with recent revisions to Ontario Regulation 357/06 Honoraria for Board Members. *Carried***

- c. Report: Annual Honoraria Review

**Moved by Trustee Macri and seconded by Trustee DiMenna that approval be given to establish honoraria for Board Members for the period from December 1, 2014 to November 30, 2015 in the amounts of \$9,919.48 for Trustees, \$12,936.27 for Vice-Chair and \$15,953.06 for Chair; AND**

**That the Board approve maintaining the annual honorarium for the Board Chaplain at the current level of \$3,500. *Carried***

- d. Handout Report: Tender Approval – Snow Removal

**Moved by Trustee DiMenna and seconded by Trustee Macri that approval be given to the award of tender and the issuance of three purchase order contracts for Snow Removal Services to Landscape Effects Group, Quality Turf, and Creative Homescapes for a two year term beginning with the 2014-15 snow season through the 2015-16 snow season, with an option for a third, fourth, fifth and sixth year upon Board approval as a charge to Snow Removal account 000-40-430032-6-000. *Carried***

13. Notice of Motion: *None*

14. Remarks and Announcements:

a. Chairperson of the Board made the following announcements:

- Parent Involvement Committee meeting tomorrow night at the Catholic Education Centre
- We celebrate our faith as one Catholic family at the Bishop's Dinner this Thursday, October 30, 2014 to support St. Peter's Seminary
- Bringing greetings on behalf of the Board to our Support Staff Leadership Program on November 3<sup>rd</sup>
- Paying respects to 65 employees who will be honoured for 25 years of long service. The mass and dinner will be followed by presentations of the J. F. Johnston Award, the Fr. Charles Armstrong Award and the Donny Allen Award
- The Audit Committee will meet November 12<sup>th</sup>
- School Council Commissioning Ceremony will be held November 19<sup>th</sup>
- The last meeting of this Board is Tuesday November 25<sup>th</sup>

Chair Holland referred to the previous evening's municipal election by congratulating everyone for the decisions made regarding the next four years such as those who decided to step away from the board table to pursue other options and those who announced their desire to serve and support in the capacity of Trustee. Chair Holland commented on the passion to serve our children, our families, our parishes and our community, continues to be strong in the Windsor Essex Region. Congratulations to all. Chair Holland acknowledged, welcomed and congratulated those who will join us in December:

- Frank DiTomasso – LaSalle and Amherstburg
- Susan Tope – Town of Tecumseh
- Fabio Costante - Wards 2 and 9
- Fulvio Valentinas – Wards 1 and 10

b. Director of Education Picard provided comments on recent activities supporting the Board's strategic priorities namely;

**Catholic Faith Formation:** When Faith Meets Pedagogy Conference was held last week and several teachers attended. The choir and orchestra for the mass and liturgies this year was made up of musicians from all around the province and our very own Gabe Gagnon, Joyce Gagnon and David Collins were invited to be a part of this first time initiative. Several staff also presented workshops at the conference; and This year's Remembrance Day is especially significant.

Director Picard recited a quote from Heather Robertson's book, *The Art of Canada at War*:

*"We must remember. If we do not, the sacrifice of Canadian lives will be meaningless. They died for us, for their homes and families and friends, for a collection of traditions they cherished and a future they believed in; they died for Canada. The meaning of their sacrifice rests with our collective national consciousness; our future is their monument."*

We continue to pray for the two soldiers who gave their lives this past week.

**Employee Development and Student Achievement Initiatives:** Families of Schools meetings with Principals are being held at present; Today our Literacy Support Teachers at all 8 secondary sites analyzed the results of this year's Grade 9 Practice

Literacy Test. This data will assist Literacy Support Teachers working with classroom teachers to develop strategies to assist students with possible gaps in the areas of reading, writing and critical thinking across subject disciplines, prior to next year's Ontario Secondary School Literacy Test; Two of our Secondary sites, St. Thomas of Villanova and St. Joseph's Catholic Secondary schools are participating in a Grade 9 Applied Math Strategy in conjunction with the Ministry of Education and OAME (Ontario Association for Mathematics Education) throughout the 2014-15 school year. They are two of ten selected from across the province to participate in this worthwhile project; and Professional Development session for Principals and Vice-Principals will be held on November 5<sup>th</sup> to provide materials, professional learning and facilitation tips to support the professional learning for the November 21<sup>st</sup> P.D. day. The focus for the P.D. Day is Numeracy with a specific focus on going deeper with our understanding of Proportional Reasoning across the five math strands.

**Community Engagement and Partnerships:** On October 27<sup>th</sup>, twelve of our schools participated in a presentation by "Ontario EcoSchools." Each school had a team of three volunteer teacher representatives attend to learn more about "Eco-friendly" school communities. Members of the community, Enwin and Essex Powerlines were also in attendance. Julie DiDomenico from Facilities Services and Consultant Mike St. Pierre coordinated the event; Planning for Success - Family Information Night is being held at the Catholic Education Centre on November 26<sup>th</sup> from 6:00 to 8:00 pm; and A Night of Inspiration: For Families Navigating High School is on November 19<sup>th</sup> at the Ciociaro Club from 5:30 to 8:30 pm.

**Celebrating Achievements:** The Annual Employee Long Service Banquet is scheduled for Friday, November 7<sup>th</sup> at the Ciociaro Club.

**Miscellaneous:** Congratulations to returning and newly elected trustees on their success to serve as Catholic School Board Trustees. Warmly welcome trustee-elect Fabio Costante who is among us this evening.

c. Board Chaplain no comments this evening.

15. Remarks/Questions by Trustees

Trustee McMahon thanked and congratulated newly and returning trustees elected to the board and commented on the extremely successful Muskoka retreat where 1000 grade 8 students and grade 12 leadership students and their teachers gained a positive experience. To celebrate 20 years of the Muskoka Experience, Trustee McMahon thanked Communications Coordinator Stephen Fields for inviting *Windsor Star* fitness reporter Kelly Steele and photographer Dan Janisse to "experience" and report on Muskoka.

Trustee Macri congratulated newly elected and returning Trustees.

Trustee Favot congratulated Trustees elected and acclaimed and acknowledged Trustee-elect Fabio Costante who was present this evening.

Trustee DiMenna congratulated re-elected and newly elected Trustees and recognizes working together collaboratively the Board can only move forward.

Student Trustee Dumlao mentioned the following events at our secondary schools:

- *St. Joseph's* – "SAC"tivities include Pumpkin Painting Contest, Bobbing for apples,



Pumpkin Pie Eating contest and Costume Contest; Boo-grams; Life Skills dance October 30<sup>th</sup> and Halloween Dance October 31<sup>st</sup>; Crepe Day with French Programs; To support Students Helping Students a Lazy Monday Day; and Planning for the Christmas season such as volunteering at the Downtown Mission.

- *Holy Names* – Pep Rally on October 3<sup>rd</sup> to recognize teams and clubs; October 10<sup>th</sup> a \$2 dress down day, all proceeds to ALS community; Halloween based Movie Marathon on October 17<sup>th</sup>; School Council Retreat October 24<sup>th</sup> at Guestwood; Selling boo-grams which will be given on Halloween; and Costume dress/fashion show on Halloween during lunch.
- *F.J. Brennan* – Pink Dress Down day in support of Breast Cancer Awareness; Pumpkin Carving and Costume Contest on Halloween; Friday, October 31<sup>st</sup> is Uniform Day for Football; “Moe”vember Contest during the month of November; and Plans for Random Acts of Kindness Day.

Student Trustee Gaspard mentioned the following events at our secondary schools:

- *Cardinal Carter* – Grade 9 festivities; Football team fundraiser, Breast Cancer Awareness bracelets; semi-formal preparations for a Masquerade Ball theme; and a Halloween Pep Rally which teachers will dance behind students to Thriller video.
- *Catholic Central* – Leadership class bracelet fundraiser; Student Advisory Council (SAC) shirts created; Can Drive next month; Movie Night viewing *The Night Before Christmas* October 30<sup>th</sup>; and a bake sale on Halloween day to dress up.
- *St. Anne* – Halloween week consisting of Pumpkin Carving Contest, Boo-grams, cafeteria games and a photo booth held on Friday, October 31<sup>st</sup>; and Spirit Week includes Moustache Monday, Twin Tuesday, Jersey Wednesday and Pep Rally Friday.
- *St. Thomas of Villanova* – Celebrated a successful grade 9 day; Spirit Week which involves a Pep Rally, PJ Day, Crazy Hair Day, Nerd Day, Twin Day, All Pink Day and a Homecoming Dance; Held a Singing in the Cafeteria where hot chocolate was sold; Pep Rally prior to the Football game; Teacher Pie Eating Contest; and Spirit Boys Performance.

16. Pending Items: *None*

17. Future Regular Board Meetings: *Unless stated otherwise, all meetings will be held on the fourth Tuesday of the month at the Windsor Essex Catholic Education Centre - 1325 California Avenue, Windsor beginning at 7:00 p.m.*

- Tuesday, November 25, 2014
- Tuesday, December 2, 2014 – *Organizational Meeting at 7:30 pm*
- Tuesday, December 16, 2014 (Third Tuesday of the month due to Christmas holiday)

*Committee of the Whole Board In-Camera Meetings will be held on the second Tuesday of the month at 6:00 pm (closed sessions).*

18. Adjourn to In-Camera meeting, if required: *The Board will convene to In-Camera Committee of the Whole meeting following adjournment.*

19. Closing Prayer – Fr. Brunet commented on the 100<sup>th</sup> Anniversary of World War I and prayed for the victims of that war and the wars of today.

20. Adjournment - There being no further business, the Regular Board meeting of October 28, 2014 adjourned at 7:56 p.m.

*Not Approved*

***Barbara Holland***  
*Chairperson of the Board*

***Paul A. Picard***  
*Director of Education & Secretary of the Board*



1325 California Avenue  
Windsor, ON N9B 3Y6  
CHAIRPERSON: Barbara Holland  
DIRECTOR OF EDUCATION: Paul A. Picard

**Meeting Date:**  
November 25, 2014

## BOARD REPORT

**Public**  **In-Camera**

**PRESENTED FOR:** Information  Approval

**PRESENTED BY:** Senior Administration

**SUBMITTED BY:** Paul A. Picard, Director of Education  
Mario Iatonna, Executive Superintendent of Corporate Services

**SUBJECT:** **AUDIT COMMITTEE ANNUAL REPORT TO THE BOARD OF TRUSTEES FOR THE YEAR ENDED AUGUST 31, 2014**

### RECOMMENDATION:

**That the 2013-14 Annual Report from the Audit Committee be received and submitted to the Ministry of Education as required by Ontario Regulation 361/10 - Audit Committees.**

### SYNOPSIS:

Ontario Regulation 361/10 - *Audit Committees* requires Board Audit Committees to submit an Annual Report summarizing its activities and actions during the previous fiscal year to the Board of Trustees. Once received by the Board of Trustees, the Annual Report must be submitted to the Ministry of Education prior to January 15 of the following year.

### BACKGROUND COMMENTS:

The attached Annual Report (Appendix A) summarizes the activities and actions of the Audit Committee for the year ended August 31, 2014 as required by O. Reg. 361/10.

It should be noted that, on August 28, 2012, the Ontario government appointed a supervisor to oversee the financial management and administration of the Windsor-Essex Catholic District School Board. At that time, the operation of the Board's Audit Committee was suspended and the Ministry of Education appointed Board Supervisor ("Board Supervisor") provided oversight for the responsibilities assigned to the Audit Committee as per the Education Act, and the provisions of the regulation.

Ministry Supervision was withdrawn by the government effective November 28, 2013, and the Audit Committee resumed its duties and responsibilities as outlined under the provisions of the regulation. The Committee convened its first meeting for the 2013-14 fiscal year on June 18, 2014. Therefore, this report summarizes the activities of both the Board Supervisor and Audit Committee for the 2013-14 fiscal year.

**FINANCIAL IMPACT:**

None.

**TIMELINES:**

Following receipt by the Board of Trustees, the *Audit Committee Annual Report to the Board of Trustees for the Fiscal Year Ended August 31, 2014* will be submitted to the Ministry of Education prior to January 15, 2015.

**APPENDICES:**

- Appendix A: Audit Committee Annual Report to the Board of Trustees for the Fiscal Year Ended August 31, 2014

**ON-LINE RESOURCES:**

- Ontario Regulation 361/10 Audit Committees  
[http://www.e-laws.gov.on.ca/html/regs/english/elaws\\_regs\\_100361\\_e.htm](http://www.e-laws.gov.on.ca/html/regs/english/elaws_regs_100361_e.htm)
- Ontario Education Act, R.S.O. 1990, Chapter E.2 (Ref. Section 207)  
[http://www.e-laws.gov.on.ca/html/statutes/english/elaws\\_statutes\\_90e02\\_e.htm](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90e02_e.htm)
- Ministry of Education School Business Support Branch – Audit Committee Resources  
[https://sbsb.edu.gov.on.ca/Internal Audit/AuditCommittee.aspx](https://sbsb.edu.gov.on.ca/Internal%20Audit/AuditCommittee.aspx)

**REPORT REVIEWED BY:**

<input checked="" type="checkbox"/>	EXECUTIVE COUNCIL	Review Date:	November 18, 2014
<input checked="" type="checkbox"/>	EXECUTIVE SUPERINTENDENT	Approval Date:	November 18, 2014
<input checked="" type="checkbox"/>	DIRECTOR OF EDUCATION:	Approval Date:	November 18, 2014

# WINDSOR-ESSEX CATHOLIC DISTRICT SCHOOL BOARD AUDIT COMMITTEE ANNUAL REPORT TO THE BOARD OF TRUSTEES FOR THE FISCAL YEAR ENDED AUGUST 31, 2014

## Executive Summary

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*Ontario Regulation 361/10 Audit Committees* requires Board audit committees to submit an Annual Report summarizing its activities and actions during the previous fiscal year to the Board of Trustees prior to November 30. Once received by the Board of Trustees, the Annual Report must be submitted to the Ministry of Education prior to January 15 of the following year.

It should be noted that, on August 28, 2012, the Ontario government appointed a Supervisor to oversee the financial management and administration of the Windsor-Essex Catholic District School Board (WECD SB). At that time, the operation of the Board's audit committee was suspended and the Ministry of Education appointed Board Supervisor ("Board Supervisor") provided oversight for the responsibilities assigned to the audit committee as per the Education Act, and the provisions of Ontario Regulation 361/10.

Ministry Supervision was withdrawn by the government effective November 28, 2013, and the audit committee resumed its duties and responsibilities as outlined under the provisions of O. Reg. 361/10. The committee convened its first meeting for the 2013-14 fiscal year on June 18, 2014. Therefore, this report summarizes both the activities of the Board Supervisor and audit committee for the 2013-14 fiscal year.

## Role of Audit Committee

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The role of the audit committee is to assist the Board of Trustees in fulfilling its responsibilities related to governance and oversight as prescribed by Ontario Regulation 361/10. The primary duties and responsibilities include:

- Review the financial management of the Board and its financial reporting processes.
- Review the overall effectiveness of the Board's internal controls.
- Review the performance and effectiveness of the Board's internal auditors.
- Review the independence and performance of the Board's external auditors.
- Review the effectiveness of the Board's system for monitoring compliance with legislative requirements and with the Board's policies and procedures.
- Review and assess the Board's policies with respect to risk management.

## Audit Committee Members (2013-14)

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The audit committee is comprised of three elected trustees (serving four-year terms coinciding with the election term) and two community volunteer members (serving three-year terms).

### Community Volunteer Members

- Lisa DiMaio - reappointed to the committee for a second three-year term, beginning in May 2014, and ending June 30, 2017
- Joe Milicia – declined reappointment following an initial three-year term which ended in 2014
- Randy Laforest - appointed to the committee for a three-year term beginning in May 2014, and ending June 30, 2017

### Trustee Members (four-year terms ending November 30, 2014)

- Mary DiMenna
- Barbara Holland (Committee Chair)
- Lisa Soulliere

### Administrative Resource to the Committee

- Paul Picard, Director of Education
- Mario Iatonna, Executive Superintendent of Corporate Services & Treasurer
- Penny King, Superintendent of Business
- Grace Flood, Manager of Accounting & Capital

## Assessment - Audit Committee Meetings

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The audit committee normally meets at least three times a year, with meetings scheduled in September, November and June. Ad hoc meetings are scheduled as required.

Due to the operating suspension while the Board was under Ministry Supervision, the audit committee was unable to fulfill its obligation under O. Reg. 361/10 Section (1) to meet at least three times in each fiscal year. During the 2013-14 fiscal-year, the committee held one meeting on June 18. All members, with the exception of Mary DiMenna, were in attendance at that meeting.

## Governance

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As noted above, for part of 2013-14 the Board Supervisor provided oversight for the responsibilities assigned to the audit committee as per the Education Act, and the provision of Ontario Regulation 361/10. When Supervision was lifted, the audit committee operated for the balance of the fiscal year ending August 31, 2014. All members were independent in accordance with provision 3.(1) and 3.(2) of the Regulation.



## Internal / External Audit

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Relationships with both the internal and external auditors have been cooperative.

### Internal Auditors

At the audit committee's June 18, 2014 meeting, the committee reviewed the following internal audit report:

- Termination, Retirement & Succession Planning Audit

The audit committee received reports from internal audit that assessed the adequacy of management's response to recommendations made in the audit. This enabled the audit committee to engage management in a discussion of the response and advised which recommendations have been satisfactorily resolved. The audit committee endorsed the report, including management's action plan.

Also at the June 18, 2014 meeting, the Regional Internal Audit Manager (RIAM) presented the 2014-15 Annual / Multi-Year Plan and the updated Annual Risk Assessment results. The 2014-15 Audit Plan proposed audits in "Manage Information Technology Security/Network and Application Access Management", and "Attendance Support". The audit committee endorsed the proposed plan and made recommendation to the Board of Trustees for approval at its September 9, 2014 In-Camera Board Meeting.

### External Auditors

BDO Canada LLP began their first year as the Board's external auditors on September 25, 2012. The Board Supervisor approved the appointment of the external auditors following a Request for Proposal process recommended to the Board of Trustees by the audit committee at its committee meeting of June 4, 2012. BDO Canada LLP presented the scope and extent of their 2011-12 and 2012-13 fiscal year audit plans and draft audited financial statements to the Board Supervisor. The Board Supervisor had the opportunity to review and question the external auditors about their findings and recommendations prior to approving the audited financial statements for submission to the Ministry of Education.

Due to the timing of the government releasing the Board from Ministry supervision, the audit committee did not meet with the external auditors during the 2013-14 fiscal year. The Board of Trustees approved the reappointment of BDO Canada LLP as the external auditors for the next fiscal year (2013-14) on June 10, 2014.

## Summary of Work Performed

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As indicated previously, on August 28, 2012, the Ontario government appointed a Supervisor to oversee the financial management and administration of the Board. Ministry Supervision was withdrawn by the government effective November 28, 2013. During this time, the Board Supervisor provided oversight for the responsibilities assigned to the audit committee as per the Education Act, and the provisions of Ontario Regulation 361/10. The audit committee resumed the duties and responsibilities as outlined under the provisions of O. Reg. 361/10, effective November 28, 2013, and convened its first meeting for the 2013-14 fiscal year on June 18, 2014.



While acting in capacity of the audit committee, the Board Supervisor approved the following:

- September 25, 2012: The appointment of BDO Canada LLP through a Request for Proposal for External Audit Services process recommended by the audit committee in June 2012.
- December 18, 2012: The Audited 2011-12 Fiscal Year-End Financial Statements.
- April 30, 2013: The 2012–13 Annual Internal Audit Plan, and the 2013 – 2017 Internal Audit Plan.
- May 28, 2013: The extension of External Audit Services contract with BDO Canada LLP from September 1, 2013 to August 31, 2014.
- September 23, 2013: The 2013-14 Internal Audit Plan. The audit priorities were identified through a Risk Assessment process conducted by the Regional Internal Audit Team in August 2013 as per Ontario Regulation 361/10.
- November 25, 2013: The Audited 2012-13 Fiscal Year-End Financial Statements.

Following the resumption of its operation, the audit committee, at its meeting of June 18, 2014, undertook the following actions as required under the Regulation:

- Reviewed the results of the 2013-14 Risk Assessment, as well as the risk-based internal audit plan prepared by the Regional Internal Audit Manager for the five years commencing September 1, 2014.
- Reviewed and endorsed internal audit strategies and annual plans for the Board and made recommendation to the Board of Trustees for approval at its September 9, 2014 In-Camera Board Meeting.
- Reviewed the results, recommendations and management's corrective actions of the Terminations, Retirements & Succession Planning Internal Audit which was conducted as part of the 2011-12 Annual Audit Plan, and as previously presented to the Board Supervisor, acting in capacity of the audit committee.
- Received a verbal report on the status of the 2013-14 Internal Audit Plans, including the following audits: Facility Requirement Forecasting/Capital Planning; Manage Facility Operations/ Construction Monitoring & Management; Ontarians with Disabilities Act (ODA) Compliance (embedded in Facilities Audits); and, Health & Safety.
- Developed a meeting schedule and tentative work plan for the 2014-15 fiscal year.

On behalf of the audit committee,

*Original signed by B. Holland*

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Committee Chairperson







1325 California Avenue  
Windsor, ON N9B 3Y6  
CHAIRPERSON: Barbara Holland  
DIRECTOR OF EDUCATION: Paul A. Picard

<b>Meeting Date:</b> November 25, 2014
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## BOARD REPORT

**Public**       **In-Camera**   
**PRESENTED FOR:** Information       Approval   
**PRESENTED BY:** Senior Administration  
**SUBMITTED BY:** Paul A. Picard, Director of Education  
 Mario Iatonna, Executive Superintendent of Corporate Services  
**SUBJECT:** **2013-14 YEAR-END BUDGET VARIANCE REPORT**

### RECOMMENDATION:

**That the the 2013-14 Year-end Budget Variance Report be received as information.**

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### SYNOPSIS:

This report is being presented to provide a report on the final 2013-14 budget versus actual expenditures and revenues.

### BACKGROUND COMMENTS:

The Board submitted Revised Budget Estimates for the 2013-14 fiscal year to the Ministry of Education by the required due date of December 13, 2013. These Revised Estimates were based on actual October 31, 2013 and projected March 31, 2014 enrolment levels, and any other material changes that arose since preparation of the original Board approved Estimates in June 2013.

As the 2013-14 Revised Estimates represent the latest official budget submission to the Ministry of Education, it is this budget that was monitored for variances in revenues and expenditures during 2013-14.

This Year-end Budget Variance Report covers the fiscal period from September 1, 2013 to August 31, 2014 and includes all revenue and expenses for the fiscal year.

### Financial Variance Report Format

The Financial Variance Report attached in the appendices is comprised of four sections: (1) A Financial Results Summary presented in Appendix A which provides a high level summary of the Board's 2013-14 Estimates and Revised Estimates budgets and actual financial position at August 31, 2014; (2) a summary of enrolment presented in Appendix B; (3) a summary of staffing presented in Appendix C, and (4) Detailed Schedules of

Revenues and Expenses presented in Appendices D and E which provide information on budget to actual comparisons.

### **Summary Dashboards (see Appendices A, B and C)**

The Summary Dashboards present three key indicators for the Board, namely financial results, enrolment and staffing.

### **Detailed Schedules of Revenues and Expenses (see Appendices D and E)**

These schedules contain detailed information of the revenues and expenses included in the Financial Results Summary.

#### **I. Financial Highlights – Appendix A:**

The 2013-14 actual revenues and expenses are compared to the 2013-14 Revised Budget Estimates. That budget, as submitted to the Ministry of Education, projected an in-year surplus of \$5.232M at 2013-14 year-end. Actual results reflect a surplus of \$9.93M which is primarily due to expenditure savings of \$3.772M as outlined below. Increased revenue of \$926K also contributed to the surplus position.

#### **II. Enrolment Highlights – Appendix B:**

The full-time equivalent (FTE) enrolment for 2013-14 as compared to budget is presented on the following page.

	<b>2013-14 Budget (FTE)</b>	<b>2013-14 Actual (FTE)</b>	<b>Increase/ (Decrease)</b>
Elementary Day School (ADE)*	13,516.50	13,517.75	1.25
Other Pupils (Visa)	2.50	2.50	0
<b>TOTAL ELEMENTARY PUPILS</b>	<b>13,519.00</b>	<b>13,520.25</b>	<b>1.25</b>
Secondary Day School (ADE) Pupils < 21 yrs old	7,558.50	7,588.51	30.01
Secondary Day School (ADE) – Pupils > 21 yrs old	228.75	245.94	17.19
Other Pupils (Visa)	38.00	40.75	2.75
<b>TOTAL SECONDARY PUPILS</b>	<b>7,825.25</b>	<b>7,875.20</b>	<b>49.95</b>
<b>TOTAL ENROLMENT</b>	<b>21,344.25</b>	<b>21,395.45</b>	<b>51.20</b>

\*Average Daily Enrolment (ADE) includes Educational Program-Other (EPO) funded Full Day Kindergarten (FDK) pupils

#### **III. Staffing Highlights – Appendix C:**

The actual staff establishment reflects 6 more FTE than budget due to additional secondary teachers required in second semester and the Communications Coordinator position. These additional positions were not included in the 2013-14 Revised Budget establishment.

#### **IV. Revenue Highlights – Appendix D:**

Actual revenue at August 31, 2014 exceeded budget by \$926K, or 0.4% of the Board's gross revenue budget. Revenues received consisted of \$189.3M from legislative grants,

\$39.9M from municipal taxes, \$11.9M from other provincial grants (EPOs), \$8.6M of Deferred Capital Contributions and \$2.7M from other revenue sources such as tuition revenue, rental revenue, fees, recovery of expenses and other sources.

The primary contributors to the surplus revenues are as follows:

Increased labour related enhancement funding	\$0.641M
Increased GSN due to increased enrolment	\$0.180M
Increased tuition revenue	\$0.151M
Increased interest revenue	\$0.137M
Various other net revenue reductions	(\$0.183M)
<b>TOTAL</b>	<b>\$0.926M</b>

Appendix D provides a schedule of detailed revenues by various grant categories.

### **V. Expenditure Highlights – Appendix E:**

Actual expenses at August 31, 2014 were less than budget by \$3.772M or (1.5%) of the Board's gross expenditure budget. The primary contributors to this surplus are as follows:

Reduced benefit costs	\$1.711M
Reduced salary expenditures	\$0.887M
Reduced spending in Board Administration	\$0.482M
School budget surpluses	\$0.369M
Special Education savings	\$0.340M
Various other net expenditure additions	(\$0.017M)
<b>TOTAL</b>	<b>\$3.772M</b>

Appendix E provides a schedule of detailed expenditures by various categories. A further explanation of each of these categories and the actual expenditure variance from budget is provided below.

### **CLASSROOM TEACHERS**

#### **What does this category include?**

- ▶ This category includes all current salary, benefits, and service/supplies expenses related to direct instruction of day school pupils such as classroom and school based teachers, home instruction teachers and preparation time. Also included in this category are automobile reimbursement, travel/expense allowances, classroom teacher retirement gratuities and teacher grievance settlements.

#### **How are expenses incurred?**

- ▶ All elementary teachers are paid over 12 months or 26 pays. All secondary teachers are paid over 10 months or 22 pays, with 100% of their salary charged to the salary expenditure accounts during these 10 months. Most retirement gratuities are paid in the summer.

#### **What is the variance at year-end?**

- ▶ This category has a small surplus of \$578K at year-end. This primarily relates to savings in benefit costs as a result of refunds, actuarial changes and favourable

benefit rate variances. Also contributing to the surplus in this category is actual maternity leave top-up costs less than budget.

### **SUPPLY TEACHERS**

#### **What does this category include?**

- ▶ This category includes all current salary and statutory benefit costs related to direct instruction of day school pupils provided by occasional teachers including those covering short-term and long-term illness, and those hired to provide release time for teachers assisting with school programs.

#### **How are expenses incurred?**

- ▶ These costs are incurred over the school year or 10 months (September to June).

#### **What is the variance at year-end?**

- ▶ This category has a small deficit of \$185K at year-end. Anticipated savings from the Ministry of Education's attendance recognition initiative were not fully realized, resulting in the small variance at year-end.

### **TEACHER ASSISTANTS / EARLY CHILDHOOD EDUCATORS**

#### **What does this category include?**

- ▶ This category includes all current salary and benefit costs related to Educational Assistants and Early Childhood Educators. Supply costs and vacation payouts for these categories of employees are also included.

#### **How are expenses incurred?**

- ▶ Teacher (Educational) Assistant salary and benefit costs are incurred over 10 months from September to June, with 100% of their salary charged to the salary expenditure account during these 10 months. Early Childhood Educators are paid over 12 months.

#### **What is the variance at year-end?**

- ▶ This category ended the year with a surplus of approximately \$393K primarily due to under-spending on Educational Assistant and Early Childhood Educator salaries in the amounts of \$266K and \$220K respectively.

### **COMPUTERS**

#### **What does this category include?**

- ▶ This category includes instructional computer hardware and related software and the associated network costs. Also included are the costs related to telephone data lines.

#### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 12 months.

#### **What is the variance at year-end?**

- ▶ This category ended the year with a deficit of approximately \$409K largely due to \$312K of school budget purchases which exceeded the budget available in this particular envelope. In addition, the Board received unplanned revenue from CODE (Council of Directors of Education) during the year, and \$90K of associated unbudgeted program related expenses were incurred in this envelope.

## **TEXTBOOKS / CLASSROOM SUPPLIES**

### **What does this category include?**

- ▶ The Textbook/Supplies category is for items used within the classroom directly by students. It includes textbook supplies and fees and services.
- ▶ The textbook supplies category contains most of the accounts that are used to populate the school budgets. It includes textbooks and learning materials, instructional supplies, application software (except software that is included with the purchase of a piece of computer hardware), printing and photocopying, field trips/excursions (including associated transportation, entrance fees and parking) and furniture and equipment expenses.
- ▶ Textbooks Fees & Services include certain costs related to Special Education transportation, the International Baccalaureate Programme and software fees and licenses which are in excess of \$500.

### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over either 10 or 12 months depending on the object of expenditure.

### **What is the variance at year-end?**

- ▶ This category ended the year with a surplus of \$1.074M primarily attributable to savings in school budget accounts and Personal Special Equipment expenses which are reported in this envelope.

## **PROFESSIONALS, PARAPROFESSIONALS & TECHNICIANS**

### **What does this category include?**

- ▶ This category includes all expenses such as salaries, benefits and supplies (travel/expense allowance and automobile reimbursement) relating to the provision of psychological, speech, social and community services. Also included are salaries, benefits and related expenses for computer technicians and other personnel providing technical support for the operation of instructional/school based computers and other technical services for students. Expenses relating to the support and training for student administration systems are also captured here.

### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 12 months.

### **What is the variance at year-end?**

- ▶ This category ended the year with a surplus of approximately \$212K primarily due to savings in benefit costs as a result of refunds, actuarial changes and favourable benefit rate variances.

## **LIBRARY / GUIDANCE**

### **What does this category include?**

- ▶ This category includes expenses relating to library and guidance services within schools, including salaries and benefits of library technicians and guidance teachers.

### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 10 months.

### **What is the variance at year-end?**

- ▶ This category has a surplus at year-end of approximately \$81K mainly attributable to lower than budgeted benefit costs.

## **STAFF DEVELOPMENT**

### **What does this category include?**

- ▶ This category includes the cost of all professional development (P.D.) for teaching personnel and other categories of employees providing instructional support services. Costs include registration, tuition fees, transportation, accommodation and meal expenses related to professional development. This category also includes charges for supply teachers hired in order to provide release time for a teacher to participate in professional development or in-service activities. This release time is often funded by the Ministry of Education through small EPO transfer payments received throughout the year. Any unbudgeted increase in expense due to P.D. resulting from an EPO has equal and offsetting revenue and therefore has no net effect to the Board.

### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 12 months. While costs are ongoing throughout the year, they are generally unpredictable in their timing.

### **What is the variance at year-end?**

- ▶ This category ended the year with a small surplus of \$175K primarily relating to EPO supply costs budgeted in this category but incurred in other envelopes.

## **DEPARTMENT HEADS**

### **What does this category include?**

- ▶ This category includes secondary department head allowances and associated benefits.

### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 10 months.

### **What is the variance at year-end?**

- ▶ This category contains a surplus of approximately \$3K at year-end related to lower than anticipated costs associated with allowances for acting department heads.

## **PRINCIPALS & VICE-PRINCIPALS**

### **What does this category include?**

- ▶ This category includes principal and vice-principal salaries, benefits, professional development and supplies (travel/expense allowance and automobile reimbursement) relating to the management and administration of schools. Only the administrative portions of salaries are included here. The cost of teaching time provided by principals and vice-principals is included in the classroom teacher category.

### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 10 months.

### **What is the variance at year-end?**

- ▶ This category ended the year with a surplus of approximately \$218K primarily due to savings in benefit costs as a result of refunds, actuarial changes and favourable benefit rate variances.

**SCHOOL OFFICE****What does this category include?**

- ▶ This category includes all school based secretarial and clerical salaries, benefits and related supplies and services. Secondary school Administrative Assistants are included here as well.

**How are expenses incurred?**

- ▶ The costs in this category are typically incurred over either 10 or 12 months depending on the object of expenditure.

**What is the variance at year-end?**

- ▶ This category ended the year with a surplus of approximately \$161K primarily due to savings in benefit costs as a result of refunds, actuarial changes and favourable benefit rate variances.

**TEACHER CONSULTANT****What does this category include?**

- ▶ This category includes all expenses relating to coordinators and consultants, curriculum development and program support. Costs associated with EPO granted to provide program support are included in this category.

**How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 12 months.

**What is the variance at year-end?**

- ▶ The surplus of \$122K in this category at year-end is mainly attributable to lower than budgeted benefit costs.

**CONTINUING EDUCATION / SUMMER SCHOOL / INTERNATIONAL LANGUAGES****What does this category include?**

- ▶ This category includes all current salary, benefits, and service/supplies expenses related to the delivery of continuing education, summer school and international language programs (non-day school program).

**How are expenses incurred?**

- ▶ The costs in this category are the result of different programs offered at varying points throughout the year. For the most part, the costs in this category are incurred over 10 months or in the case of summer programs, over the summer months.

**What is the variance at year-end?**

- ▶ A small surplus of \$65K was realized at year-end.

**TRUSTEES****What does this category include?**

- ▶ This category includes expenses related to the governance function of the Board. It includes honoraria, travel and professional development for trustees as well as trustee association fees. Secretarial and office expenses relating to this function are included in the Board Administration category.

**How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 12 months.

**What is the variance at year-end?**

- ▶ A slight surplus of \$14K was realized at year-end mainly attributable to lower than planned professional development and travel expenses incurred by Trustees.

## **DIRECTORS AND SUPERVISORY OFFICERS**

### **What does this category include?**

- ▶ This category includes direct expenses (salaries and benefits) for staff assigned duties outlined in Section 286 of the Education Act (*Duties of Supervisory Officers*). Costs to support these functions such as secretarial support are included in the Board Administration category.

### **How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 12 months.

### **What is the variance at year-end?**

- ▶ The 2013-14 budget was developed without provisions for professional development, travel allowances or vacation payouts which are expenses that have historically been incurred in this category. As a result, this envelope ended the year with a deficit of approximately \$104K.
- ▶ When this deficit is combined with the \$14K surplus in the Trustee category and the \$615K surplus in the Board Administration category, the total Administration and Governance position ended the year \$524K under budget as shown on Appendix E of this report.
- ▶ The 2014-15 budget for total Administration has been developed with consideration of these historical costs.

## **BOARD ADMINISTRATION**

### **What does this category include?**

- ▶ This category includes all expenses related to the following:
  - ▶ General and Business Administration: Includes public relations, corporate planning, and all business functions including finance (treasury), budget, accounting, payroll, purchasing, non-plant related warehousing and administrative services.
  - ▶ Human Resources Administration: Includes expenses related to the human resource management function of the board including staffing, benefits, contract negotiations or dealings with various unions. Also included is the central administrative support for coordination of professional development throughout the Board.
  - ▶ Information Technology Administration: Includes expenses relating to the provision and management of administrative information technology throughout the Board, including general support to school secretaries and principals. Also included is the initial purchase and implementation of administrative systems, including student administrative systems (timetabling, report cards etc.).
  - ▶ Non-Instructional Operations & Maintenance: Includes expenses related to the operation, maintenance, repair and renovation of property and non-school buildings such as the Catholic Education Centre.
- ▶ Costs to support the Trustee, Director and Supervisory Officer categories such as secretarial salary and benefit expenses are included here as well.
- ▶ Board Administration includes the cost of short-term operating interest expense, legal and audit fees. Board Administration also includes costs related to travel, conferences, professional development and association fees for Board Administration staff.

### **How are expenses incurred?**

- ▶ Salary and benefit costs contained in this category are typically incurred over 12 months. The cost of other expenses (particularly fees and contractual services) are somewhat intermittent and can be unpredictable.



**What is the variance at year-end?**

- ▶ The funding allocation in 2013-14 for Board Administration as provided by the Ministry of Education was \$7.4M. The Board incurred net expenses of \$6.6M in this category at year-end, resulting in excess Board Administrative funding of \$840K to be used for other programs of the Board.
- ▶ The year-end expenditure surplus of \$615K in this category is attributable to savings in interest and other administrative expenses as well as savings in benefit costs as a result of refunds, actuarial changes and favourable benefit rate variances.

**TRANSPORTATION****What does this category include?**

- ▶ This category includes costs to transport pupils from home to school and from school to school, and expenses related to transportation that are not included under instruction (such as field trips).
- ▶ This category also includes general expenses related to transportation such as department managers and supervisory personnel, secretarial and clerical staff salaries, benefits and related supplies and services.

**How are expenses incurred?**

- ▶ The majority of costs in this category are typically incurred over 10 months.

**What is the variance at year-end?**

- ▶ This category ended the year with a deficit of approximately \$200K related to fuel escalation costs in excess of budget. The Ministry of Education provided funding to fully offset these excess fuel costs.

**SCHOOL OPERATIONS & MAINTENANCE (FACILITY SERVICES)****What does this category include?**

- ▶ School Operations includes all expenses related to the daily operation of instructional buildings and sites, such as custodial services, food services, security services, building systems, building and grounds maintenance, utilities, computer hardware and related software, and property and related liability and vehicle insurance. Also included are certain department managers and supervisory personnel, secretarial and clerical staff salaries, benefits and related supplies and services.
- ▶ School Maintenance includes all expenses related to the periodic work performed to maintain instructional buildings and sites in a good state of repair. These functions would normally be performed by building professionals such as maintenance electricians, mechanics, plumbers, etc.

**How are expenses incurred?**

- ▶ The costs in this category are typically incurred over 12 months but are also affected by certain seasonal anomalies such as weather.

**What is the variance at year-end?**

- ▶ This category ended the year with a deficit of \$384K primarily due to \$1,038K of electricity, snow removal and HVAC costs in excess of budget, offset in part by \$447K in savings in benefit costs as a result of refunds, actuarial changes and favourable benefit rate variances, \$206K of reduced salary costs and other net savings of \$1K.

**SCHOOL RENEWAL - OPERATING****What does this category include?**

- ▶ The School Renewal allocation addresses the costs of repairing and renovating schools, and can fund both tangible capital assets as well as operating expenses. This category considers all expenses related to School Renewal projects that are not capitalized expenses, plus improvements to school sites. School renewal project expenses normally cost more than \$10,000, and unspent funds at year-end are deferred to the following year for future school renewal expenses.
- ▶ This category also includes the financing costs associated with the Board's unsupported pupil-place debt until such time that the debt is repaid.

**How are expenses incurred?**

- ▶ The costs in this category follow no particular pattern as they are dependent on the nature of the planned projects and work to be completed. The timing of these expenses is unpredictable but controllable.

**What is the variance at year-end?**

- ▶ At 2013-14 year-end, certain School Renewal projects were not complete resulting in approximately \$215K less spending on school renewal operating expenses compared to budget. As the use of the School Renewal allocation is restricted by legislation, the associated unspent grant was transferred to Deferred Revenue where it will remain until spent on its intended purpose in the next fiscal year.

**OTHER PUPIL ACCOMMODATION****What does this category include?**

- ▶ This category includes operating type expenses relating to pupil accommodation, specifically the cost of all interest payments on outstanding debentures to finance various capital projects.

**How are expenses incurred?**

- ▶ The interest expenses are predictable but occur at varying points throughout the year depending on when the debenture was issued. Usually two payments of principal and interest are made annually for a debenture. These debenture payments are, for the most part, fully funded by the Ministry of Education.

**What is the variance at year-end?**

- ▶ A small surplus of \$15K was realized in this category at year-end.

**AMORTIZATION AND WRITE DOWNS****What does this category include?**

- ▶ Amortization expense is a non-cash expense that reduces the value of an asset as a result of wear and tear, age or obsolescence. It is also known as depreciation, and represents an expense which is incurred over the period of the asset's useful life. Prior to 2009, the entire cost of a tangible capital asset was expensed in the year it was purchased, but now these assets are expensed, through an annual amortization charge, over the asset's expected lifetime which can range from 5 to 40 years depending on the type of asset.
- ▶ Write-downs result when the value of an asset is impaired which means that the asset can no longer contribute to the Board's ability to provide service at the previously anticipated level and that the impairment is permanent in nature.
- ▶ Included in this category is the amortization expense related to instructional, administrative and pupil accommodation assets.

**How are expenses incurred?**

- ▶ Amortization expense is calculated twice annually by the Board - once at March 31<sup>st</sup> for consolidated reporting to the Ministry of Education and also at year-end.

**What is the variance at year-end?**

- ▶ Amortization expense at year-end was \$244 less than budget, resulting in a surplus in this category at year-end. The reduced amortization expense is equally offset by reduced Deferred Capital Contributions, resulting in no net effect to the board at year-end.

**OTHER NON-OPERATING EXPENSE****What does this category include?**

- ▶ This category includes the 55 School Board Trust, costs associated with the Board's wellness program, and expenses for miscellaneous claims or settlements, should they occur.
- ▶ The 55 School Board Trust includes the cost of principal and interest on debenture payments for capital debt outstanding at the time of amalgamation which had not yet been permanently financed (debentured).

**How are expenses incurred?**

- ▶ The 55 School Board Trust is the same amount each year (\$1,612,745), and grant revenue is received to fully offset the cost. Costs associated with the wellness program are incurred at varying points throughout the year as activities are offered to staff.

**What is the variance at year-end?**

- ▶ A surplus of \$868K is reported in this category at year-end. At budget development, a reserve was set for specific contingencies. Any actual costs incurred relative to these specific items have been recorded in their proper category, and the contingency reserve has been eliminated at year end.

**FINANCIAL IMPACT:**

The 2013-14 Revised Budget Estimates as submitted to the Ministry of Education projected an in-year operating surplus of \$5.232M at 2013-14 year-end. The Board ended the 2013-14 fiscal year with an in-year surplus of approximately \$9.930M, which is \$4.698M better than budget. Once the prior year accumulated surplus is considered, the accumulated surplus at 2013-14 year-end is \$15.317M.

**TIMELINES:**

The Board's fiscal year end is August 31, 2014. Interim Financial Reports are provided quarterly to the Board.

**APPENDICES:**

- Appendix A: Financial Results Summary
- Appendix B: Enrolment Summary
- Appendix C: Staffing Summary
- Appendix D: Detailed Revenues
- Appendix E: Detailed Expenses

**REPORT REVIEWED BY:**

<input checked="" type="checkbox"/>	EXECUTIVE COUNCIL:	Review Date:	November 18, 2014
<input checked="" type="checkbox"/>	EXECUTIVE SUPERINTENDENT:	Approval Date:	November 18, 2014
<input checked="" type="checkbox"/>	DIRECTOR OF EDUCATION:	Approval Date:	November 18, 2014

**APPENDIX A - FINANCIAL RESULTS SUMMARY****Windsor-Essex Catholic District School Board  
2013-14 Final Financial Report  
For the Period Ending August 31, 2014****Summary of Financial Results**

(\$Thousands)	Estimates (Jun.2013)	Revised Estimates (as submitted) (Dec.2013)	Financial Statements (August 2014)	In-Year Change (Revised Estimates to Financial Statements)	
				\$	%
<b>REVENUE</b>					
Operating	215,203	218,389	219,542	1,153	0.5%
Capital	18,286	18,480	18,259	(221)	(1.2%)
Other	12,327	14,673	14,666	(6)	(0.0%)
<b>Total Revenue</b>	<b>245,816</b>	<b>251,542</b>	<b>252,468</b>	<b>926</b>	<b>0.4%</b>
<b>EXPENSES</b>					
Instruction	187,127	187,338	184,837	(2,501)	(1.3%)
Other Operating	15,244	15,473	15,149	(324)	(2.1%)
Pupil Accommodation & Other	42,153	43,499	42,552	(947)	(2.2%)
<b>Total Expenses</b>	<b>244,524</b>	<b>246,309</b>	<b>242,537</b>	<b>(3,772)</b>	<b>(1.5%)</b>
<b>In-Year Surplus/(Deficit)</b>	<b>1,292</b>	<b>5,232</b>	<b>9,930</b>	<b>4,698</b>	<b>89.8%</b>
Prior Year Accumulated Surplus/(Deficit)	(791)	5,393	5,387	(6)	
<b>Accumulated Surplus/(Deficit)</b>	<b>500</b>	<b>10,625</b>	<b>15,317</b>	<b>4,692</b>	<b>44.2%</b>

**Changes in Revenue**

- The increase in actual revenue is primarily due to an increase in secondary enrolment and resulting incremental GSN revenue of approximately \$180K; additional Transportation fuel escalation funding of \$224K, and \$641K of labour related enhancement funding for attendance recognition and maternity leave top-up. The decrease in capital revenue of (\$221K) is due to reduced Deferred Capital Contribution (DCC) revenue, which is offset by decreased amortization expense of tangible capital assets (TCA). Other factors contributing to the increased revenue include additional interest revenue of \$137K; increased tuition revenue of \$151K, and other miscellaneous net revenue decreases of (\$186K) compared to Revised Estimates.

**Change in Expenses**Instruction:

- The decrease in Instruction expenses is due to savings in benefit costs of \$951K as a result of refunds, actuarial changes and favorable benefit rate variances. Additional decreases resulted from a net reduction in salary expenditures of \$761K, certain Special Education costs less than budget by \$340K, school budget surpluses of \$369K and other net miscellaneous expense decreases of \$80K.

Other Operating:

- Board Administration, which is part of the "Other Operating" category, is showing a positive variance mainly due to actual interest and bank charges less than budget by \$239K and other net administrative expense savings of \$285K. These Board Administration savings are offset by increased transportation fuel expenses of \$200K, which also appear in the "Other Operating" category.

Pupil Accommodation & Other:

- The decrease in Pupil Accommodation & Other category is due to savings in salary costs of \$206K, combined with benefit cost savings of \$447K resulting from refunds, actuarial changes and favorable benefit rate variances. The Board also saw decreases in School Renewal spending of \$215K and amortization expenses of \$233K, both of which were offset by associated decreases in revenue. While School Operations and Maintenance expenses exceeded budget by \$1,038K due to pressures in electricity costs, snow removal and HVAC expenses, \$868 of funds set aside for specific contingencies were not needed, offsetting the variance in Facilities. These items, combined with other minor net positive variances of \$16K, resulted in a net decrease of \$947K in this category at year-end.

**Change in Surplus/Deficit**

- The Board by-laws require the budget be developed with an in-year surplus of 0.5% of the in-year operating allocation, which amounts to \$1.1M for 2013-14. Currently, the Board achieved an in-year surplus of \$9.930M, which is better than the planned in-year surplus of \$5.232M by \$4.698M.

## APPENDIX B - ENROLMENT SUMMARY

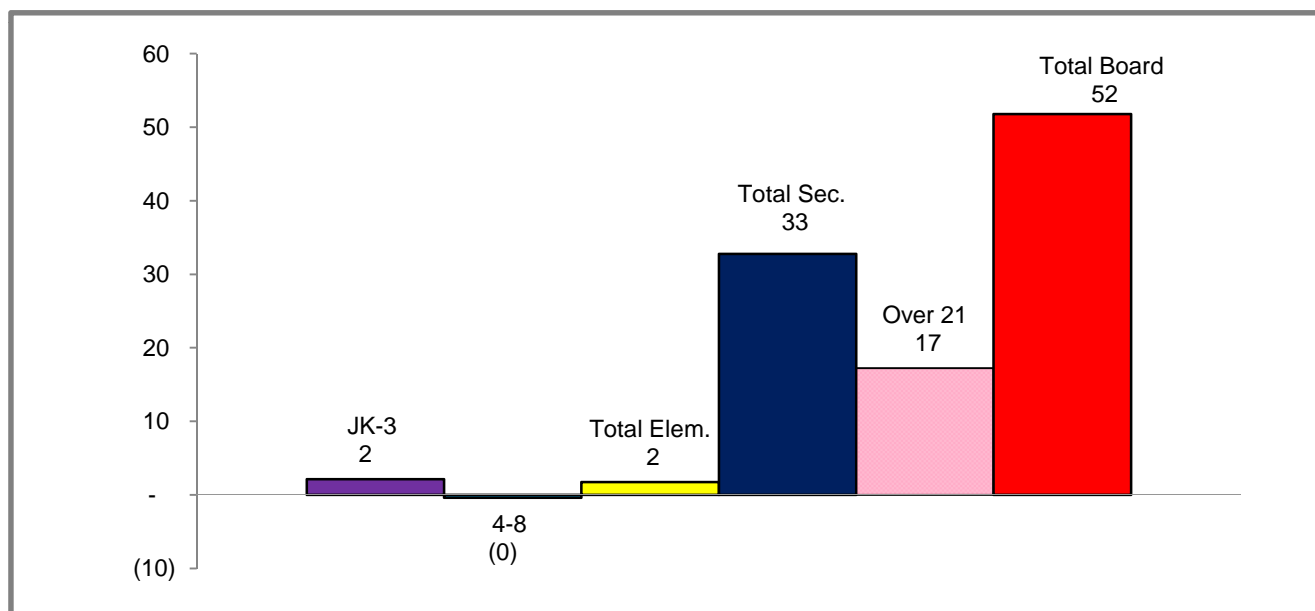
### Windsor-Essex Catholic District School Board 2013-14 Final Financial Report For the Period Ending August 31, 2014

#### Summary of Enrolment

ADE	Estimates (Jun.2013)	Revised Estimates (as submitted) (Dec.2013)	Financial Statements (August 2014)	In-Year Change (Revised Estimates to Financial Statements)	
				#	%
<b>Elementary</b>					
JK-3	5,616	5,898	5,900	2	0.0%
4-8	7,615	7,622	7,621	(0)	0.0%
<b>Total Elementary</b>	<b>13,231</b>	<b>13,519</b>	<b>13,521</b>	<b>2</b>	<b>0.0%</b>
<b>Secondary &lt; 21</b>					
Grade 9 to 12	7,459	7,597	7,629	33	0.4%
<b>Secondary &lt; 21</b>	<b>7,459</b>	<b>7,597</b>	<b>7,629</b>	<b>33</b>	<b>0.4%</b>
<b>Secondary &gt; 21</b>	210	229	246	17	7.5%
<b>Total Board</b>	<b>20,900</b>	<b>21,344</b>	<b>21,396</b>	<b>52</b>	<b>0.2%</b>

Note: Actual based on actual October 31, 2013 and March 31, 2014 count date. FTE's include VISA, High Credit students and FDK students funded through the FDK EPO.

#### Changes in Enrolment: Budget (Revised Estimates) v. Financial Statements



#### Highlights of Changes in Enrolment:

- Increase in Secondary enrolment due to higher actual enrolment in the second semester.

## APPENDIX C - STAFFING SUMMARY

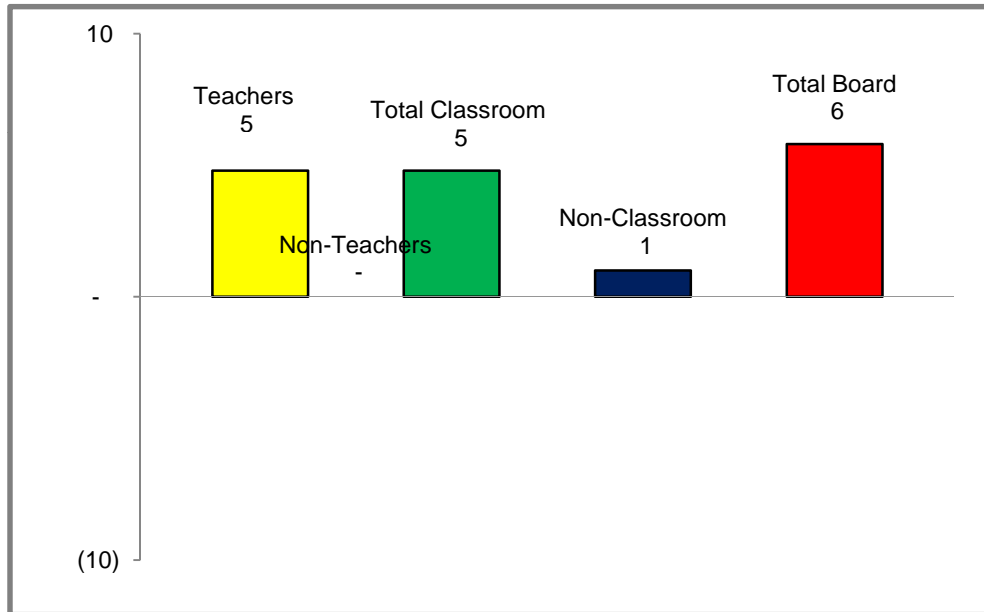
### Windsor-Essex Catholic District School Board 2013-14 Final Financial Report For the Period Ending August 31, 2014

#### Summary of Staffing

Full-Time Equivalent (FTE)	Estimates (Jun.2013)	Revised Estimates (as submitted) (Dec.2013)	Financial Statements (August 2014)	In-Year Change (Revised Estimates to Financial Statements)	
				#	%
<b>Classroom</b>					
Teachers	1,277	1,261	1,266	5	0.4%
Non-Teachers	583	583	583	-	0.0%
<b>Total Classroom</b>	<b>1,859</b>	<b>1,844</b>	<b>1,849</b>	<b>5</b>	<b>0.3%</b>
<b>Non-Classroom</b>	<b>264</b>	<b>261</b>	<b>262</b>	<b>1</b>	<b>0.4%</b>
<b>Total Board</b>	<b>2,123</b>	<b>2,105</b>	<b>2,111</b>	<b>6</b>	<b>0.3%</b>

*Revised Estimate staffing based on October 31 count date.*

#### Changes in Staffing: Budget (Revised Estimates) v. Financial Statements



#### Highlights of Changes in Staffing:

- The increase in teachers relates to additional Secondary teachers required in second semester which were not included in Revised Estimates.
- The increase in non-classroom staff relates to the Communications Coordinator position which was not included in Revised Estimates.

**APPENDIX D - DETAILED REVENUES**

**Windsor-Essex Catholic District School Board**  
**2013-14 Final Financial Report**  
**For the Period Ending August 31, 2014**  
**(\$Thousands)**

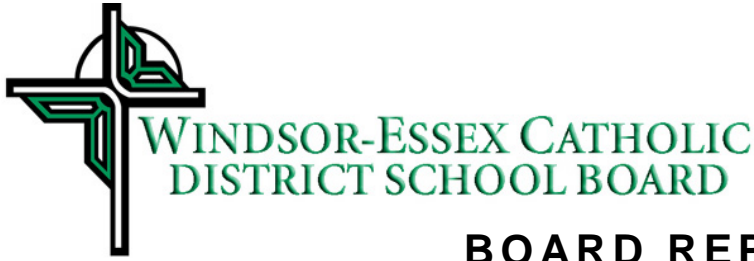
<b>Budget Assessment</b>					
	a	b	c = b - a	d = c/a	
<b>Current Year: 2013-14</b>					
	Estimates (Jun. 2013)	2013-14 Revised Estimates (as submitted) (Dec 2013)	Financial Statements (August 2014)	Change (between Revised Estimates & Financial Statements)	
				\$ Increase (Decrease)	% Increase (Decrease)
<b>REVENUES</b>					
<b>Operating Grants</b>					
Pupil Foundation	103,356	104,991	105,609	618	0.6%
School Foundation	14,399	14,611	14,621	10	0.1%
Special Education	25,724	26,039	26,000	(39)	(0.2%)
French as a Second Language	2,637	2,637	2,666	29	1.1%
English as a Second Language	1,691	1,897	1,906	8	0.4%
Learning Opportunities	3,993	4,011	4,002	(9)	(0.2%)
Continuing Education	378	448	487	39	8.8%
Adult Education	694	756	813	57	7.5%
Teacher Q&E	22,972	23,515	23,681	166	0.7%
Transportation	7,685	7,748	7,971	224	2.9%
Admin and Governance	5,704	5,773	5,780	7	0.1%
School Operations	19,597	19,698	19,782	84	0.4%
First Nation, Métis and Inuit	231	254	256	1	0.5%
Safe Schools Supplement	617	623	623	1	0.1%
Community Use of Schools Grant	289	289	289	-	0.0%
New Teacher Induction Program	62	57	72	15	27.1%
Declining Enrolment	3,434	2,903	2,777	(126)	(4.3%)
Temporary Accommodation	177	122	122	0	0.3%
School Renewal - Operating Portion	1,718	2,106	1,992	(114)	(5.4%)
Restraint Savings	(89)	(89)	(89)	-	0.0%
Labour Related Enhancement	-	-	328	328	0.0%
Adjustment for mTCA	(65)	-	(147)	(147)	-
<b>Total Operating Grants</b>	<b>215,203</b>	<b>218,389</b>	<b>219,542</b>	<b>1,153</b>	<b>0.5%</b>
<b>Debt Servicing Grants</b>					
Permanent Financing of NPF	1,613	1,613	1,613	-	0.0%
Amortization of DCC	9,043	8,818	8,597	(221)	(2.5%)
Capital Debt Support Payment - Interest	7,630	8,049	8,049	-	0.0%
Short Term Interest	-	-	-	-	0.0%
<b>Total Debt Servicing Grants</b>	<b>18,286</b>	<b>18,480</b>	<b>18,259</b>	<b>(221)</b>	<b>(1.2%)</b>
<b>Total Legislative Grants</b>	<b>233,489</b>	<b>236,869</b>	<b>237,801</b>	<b>932</b>	<b>0.4%</b>
<b>Other (EPOs &amp; Non-Grant Revenue)</b>	<b>12,327</b>	<b>14,673</b>	<b>14,666</b>	<b>(6)</b>	<b>(0.0%)</b>
<b>TOTAL REVENUE</b>	<b>245,816</b>	<b>251,542</b>	<b>252,468</b>	<b>926</b>	<b>0.4%</b>

**APPENDIX E - DETAILED EXPENSES**

**Windsor-Essex Catholic District School Board**  
**2013-14 Final Financial Report**  
**For the Period Ending August 31, 2014**  
**(\$Thousands)**

	<b>Budget Assessment</b>				
	a	b	c = b - a	d = c/a	
	<b>Current Year: 2013-14</b>				
	Estimates (Jun. 2013)	Revised Estimates (as submitted) (Dec. 2013)	Financial Statements (August 2014)	Change (between Revised Estimates & Financial Statements)	
				\$ Increase (Decrease)	% Increase (Decrease)
<b>EXPENSES</b>					
<b>Instruction</b>					
Teachers	130,352	130,351	129,773	(578)	(0.4%)
Supply Teachers	5,430	5,052	5,236	185	3.4%
Educational Assistants	19,368	18,969	18,577	(393)	(2.0%)
Classroom Computers	754	790	1,199	409	54.2%
Textbooks and Supplies	4,759	4,900	3,826	(1,074)	(22.6%)
Professionals and Paraprofessionals	5,106	5,719	5,507	(212)	(4.2%)
Library and Guidance	2,202	2,226	2,144	(81)	(3.7%)
Staff Development	592	1,054	879	(175)	(29.6%)
Department Heads	581	559	555	(3)	(0.6%)
Principal and Vice-Principals	8,976	8,964	8,745	(218)	(2.4%)
School Office	6,027	5,587	5,426	(161)	(2.7%)
Co-ordinators and Consultants	2,633	2,763	2,642	(122)	(4.6%)
Continuing Education	320	320	255	(65)	(20.2%)
Amortization and Write-downs	25	85	72	(13)	(51.2%)
<b>Total Instruction</b>	<b>187,127</b>	<b>187,338</b>	<b>184,837</b>	<b>(2,501)</b>	<b>(1.3%)</b>
<b>Administration</b>					
Trustees	152	152	137	(14)	(9.5%)
Director/Supervisory Officers	1,717	1,538	1,642	104	6.0%
Board Administration	6,519	6,986	6,371	(615)	(9.4%)
Amortization and Write-downs	18	12	14	2	11.7%
<b>Total Administration</b>	<b>8,406</b>	<b>8,688</b>	<b>8,165</b>	<b>(524)</b>	<b>(6.2%)</b>
<b>Transportation</b>	<b>6,838</b>	<b>6,784</b>	<b>6,984</b>	<b>200</b>	<b>2.9%</b>
<b>Pupil Accommodation</b>					
School Operations & Maintenance	21,614	21,824	22,208	384	1.8%
School Renewal	1,141	1,528	1,314	(215)	(18.8%)
Other Pupil Accommodation	7,691	8,110	8,095	(15)	(0.2%)
Amortization and Write-downs	9,721	9,443	9,209	(233)	(2.4%)
<b>Total Pupil Accommodation</b>	<b>40,167</b>	<b>40,905</b>	<b>40,825</b>	<b>(79)</b>	<b>(0.2%)</b>
<b>Other</b>	<b>1,986</b>	<b>2,594</b>	<b>1,726</b>	<b>(868)</b>	<b>(43.7%)</b>
<b>TOTAL EXPENSES</b>	<b>244,524</b>	<b>246,309</b>	<b>242,537</b>	<b>(3,772)</b>	<b>(1.5%)</b>





1325 California Avenue  
Windsor, ON N9B 3Y6  
CHAIRPERSON: Barbara Holland  
DIRECTOR OF EDUCATION: Paul A. Picard

**Meeting Date:**  
November 25, 2014

**BOARD REPORT**

**Public**  **In-Camera**

**PRESENTED FOR:** Information  Approval

**PRESENTED BY:** SEAC Committee – Trustee Members

**SUBMITTED BY:** Paul A. Picard, Director of Education  
Cathy Geml, Associate Director of Education Student Achievement K-12

**SUBJECT:** **SPECIAL EDUCATION ADVISORY COMMITTEE (SEAC)  
Meeting of Thursday, September 18, 2014**

**RECOMMENDATION:**

**That the Board receive the Minutes of the Thursday September 18, 2014  
Special Education Advisory Committee meeting as information.**

**SYNOPSIS:**

The Special Education Advisory Committee (SEAC) is an advisory committee mandated through the Education Act as a standing committee of each school board. All minutes of the Special Education Advisory Committee are to be received by the Board.

**BACKGROUND COMMENTS:**

The Special Education Advisory Committee reports to the school board and makes recommendations to the board regarding special education programs and services. Regulation 464/97 sets out requirements for school boards with respect to Special Education Advisory Committees and outlines their role, membership, and scope of activities. The regulation requires SEACs to meet at least ten times in each school year.

**FINANCIAL IMPACT:**

N/A

**TIMELINES:**

The next SEAC meeting will occur on Tuesday, October 21, 2014 at the Catholic Education Centre.

**APPENDICES:**

- Special Education Advisory Committee Minutes of Thursday September 18, 2014.

**REPORT REVIEWED BY:**

<input checked="" type="checkbox"/>	EXECUTIVE COUNCIL:	Review Date:	October 28, 2014
<input checked="" type="checkbox"/>	EXECUTIVE SUPERINTENDENT:	Approval Date:	October 28, 2014
<input checked="" type="checkbox"/>	DIRECTOR OF EDUCATION:	Approval Date:	October 28, 2014



**1325 California Ave., Windsor, ON N9B 3Y6  
Phone: (519) 253-2481 Fax: (519) 253-0620**

**SPECIAL EDUCATION ADVISORY COMMITTEE MEETING  
Thursday September 18, 2014 – 6:00 P.M.  
Windsor Essex Catholic Education Centre  
1325 California Avenue, Windsor**

**MINUTES**

Present:	Melanie Allen	VIEWS
	Lisa Soulliere	Trustee (Chair)
	Rose Lamug	Autism Ontario Windsor-Essex (V-Chair)
	John McMahon	Community Living
	Shelley Lavoie	Idawe
	Michelle Friesen	Integration Action for Inclusion
	Mary DiMenna	Trustee
	Tina Grecco	Windsor-Essex Downs
	Cathy Geml	Associate Director of Education
	Rosemary Lo Faso	Superintendent Student Achievement K-12
	Terri Maitre	Recorder

1. Call to Order – Lisa Soulliere
2. Opening Prayer – SEAC members
3. Welcome – Lisa Soulliere welcomed SEAC back after the summer hiatus.
4. Recording of Attendance – Regrets: John Riberdy
5. Approval of Agenda - September 18, 2014

**Motion by Rose Lamug and seconded by Mary DiMenna that the Agenda be approved as printed and circulated. *Carried***

6. Agenda Questions from Observers - None
7. Disclosure of Pecuniary Interest - None
8. Approval of Minutes - Revise May 22, 2014 Minutes to read: Regrets: John McMahon

**Motion by Melanie Allen and seconded by Mary DiMenna that the Minutes be approved as revised and circulated. *Carried***

9. Business Arising - None

## Information Items –

- (a) SEAC meeting schedule 2014/2015 – Revision to the October meeting, new meeting date Tuesday, October 21, 2014.
- (b) Integrated Transition Planning was addressed by Ken McCarthy.
- (c) Briefing notes 2014/2015 Special Education Budget were distributed.
- (d) 2014 Special Education Plan. Located on the Board Website at <http://www.wecdsb.on.ca/pdf/lstt/SpecEdPlanAmend2014.pdf>
- (e) Letter from the Halton District School Board to Minister Deb Matthews, regarding a request for appropriate funding under the Student Health Support Services (SHSS) budget.
- (f) Letter from Lakehead DSB regarding Speech and Language services for school aged children in Ontario
- (g) Letter from Greater Essex County DSB regarding dedicated curriculum specifically for special education as part of the teacher education program.
- (h) Letter from Peterborough Victoria Northumberland and Clarington Catholic DSB supporting mandatory special Education qualifications as part of the teacher education program.
- (i) Letter from Focus accreditation regarding the accreditation of Community Living Essex County for the period June 2014-June 2018.
- (j) Letter from Thames Valley DSB regarding the inclusion of special education in teacher education programs.

**Motion by Melanie Allen and seconded by Rose Lamug that the Information Items be accepted as information. *Carried***

- 11. Report from Chair – Information items above.
- 12. Report from Trustees – Trustee DiMenna welcomed SEAC back to a new school year.

EQAO results for 2013-2014 were released on September 17. The Board is above the provincial average in five out of six areas and at the provincial average in one. The Board is pleased with the results, however, we still have some work to do in the area of math. The Board has extremely dedicated teachers and administrators and the Trustees have a great deal of trust in their ability to use proven methods in the classrooms to help students attain the desired learning outcomes. Secondary test scores are still embargoed at the time of the meeting and could not be released at that time.

The first public Board meeting is scheduled for Tuesday, September 23, 2014.

**Motion by Shelley Lavoie and seconded by John McMahon that the report from Trustees be accepted as information. *Carried***

- 13. Report from Associate Director of Education –

On October 21, 2014 a Delegation from the Netherlands visiting the Board have been invited to observe the SEAC meeting.

Associate Director, Cathy Geml, introduced Ken McCarthy one of the Board Coordinators. Ken has been sitting on the Transition Planning Committee since its inception three years ago. Ken gave an overview of the Transition Planning process. A transition binder has been developed and shows a step by step process on how to transition and make the transition planning process easier. All department heads will distribute the information to Life Skills students and other students that may require access to the information in the binder. The Board transition plan mirrors the process in the large Transition Planning binder prepared by the three ministries. Binders will be updated yearly and distributed to the schools. Windsor Essex Transition Planning for Youths with developmental disabilities website is available. Youth are accessing the web for updates.

Planning for Success evening tentative date, November 27, 2014 6:00 p.m. at the CEC - ages 14 to adult may attend.

Cass McGowan from Let's talk – TV Cogeco has been in touch with the Board regarding producing a segment highlighting students with special needs. The board is in the process of reviewing topics for final approval.

**Motion by Melanie Allen and seconded by Michelle Friesen that the report from Associate Director be accepted as information. *Carried***

14. New Business - N/A

15. **Association Reports**

- (a) Michelle Friesen representative from Integration Action for Inclusion reported on additional funding, more information will be forthcoming.
- (b) Michelle also brought forward a copy of the IEP evening flyer which can be found on the Board website. The IEP evening takes place on September 29, 2014 at the Windsor-Essex Family Network 7025 Enterprise Way, Windsor, Ontario – room “A”.
- (c) Rose Lamug representative from Autism Ontario Windsor-Essex reported on the success of their summer picnic.

**Motion by Mary DiMenna and seconded by Melanie Allen that the reports from the associations be accepted as information. *Carried***

16. Closing Prayer – SEAC members

Meeting adjourned at 7:35 p.m.

Next meeting: Tuesday, October 21, 2014 at 6:00 p.m.



1325 California Avenue  
Windsor, ON N9B 3Y6  
CHAIRPERSON: Barbara Holland  
DIRECTOR OF EDUCATION: Paul A. Picard

<b>Meeting date:</b> November 25, 2014
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## BOARD REPORT

**Public**  **In-Camera**

**PRESENTED FOR:** Information  Approval

**PRESENTED BY:** Senior Administration

**SUBMITTED BY:** Paul A. Picard, Director of Education  
Mario Iatonna, Executive Superintendent of Corporate Services

**SUBJECT:** **2013-14 FISCAL YEAR-END FINANCIAL STATEMENTS**

**RECOMMENDATION:**

**That the Board approve the audited 2013-14 Fiscal Year-End Financial Statements.**

### SYNOPSIS:

The 2013-14 fiscal year-end financial statements have been completed, including review by the external auditors, and the auditors' report has been issued.

### BACKGROUND COMMENTS:

Section 253 of the Education Act requires that all boards undertake an annual audit of their accounts and that the auditors express an opinion on the financial statements based on the audit. The Board's external auditor is the firm of BDO Canada LLP, and their report is attached hereto.

The work by the Board's external auditor for the audit of the Consolidated Financial Statements for the fiscal year ended August 31, 2014 has revealed no material concerns with the statements as prepared by Board Administration.

The financial statements and auditors' report were presented to the Audit Committee of the Board at its meeting of November 12, 2014. The Audit Committee has recommended to the Board of Trustees that they approve the Audited Financial Statements for the fiscal year ended August 31, 2014.

**FINANCIAL IMPACT:**

District school boards are required to adopt Public Sector Accounting Board (PSAB) standards for local governments as their financial standards and publish financial statements that accord with that standard. The Ministry of Education also requires boards to submit annual financial forms that both accord with PSAB standards and provide reconciliations that comply with the funding requirements of the Education Act.

**Results of Operations**

At 2012-13 year-end, WECD SB reported a closing accumulated surplus of \$5,392,637. Following Ministry of Education review, this balance was restated as follows:

Balance at August 31, 2013 (per 2012-13 financial statements)	\$5,392,637
Ministry adjustments to audited 2012-13 financial statements	<u>(5,461)</u>
Restated Accumulated Surplus balance at September 1, 2013	<u>\$5,387,176</u>

When determining the in-year surplus or deficit as calculated for compliance with the funding requirements of the Education Act, the Ministry excludes certain revenue and expenditure items contained in the financial statements. For 2013-14, the in-year surplus/(deficit) for compliance purposes was determined as follows:

In-year revenues for compliance purposes	\$252,467,649
In-year expenses for compliance purposes	<u>242,537,404</u>
In-year surplus for compliance purposes	<u>\$9,930,245</u>

The 2013-14 closing accumulated surplus is calculated as follows:

Restated Accumulated Surplus at September 1, 2013	\$5,387,176
In-year surplus	<u>9,930,245</u>
Closing Accumulated Surplus at August 31, 2014	<u>\$15,317,421</u>

**Administration and Governance Compliance**

In any fiscal year, the school board administration and governance expenditures cannot exceed the grant allocation. In 2013-14, WECD SB's net expenditures in this category after considering third-party revenues were \$6,604,811, while the grant allocation was \$7,444,754. Therefore, the board underspent its allocation in this category and was compliant with this particular provision.

**TIMELINES:**

As noted earlier, school boards must complete both audited financial statements and Ministry of Education financial forms. These latter financial forms are required to be submitted electronically to the Ministry of Education by November 14, 2014. WECD SB submitted these forms to the Ministry of Education on November 14, 2014. Once approved, the audited financial statements, notes to the financial statements and auditor's report will be submitted to the Ministry of Education prior to the December 5, 2014 reporting deadline.

**APPENDICES:**

Consolidated Financial Statements - August 31, 2014 and Auditors' Report.

**REPORT REVIEWED BY:**

<input checked="" type="checkbox"/>	EXECUTIVE COUNCIL:	Review Date:	November 18, 2014
<input checked="" type="checkbox"/>	EXECUTIVE SUPERINTENDENT:	Approval Date:	November 18, 2014
<input checked="" type="checkbox"/>	DIRECTOR OF EDUCATION:	Approval Date:	November 18, 2014

**Windsor-Essex Catholic  
District School Board  
Consolidated Financial Statements**

**For the year ended August 31, 2014**

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**Windsor-Essex Catholic District School Board**  
**Consolidated Financial Statements**  
For the year ended August 31, 2014

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Consolidated Statement of Operations	6
Consolidated Statement of Cash Flows	7
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## MANAGEMENT REPORT

### Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Windsor-Essex Catholic District School Board are the responsibility of the Board's management and have been prepared in compliance with the Financial Administration Act, supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act, as described in Note 1 to the consolidated financial statements.

A summary of the significant accounting policies is presented in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Board management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Board meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP, independent external auditor appointed by the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

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Director of Education

November 25, 2014

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Executive Superintendent of Corporate Services

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## Independent Auditor's Report

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### To the Board of Trustees of the Windsor-Essex Catholic District School Board

We have audited the accompanying consolidated financial statements of Windsor-Essex Catholic District School Board, which comprise the consolidated statement of financial position as at August 31, 2014, the consolidated statement of operations, consolidated statement of changes in net debt and consolidated statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information. The consolidated financial statements have been prepared by management based on the financial reporting provisions described in Note 1 to the consolidated financial statements.

#### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the basis of accounting described in Note 1 to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Windsor-Essex Catholic District School Board as at August 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in Note 1 to the consolidated financial statements.

**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the consolidated financial statements which describes the basis of accounting. The consolidated financial statements are prepared to assist the Windsor-Essex Catholic District School Board to meet the requirements of the Ontario Ministry of Education. As a result, the consolidated financial statements may not be suitable for another purpose.

Chartered Accountants, Licensed Public Accountants

Windsor, ON  
November 25, 2014

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## Windsor-Essex Catholic District School Board

### Consolidated Statement of Financial Position

August 31,	2014	(restated) 2013
<b>Financial assets</b>		
Cash and cash equivalents (Note 2)	\$ 17,595,204	\$ 9,614,956
Accounts receivable	10,455,065	10,827,298
Accounts receivable capital - Government of Ontario (Note 3)	153,973,889	157,567,567
Assets held for sale (Note 4)	1,233,674	1,421,174
	<u>183,257,832</u>	<u>179,430,995</u>
<b>Financial liabilities</b>		
Temporary borrowing (Note 9)	13,441,181	12,568,051
Accounts payable and accrued liabilities	15,191,030	14,532,119
Other	50,023	101,810
Net debenture debt and capital loans (Note 8)	149,286,112	155,801,540
Deferred revenue (Note 5)	5,663,381	7,543,516
Employee benefits payable (Note 7)	23,271,244	26,601,612
Deferred capital contributions (Note 6)	192,636,574	190,397,773
	<u>399,539,545</u>	<u>407,546,421</u>
<b>Net debt</b>	<u>(216,281,713)</u>	<u>(228,115,426)</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 19)	217,274,549	215,757,791
Prepaid expenses	1,302,372	786,891
	<u>218,576,921</u>	<u>216,544,682</u>
<b>Accumulated surplus (deficit) (Note 12)</b>	<u>\$ 2,295,208</u>	<u>\$ (11,570,744)</u>

Signed on Behalf of The Board

\_\_\_\_\_  
Director of Education\_\_\_\_\_  
Chair for the Board

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

## Windsor-Essex Catholic District School Board

### Consolidated Statement of Operations

For the year ended August 31,	(Unaudited) Budget 2014	2014	(restated) 2013
<b>Revenues</b>			
Provincial grant - grants for student needs	\$ 185,366,063	\$ 189,311,413	\$ 195,347,526
Local taxation	40,069,332	39,892,804	39,628,483
Provincial grants - other	10,588,201	12,298,758	8,820,010
Amortization of deferred capital contributions including disposals (Note 6)	8,053,474	8,597,161	15,141,292
School generated funds	7,887,305	8,091,642	7,970,390
Other fees and revenues	1,735,297	1,917,360	2,278,298
Investment income	4,000	251,591	(21,380)
Other revenues - school boards	-	198,562	68,425
	<b>253,703,672</b>	<b>260,559,291</b>	<b>269,233,044</b>
<b>Expenditures (Note 11)</b>			
Instruction	184,346,149	181,879,456	165,152,423
Pupil accommodation	39,390,930	40,261,532	30,605,123
School generated funds	7,887,305	7,954,853	7,901,415
Administration	8,226,287	7,887,126	2,590,965
Transportation	6,838,053	6,983,975	7,074,599
Other	1,986,093	1,726,397	8,257,026
	<b>248,674,817</b>	<b>246,693,339</b>	<b>221,581,551</b>
<b>Annual surplus</b>	<b>5,028,855</b>	<b>13,865,952</b>	<b>47,651,493</b>
<b>Accumulated deficit, beginning of year</b>	<b>(15,440,239)</b>	<b>(11,570,744)</b>	<b>(59,222,237)</b>
<b>Accumulated (deficit) surplus, end of year</b>	<b>\$ (10,411,384)</b>	<b>\$ 2,295,208</b>	<b>\$ (11,570,744)</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

## Windsor-Essex Catholic District School Board

### Consolidated Statement of Cash Flows

For the year ended August 31,	2014	(restated) 2013
<b>Operations</b>		
Annual surplus	\$ 13,865,952	\$ 47,651,493
 Sources and (uses):		
Non-cash items including amortization, write downs and gain/loss on disposal	9,319,209	17,284,513
Deferred capital contributions revenue	(8,593,792)	(15,141,292)
Accounts receivable - other	372,233	805,528
Assets held for sale	187,500	(1,421,174)
Accounts payable and accrued liabilities	658,911	1,660,576
Other liabilities	(51,787)	(45,655)
Deferred revenues - operating	(750,970)	741,582
Employee benefits payable	(3,330,369)	(38,684,000)
Prepaid expenses	(515,479)	179,526
	<b>11,161,408</b>	<b>13,031,097</b>
 <b>Capital transactions</b>		
Cash used to acquire tangible capital assets	(10,835,967)	(7,105,616)
 <b>Financing</b>		
Long-term liabilities issued	19,092,833	1,425,226
Increase (decrease) in temporary borrowing	873,130	(10,416,243)
Debt repaid and sinking fund contributions	(25,608,262)	(5,957,628)
Increase in accounts receivable capital - Government of Ontario	3,593,679	7,882,008
Additions to deferred capital contributions	10,832,591	5,684,443
Increase (decrease) in deferred revenues - capital	(1,129,164)	2,459,080
	<b>7,654,807</b>	<b>1,076,886</b>
 <b>Change in cash and equivalents</b>	<b>7,980,248</b>	<b>7,002,367</b>
 <b>Cash and equivalents, beginning of year</b>	<b>9,614,956</b>	<b>2,612,589</b>
 <b>Cash and equivalents, end of year</b>	<b>\$ 17,595,204</b>	<b>\$ 9,614,956</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

## Windsor-Essex Catholic District School Board

### Consolidated Statement of Change in Net Debt

For the year ended August 31,	2014	(restated) 2013
<b>Annual surplus</b>	<b>\$ 13,865,952</b>	<b>\$ 47,651,493</b>
<b>Tangible capital asset activity</b>		
Acquisition of tangible capital assets	(10,835,967)	(7,105,616)
Amortization of tangible capital assets	9,295,599	9,219,072
Transfer to assets held for sale	-	1,421,174
Loss on sale of tangible capital assets - Net	3,374	-
Write-downs of tangible capital assets	20,245	6,644,267
	<b>(1,516,749)</b>	<b>10,178,897</b>
<b>Other non-financial asset activity</b>		
Acquisition of prepaid expenses	(1,797,919)	(2,210,832)
Use of prepaid expenses	1,282,429	2,390,365
	<b>(515,490)</b>	<b>179,533</b>
<b>Change in net financial assets</b>	<b>11,833,713</b>	<b>58,009,923</b>
<b>Net debt, beginning of year</b>	<b>(228,115,426)</b>	<b>(286,125,349)</b>
<b>Net debt, end of year</b>	<b>\$(216,281,713)</b>	<b>\$ (228,115,426)</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.



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# Windsor-Essex Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2014

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### 1. Significant accounting policies

The consolidated financial statements are prepared by the management of Windsor-Essex Catholic District School Board in accordance with the basis of accounting described below.

#### (a) Basis of accounting

These consolidated financial statements have been prepared in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act.

The Financial Administration Act requires that the consolidated financial statements be prepared in accordance with the accounting principles determined by the relevant Ministry of the Province of Ontario. A directive was provided by the Ontario Ministry of Education within memorandum 2004:B2 requiring school boards to adopt Canadian public sector accounting standards commencing with their year ended August 31, 2004 and that changes may be required to the application of these standards as a result of regulation.

In 2011, the government passed Ontario Regulation 395/11 of the Financial Administration Act. The Regulation requires that contributions received or receivable for the acquisition or development of depreciable tangible capital assets and contributions of depreciable tangible capital assets for use in providing services, be recorded as deferred capital contributions and be recognized as revenue in the statement of operations over the periods during which the asset is used to provide service at the same rate that amortization is recognized in respect of the related asset. The regulation further requires that if the net book value of the depreciable tangible capital asset is reduced for any reason other than depreciation, a proportionate reduction of the deferred capital contribution along with a proportionate increase in the revenue be recognized. For Ontario school boards, these contributions include government transfers, externally restricted contributions and, historically, property tax revenue.

The accounting policy requirements under Regulation 395/11 are significantly different from the requirements of Canadian public sector accounting standards which require that

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS 3410;
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS 3100; and
- property taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS 3510.

As a result, revenue recognized in the statement of operations and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

August 31, 2014

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#### 1. Significant accounting policies (continued)

##### (b) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Board and which are controlled by the Board.

School generated funds, which include the assets, liabilities, revenues and expenses of various organizations that exist at the school level and which are controlled by the Board are reflected in the consolidated financial statements.

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

##### (c) Trust funds

Trust funds and their related operations administered by the Board are not included in the consolidated financial statements as they are not controlled by the Board, with the exception of bursaries funds held in trust as noted in Note 2.

##### (d) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value and have a short term maturity term of less than 90 days.

##### (e) Deferred revenue

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed.

##### (f) Deferred capital contributions

Contributions received or receivable for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services, or any contributions in the form of depreciable tangible assets received or receivable for use in providing services, shall be recognized as deferred capital contributions as defined in Ontario Regulation 395/11 of the Financial Administration Act. These amounts are recognized as revenue at the same rate as the related tangible capital asset is amortized. The following items fall under this category:

- Government transfers received or receivable for capital purposes
- Other restricted contributions received or receivable for capital purposes
- Property taxation revenues which were historically used to fund capital assets

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

August 31, 2014

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#### 1. Significant accounting policies (continued)

##### (g) Retirement and other employee future benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance and health care benefits, dental benefits, retirement gratuities, worker's compensation and long term disability benefits. Changes were made to the Board's retirement gratuity plan (2012), sick leave plan (2013) and retiree health, life and dental plan (2013). The Board has adopted the following policies with respect to accounting for these employee benefits:

(i) The costs of self-insured retirement and other employee future benefit plans are actuarially determined using management's best estimates of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, disability recovery rates, long-term inflation rates and discount rates. The cost of retirement gratuities are actuarially determined using the employee's salary, banked sick days and years of service as at August 31, 2012 and management's best estimate of discount rates. Any actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining service life of the employee group.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as life insurance and health care benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for worker's compensation, long-term disability, and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

(ii) The costs of multi-employer defined pension plan benefits, such as the Ontario Municipal Employees Retirement System pension, are the employer's contributions due to the plan in the period.

(iii) The costs of insured benefits are the employer's portion of insurance premiums owed for coverage of employees during the period.

## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 1. Significant accounting policies (continued)

##### (h) Tangible capital assets

Tangible capital assets are recorded at historical cost less accumulated amortization. Historical cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as interest related to financing during construction. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization.

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Tangible capital assets, except land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Estimated useful life in Years
Land improvements with finite lives	15
Buildings and building improvements	40
Portable structures	20
Other buildings	20
First-time equipping of schools	10
Furniture	10
Equipment	5-15
Computer hardware	5
Computer software	5
Vehicles	5-10
Leasehold improvements	over the lease term

Assets under construction and assets that relate to pre-acquisition and pre-construction costs are not amortized until the asset is available for productive use.

Land permanently removed from service and held for resale is recorded at the lower of cost and estimated net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Buildings permanently removed from service and held for resale cease to be amortized and are recorded at the lower of carrying value and estimated net realizable value. Tangible capital assets which meet the criteria for financial assets are reclassified as "assets held for sale" on the Consolidated Statement of Financial Position.

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

August 31, 2014

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#### 1. Significant accounting policies (continued)

##### (i) Government transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made.

Government transfers for capital that meet the definition of a liability are referred to as deferred capital contributions (DCC). Amounts are recognized into revenue as the liability is extinguished over the useful life of the asset.

##### (j) Investment income

Investment income is reported as revenue in the period earned.

When required by the funding government or related Act, investment income earned on externally restricted funds such as pupil accommodation, education development charges and special education forms part of the respective deferred revenue balances.

##### (k) Long term debt

Long term debt is recorded net of related sinking fund asset balances.

##### (l) Budget figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Trustees. The budget approved by the Trustees is developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model. The budget figures are unaudited.

##### (m) Use of estimates

The preparation of consolidated financial statements in conformity with the basis of accounting described in note 1(a) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Accounts subject to estimates include employee future benefits. In addition, estimates have been made of the historical cost and useful lives of certain tangible capital assets as a result of the implementation of Section 3150 of the Public Sector Accounting Handbook. Actual results could differ from these estimates.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

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#### 2. Cash and cash equivalents

Cash and cash equivalents include the following:

	2014	2013
Cash in bank	\$ 14,786,631	\$ 6,923,097
School funds	2,415,198	2,278,410
Bursary funds, in trust	364,400	361,132
Petty cash	28,975	28,975
RCAC funds, in trust	-	23,342
	\$ 17,595,204	\$ 9,614,956

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#### 3. Accounts receivable - Government of Ontario

The Province of Ontario (Province) replaced variable capital funding with a one-time debt support grant in 2009-10. The Board received a one-time grant that recognizes capital debt as of August 31, 2010 that is supported by the existing capital programs. The Board receives this grant in cash over the remaining term of the existing capital debt instruments. The Board may also receive yearly capital grants to support capital programs which would be reflected in this account receivable.

The Board has an account receivable from the Province of Ontario at August 31, 2014 of \$153,973,889 (2013 - \$157,567,567) with respect to capital grants.

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#### 4. Assets held for sale

As of August 31, 2014, \$1,233,674 (2013 - \$1,421,174) related to buildings was recorded as assets held for sale. During the year, one school property was sold. Net proceeds of \$255,724 (2013 - nil) were received on the sale of this property, which had a carrying value of \$187,500, resulting in a gain of \$68,224. The net proceeds (including the gain) have been deferred for future capital asset purchases according to Ontario Regulation 193/10.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 5. Deferred revenue

Revenues that have been received and set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the Consolidated Statement of Financial Position.

Deferred revenue set aside for specific purposes by legislation, regulation or agreement as at August 31, 2014 is comprised of:

	(restated) Balance as at August 31, 2013	Externally restricted revenue received	Revenue recognized in the period	Transfers (to) deferred capital contributions in the period	Balance as at August 31, 2014
Restricted operating grants	\$ 1,701,556	\$ 36,962,209	\$ (38,008,162)	\$ -	\$ 655,603
Third party operating grants	304,744	599,726	(304,744)	-	599,726
Restricted capital grants	2,973,473	19,264,386	(15,496,726)	(4,921,504)	1,819,629
Proceeds of disposition - school buildings	527,293	255,724	-	-	783,017
Proceeds of disposition - other	615,276	-	(43,544)	-	571,732
Assets held for sale	1,421,174	(187,500)	-	-	1,233,674
School generated capital funds	-	33,431	-	(33,431)	-
<b>Total deferred revenue</b>	<b>\$ 7,543,516</b>	<b>\$ 56,927,976</b>	<b>\$ (53,853,176)</b>	<b>\$ (4,954,935)</b>	<b>\$ 5,663,381</b>

## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 6. Deferred capital contributions

Deferred capital contributions include grants and contributions received that are used for the acquisition of tangible capital assets in accordance with regulation 395/11 that have been expended by year end. The contributions are amortized into revenue over the life of the asset acquired.

	2014	2013
Balance, beginning of year	\$ 190,397,773	\$ 199,854,623
Additions to deferred capital contributions	10,835,967	7,105,616
Revenue recognized in the period - amortization and write-downs	(8,593,792)	(15,141,292)
Revenue recognized in the period - disposals	(3,374)	-
Revenue recognized in the period - disposals to assets held for sale	-	(1,421,174)
Balance, end of year	<u>\$ 192,636,574</u>	<u>\$ 190,397,773</u>

#### 7. Employee benefits payable

##### Retirement and other employee future benefit liabilities

	2014		2013	
	Retirement benefits	Other future employment benefits	Total employee future benefits	Total employee future benefits
Accrued employee future benefit obligations	\$ 19,883,484	\$ 3,648,061	\$23,531,545	\$ 26,070,126
Unamortized actuarial losses	260,301	-	260,301	(531,486)
<b>Employee future benefits liability</b>	<u>\$19,623,183</u>	<u>\$ 3,648,061</u>	<u>\$23,271,244</u>	<u>\$ 26,601,612</u>



## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 7. Employee benefits payable (continued)

##### Retirement and other employee future benefit expenses

			(restated)	
			2014	2013
	Retirement benefits	Other employee future benefits	Total employee future benefits	Total employee future benefits
Current year benefit cost	\$ -	\$ (283,371)	\$ (283,371)	\$ 1,479,659
Cost of (gain on) plan amendments	520,784	-	520,784	-
Curtailement (gain) loss	-	-	-	(33,981,089)
Interest on accrued benefit obligation	702,319	114,456	816,775	876,261
Recognition of unamortized actuarial (gains)/losses on plan amendments/curtailments	(629,890)	23,709	(606,181)	(2,622,293)
Employee future benefit expenses <sup>1</sup>	\$ 593,213	\$ (145,206)	\$ 448,007	\$ (34,247,462)

<sup>1</sup> Excluding pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, described below.

#### Plan changes

In 2013, changes were made to the Board's short term leave and disability plan. Under the new short term leave and disability plan, eleven unused sick leave days may be carried forward into the following year only, to be used to top-up benefits received under the short term leave and disability plan in that year. A new provision was established as of August 31, 2013 representing the expected usage of sick days that have been carried forward for benefit top-up in the following year.

## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 7. Employee benefits payable (continued)

Employees who retired before September 1, 2013 who had access to retirement life insurance and health care benefits will continue to be included in the experience pool in which they were previously included and pay the appropriate premiums for that existing experience pool. Board contributions where they currently exist will continue for this group to age 65.

#### Actuarial assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2014 are based on the most recent actuarial valuations completed for accounting purposes as at August 31, 2014. These valuations take into account the plan changes outlined above and the economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2014 (%)	2013 (%)
Inflation	2	2
Wage and salary escalation	-	-
Insurance and health care cost escalation	4.0 - 8.75	4.0 - 8.75
Discount on accrued benefit obligations	2.85	3.4

#### Retirement benefits

##### (i) Ontario Teachers' Pension Plan

Teachers and related employee groups are eligible to be members of Ontario Teacher's Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's consolidated financial statements.

##### (ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rate of pay. The Board contributions equal the employee contributions to the plan. During the year ended August 31, 2014, the Board contributed \$3,150,930 (2013 - \$3,092,855) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's consolidated financial statements.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

August 31, 2014

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#### 7. Employee benefits payable (continued)

##### (iii) Retirement Gratuities

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. The amount of gratuities payable to eligible employees at retirement is based on their salary, accumulated sick days, and years of service at August 31, 2012.

##### (iv) Retirement Life Insurance and Health Care Benefits

The Board provides life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age. The premiums are based on the Board experience and retirees' premiums are subsidized by the Board. The benefit costs and liabilities related to the plan are included in the Board's consolidated financial statements.

#### Other Employee Future Benefits

##### (i) Workplace Safety and Insurance Board Obligations

The Board is a Schedule 2 employer under the Workplace Safety and Insurance Act and, as such, assumes responsibility for the payment of all claims to its injured workers under the Act. The Board does not fund these obligations in advance of payments made under the Act. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. Plan changes made in 2012 requires school boards to provide salary top-up to a maximum of 4.5 years for employees receiving payments from the Workplace Safety and Insurance Board, where previously negotiated collective agreements included such provision.

##### (ii) Long-term Disability - Life Insurance, Dental and Health Care Benefits

The Board provides life insurance, dental and health care benefits to employees on long-term disability leave. The Board is responsible for the payment of life insurance premiums and the partial costs of health care benefits under this plan. The Board provides these benefits through an unfunded defined benefit plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured and not included in this plan.

##### (iii) Sick Leave Top-up Benefits

As a result of new changes made in 2012-13 to the short term sick leave and disability plan, a maximum of eleven unused sick leave days from the current year may be carried forward into the following year only, to be used to top-up salary for illnesses paid through the short-term leave and disability plan in that year. The benefit costs expensed in the financial statements are \$124,045 (2013 - \$180,199).

The accrued benefit obligation for the sick leave top-up is based on an actuarial valuation for accounting purposes as of August 31, 2014.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 8. Net long-term debt

Net long-term debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	2014	2013
Debenture #06-01; 5.070%; maturing April 2031	\$ 36,119,338	\$ 37,433,371
Debenture #09-10; 4.947%; maturing May 2035	27,082,662	27,804,048
Debenture #03-05; 5.800%; maturing November 2028	22,960,344	23,948,589
Debenture #02-01; 5.900%; maturing October 2027	22,837,347	23,919,273
Debenture #13-02; 4.037%; maturing October 2028	18,621,900	-
Debenture #06-03; 4.560%; maturing November 2031	6,533,697	6,773,482
Debenture #09-01; 5.062%; maturing March 2034	4,836,581	4,975,813
Debenture #12-01; 3.564%; maturing March 2037	4,618,351	4,747,766
Debenture #10-01; 5.232%; maturing April 2035	2,365,296	2,426,519
Debenture #11-01; 3.97%; maturing November 2036	1,920,708	1,972,784
Debenture #13-01; 3.799%; maturing March 2038	1,389,888	1,425,225
Debenture #03-04 (Sinking Fund); 5.300%; principal repaid November 2013	-	24,012,700
Debenture debt	149,286,112	159,439,570
Less: Sinking fund asset balance	-	(3,638,030)
Net debenture debt	<u>\$ 149,286,112</u>	<u>\$ 155,801,540</u>

Principal and interest payments relating to net long-term liabilities of \$149,286,112 outstanding as at August 31, 2014 are due as follows:

	Debenture principal payments	Debenture interest payments	Total
2014-15	\$ 5,989,290	\$ 7,486,650	\$ 13,475,940
2015-16	6,298,847	7,177,093	13,475,940
2016-17	6,624,708	6,851,233	13,475,941
2017-18	6,967,743	6,508,197	13,475,940
2018-19	7,328,874	6,147,066	13,475,940
Thereafter	116,076,650	40,214,885	156,291,535
	<u>\$ 149,286,112</u>	<u>\$ 74,385,124</u>	<u>\$ 223,671,236</u>

Included in net debenture debt are outstanding sinking fund debentures of nil (2013 - \$24,012,700) secured by sinking fund assets with a carrying and market value of nil (2013 - \$3,638,030). The sinking fund debt was refinanced by debenture #13-02 in the amount of \$19,092,833.

Interest on long-term debt amounted to \$7,778,232 (2013 - \$8,424,999).

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

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#### 9. Temporary borrowing

Temporary borrowing consists of the following:

	2014	2013
Demand capital expenditure credit bearing loan interest at the lower of prime minus 0.25% (2013 - prime minus 0.25%) or bankers acceptance plus 0.75% (2013 - 0.75%) stamping fee. Repayable in regular monthly payments of \$70,000.	\$ 11,359,441	\$ 12,199,441
Demand capital interim bridge credit (F) loan, bearing interest at the lower of prime minus 0.25% or bankers acceptance plus 0.75% stamping fee. Repayable on demand no later than July 31, 2015. Any direct grants received for the FDK capital project to which this credit facility relates must be used to permanently reduce this loan.	1,377,385	18,160
Demand capital interim bridge credit (E) loan, bearing interest at the lower of prime minus 0.25% or bankers acceptance plus 0.75% stamping fee. Repayable in full within 24 months from initial draw down. Any direct grants received for the capital project to which this credit facility relates must be used to permanently reduce this loan.	704,355	207,126
Demand capital interim bridge credit (D) loan, bearing interest at the lower of prime minus 0.25% or bankers acceptance plus 0.75% stamping fee. Repaid on July 31, 2014. Any direct grants received for the FDK capital project to which this credit facility relates were used to permanently reduce this loan.	-	143,324
	<b>\$ 13,441,181</b>	<b>\$ 12,568,051</b>

The Board has lines of credit available to the maximum of \$28 million (2013 - \$28 million) to address operating requirements which is unused at year end and \$13 million (2013 - \$13 million) for long term capital projects. The Board has \$15.5 million of unused lines of credit available for future capital spending.

All loans are unsecured, due on demand and are in the form of bankers' acceptance notes and bank overdrafts.

The Board has an irrevocable letter of guarantee outstanding in the amount of \$100,000.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 10. Debt charges, capital loans and lease interest

The expenditure for debt charges and capital loans includes principal, sinking fund contributions and interest payments as follows:

	2014	2013
Principal payments on long-term liabilities including contributions to sinking funds.	\$ 5,233,592	\$ 6,030,235
Interest payments on long-term liabilities.	7,809,420	8,427,290
	<b>\$ 13,043,012</b>	<b>\$ 14,457,525</b>

Included in debt repayment and sinking fund contributions on the Consolidated Statement of Cash Flow in total of \$25,608,262 (2013 - \$5,957,628) are principal payments on long-term debt of \$5,233,592 (2013 - \$6,030,235, of which \$328,464 were sinking fund contributions), sinking fund investment income of \$73,460 (2013 - \$72,602 loss), and retirement of the sinking fund debenture in the amount of \$24,012,700 less the sinking fund deposit of \$3,711,490 (2013 - nil).

#### 11. Expenditures by object

The following is a summary of the expenses reported on the Statement of Operations by object:

	(unaudited) Budget 2014	Actual 2014	Actual 2013
<b>Current expenditures</b>			
Salary and wages	\$ 170,814,828	\$ 170,733,266	\$ 175,555,465
Employee benefits	26,526,537	23,918,994	(11,990,788)
Supplies and services	21,207,347	21,856,046	21,195,182
Fees and contractual services	9,855,124	10,071,434	9,705,412
Amortization of tangible capital assets	9,764,562	9,319,209	9,219,072
Interest charges on capital	7,437,640	8,017,571	8,684,148
Other	2,480,098	2,223,154	2,019,086
Rental expenditures	384,581	360,302	368,092
Staff development	204,100	193,363	181,616
Loss on write-down of assets held for sale	-	-	6,644,266
	<b>\$ 248,674,817</b>	<b>\$ 246,693,339</b>	<b>\$ 221,581,551</b>

## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 12. Accumulated surplus (deficit)

Accumulated surplus (deficit) consists of the following:

	2014	2013
Non-designated surplus/(deficit)	\$ 13,113,851	\$ 3,708,523
Amounts restricted for future use of the Board:		
Benefit plan	1,530,554	1,015,577
School renewal program	171,786	171,786
	1,702,340	1,187,363
Amounts to be covered in the future:		
Employee future benefits - retirement gratuity liability	(15,537,265)	(18,414,536)
Retirement health, dental, life insurance plans	(3,454,434)	(3,756,460)
Employee future benefits - other than retirement gratuity	(3,648,138)	(3,989,851)
Interest and vacation accruals	(2,511,064)	(2,788,983)
	(25,150,901)	(28,949,830)
Other:		
School generated funds	2,399,323	2,262,545
Committed sinking fund interest earned	501,230	491,290
Revenues recognized for land	9,729,365	9,729,365
	12,629,918	12,483,200
	\$ 2,295,208	\$ (11,570,744)

#### 13. Ontario School Board Insurance Exchange (OSBIE)

The school board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of \$24,000,000 (2013 - \$24,000,000) per occurrence.

The ultimate premiums over a five year period are based on the reciprocal's and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The current five year term expires December 31, 2016.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

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#### 14. Contractual obligations and contingent liabilities

(a) Contractual obligations:

The Board has ongoing commitments over the next five years as follows:

2014-15	\$ 2,112,618
2015-16	1,026,738
2016-17	1,013,590
2017-18	851,922
2018-19	842,411
Thereafter	<u>449,689</u>
	<u>\$ 6,296,968</u>

As at August 31, 2014, the Board is committed to capital expenditures in the amount of \$1,826,459 (2013 - \$3,751,531).

(b) Contingent liabilities:

In the normal course of operations, the Board becomes involved in various claims and legal proceedings. The final outcome with respect to claims and legal proceedings pending at August 31, 2014 cannot be predicted with certainty, nor is it possible to reasonably estimate liability for certain claims.

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#### 15. Transportation

On January 20, 2003, the Board entered into an agreement with the Greater Essex County District School Board and Conseil scolaire de district des écoles catholiques du Sud-Ouest in order to provide common administration of student transportation within the district. On September 10, 2009, a new agreement was entered into and included the Conseil scolaire de district du Centre-Sud-Ouest. The consortium agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the school boards. Under the formal agreement, decisions related to the financial and operating activities were shared. No partner was in a position to exercise unilateral control.

On July 18, 2013, the Board, along with the three other named school boards, formed a new corporation known as Service De Transport Des Eleves - Windsor-Essex - Student Transportation Services. On August 26, 2013, approval was given for the Board to enter into an agreement with the three other school boards specifying the terms and conditions of the new entity. Transportation services are now provided under the auspices of the new corporation.

The Board's consolidated statements reflect proportionate consolidation, whereby they include the assets that it controls, the liabilities that it has incurred, and its pro-rata share of revenues and expenses. Total expenses of the corporation at August 31, 2014 were \$19,767,285 (2013 - \$20,142,839). The Board's pro-rata share of expenses at August 31, 2014 was \$6,983,975 (2013 - \$7,074,599).

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

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#### 16. Financial instruments

(a) Interest rate risk:

Interest rate risk represents the risk to the Board's operations that arises from fluctuations in interest rates and the degree of volatility of these rates. The Board is exposed to interest rate risk since the interest on the bank short-term borrowings is at variable rates.

(b) Fair value:

Fair values approximate amounts at which financial assets and liabilities would be exchanged between willing parties based on current markets for instruments of the same risk and materiality. The fair value of financial assets and liabilities approximate their carrying values.

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#### 17. Comparative figures

Certain of the prior year figures, provided for the purpose of comparison, have been restated and/or reclassified to conform with the current year presentation.

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#### 18. Repayment of "55 School Board Trust" funding

On June 1, 2003, the Board received \$21,647,375 from the 55 School Board Trust for its capital related debt eligible for provincial funding support as at May 14, 1998 pursuant to a 30 year agreement entered into with the Trust. The 55 School Board Trust was created to refinance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the Trust. Under the terms of the agreement, the 55 School Board Trust repaid the Board's debt in consideration for the assignment by the Board to the Trust of future provincial grants payable in respect of the NPF debt. As a result of this agreement, the liability in respect of the NPF debt is no longer reflected in the Board's financial position.

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

#### 19. Tangible capital assets

Cost	Balance at August 31, 2013	Additions and transfers	Disposals and transfers	Balance at August 31, 2014
Buildings	\$ 279,788,113	\$ 2,986,681	\$ 2,074,762	\$ 284,849,556
Land	10,774,668	-	-	10,774,668
Leasehold improvements	-	66,404	-	66,404
First time equipping	8,990,186	245,908	-	9,236,094
Portable structures	4,261,799	620,901	-	4,882,700
Land improvements	3,341,356	404,774	-	3,746,130
Construction in progress	2,724,552	6,104,710	(2,074,762)	6,754,500
Computer hardware	1,034,863	373,157	(51,980)	1,356,040
Vehicles	488,601	-	(11,214)	477,387
Equipment	481,342	7,085	-	488,427
Computer software	19,886	-	-	19,886
Furniture	15,649	26,347	-	41,996
	<b>\$ 311,921,015</b>	<b>\$ 10,835,967</b>	<b>\$(63,194)</b>	<b>\$ 322,693,788</b>

Accumulated amortization	Balance at August 31, 2013	Additions and transfers	Disposals and transfers	Balance at August 31, 2014
Buildings	\$ 86,331,959	\$ 8,024,180	-	\$ 94,356,139
First time equipping	5,305,945	562,893	-	5,868,838
Portable structures	2,261,206	214,580	-	2,475,786
Land improvements	851,134	257,786	-	1,108,920
Computer hardware	783,193	111,172	(31,735)	862,630
Vehicles	402,701	60,463	(7,849)	455,315
Equipment	210,023	57,666	-	267,689
Computer software	14,716	3,977	-	18,693
Furniture	2,347	2,882	-	5,229
	<b>\$ 96,163,224</b>	<b>\$ 9,295,599</b>	<b>\$(39,584)</b>	<b>\$ 105,419,239</b>

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## Windsor-Essex Catholic District School Board

### Notes to Consolidated Financial Statements

**August 31, 2014**

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#### 19. Tangible capital assets (continued)

Net book value	Balance at August 31, 2013	Balance at August 31, 2014	Change
Buildings	\$ 193,456,154	\$ 190,493,417	\$ (2,962,737)
Land	10,774,668	10,774,668	-
Leasehold improvements	-	66,404	66,404
First time equipping	3,684,241	3,367,256	(316,985)
Portable structures	2,000,593	2,406,914	406,321
Land improvements	2,490,222	2,637,210	146,988
Construction in progress	2,724,552	6,754,500	4,029,948
Computer hardware	251,670	493,410	241,740
Vehicles	85,900	22,072	(63,828)
Equipment	271,319	220,738	(50,581)
Computer software	5,170	1,193	(3,977)
Furniture	13,302	36,767	23,465
	<u>\$ 215,757,791</u>	<u>\$ 217,274,549</u>	<u>\$ 1,516,758</u>

#### (i) Construction in progress

Construction in progress having a value of \$6,754,500 (2013 - \$2,724,552) has not been amortized. Amortization of these assets will commence when the asset is put in service.

#### (ii) Write-down of Tangible Capital Assets

The write-down of tangible capital assets during the year was \$20,245 (2013 - \$6,644,266).

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