

**Minutes of the
Finance & Audit Committee Meeting
Salt Spring Island Fire Protection District**

Meeting held: **April 13, 2016**
Training Room, Ganges Fire Hall

In attendance:

Committee Members: Norbert Schlenker (Chair), Michael Craig, Julia Lucich, Ken Marr
Staff: Corporate Administrator and Financial Officer Andrew Peat

Recording Secretary: Sarah Shugar

Others Present: Trustee Howard Baker; Trustee Linda Lee; Jean Elwell, Chartered Accountant

These minutes follow the order of the agenda although the sequence may have varied.

The meeting was called to order at 2:18 p.m.

1. Approval of Agenda

A proposed agenda was circulated to members prior to the meeting.

The following additional items were presented for consideration:

- 2.1 Move Item 2.1 – Draft Financial Statements to Item 3.1
- 3.1 Draft Financial Statements

By general consent, the agenda was adopted as amended.

2. In Camera Session

- 2.1 To receive and discuss draft financial statements for the fiscal year ending December 31, 2016 – moved to item 3.1

3. New Business

- 3.1 To receive and discuss draft financial statements for the fiscal year ending December 31, 2016

Jean Elwell, Chartered Accountant presented the draft financial statements for the fiscal year ending December 31, 2016.

There was discussion and the following items were noted:

- remove the first paragraph in section (b) Litigation, replace “litigation” with “negotiation” in section (b) Litigation, replace “the outstanding claims are not expected to result” with “Some of the claims may

result” in section (b) Litigation on page 9 of the Notes to the Financial Statements;

- add (c) Sewer obligation to Commitments and Contingencies section to reflect as part of the negotiations with the CRD regarding the property, the District has the obligation to extend the sewer to the front of the property, estimated cost up to \$100,000 on page 9 of the Notes to the Financial Statements;
- replace “SSIFPD Foundation” with “Salt Spring Fire Rescue Foundation” on the Statement of Operations;
- add “(debt servicing)” following “Local improvements” on the Statement of Operations;
- replace “Statutory Reserve Funds” title with “Statement of Expenses” title;
- update the 2014 (restated) column with 2014 figures (presently 2013 figures) in the Tangible Capital Assets Continuity Schedule;
- add a reference to Note 7 – Reconciliation of 2015 Budget in Note 3 – Accumulated Surplus;
- update the Acquisition of tangible capital assets 2014 (restated) and Net disposals in the Statement of Change in Net Financial Assets;
- replace “December 31, 2 014” with December 31, 2014 in Note 6 – Correction of Accounting Error;
- Committee Member Lucich presented the 2013 property appraisal and noted the ALC decision that the use of the property is designated emergency services centre. There was discussion regarding the value of the property. There may be opportunity to write the property value down next year if there is an independent appraisal received.
- amend the fair market value of \$265,000 in Note 6 – Correction of Accounting Error;
- amend “January 19, 2015” in the Capital Works Renewal Fund section;
- amend Note 9 - Capital Works Renewal Fund to reflect a motion of the Board dated May 11, 2015;
- there was discussion regarding the use of surplus operating funds used to purchase capital works;
- the auditor suggested that a rotating inventory of capital assets be conducted at regular intervals;
- there was discussion regarding tracking inventory such as radios, turn out gear etc. and which items should be capitalized.

L. Lee arrived at the meeting at 3:47 p.m.

By general consent, the Finance & Audit Committee agreed CAO Peat would present the QuickBooks fixed assets report at the next meeting.

By general consent, the Finance & Audit Committee agreed Committee Member Lucich would provide the property sewer obligation documents to CAO Peat.

By general consent, the Finance & Audit Committee agreed J. Elwell would conduct a title search and discuss results with Committee Chair Schlenker.

By general consent, the Finance & Audit Committee agreed J. Elwell would send the amended financial statements by April 14, 2016 and Committee Chair Schlenker will circulate to Committee Members and Trustees.

By general consent, the Finance & Audit Committee agreed CAO Peat would research whether all previous bylaws were backed up by electoral referendum or alternate approval process.

Committee Chair Schlenker acknowledged Committee Members and staff for all of their work and dedication.

J. Elwell left the meeting at 4:07 p.m.

4. Next Meeting

The next meeting of the Finance & Audit Committee is scheduled May 4, 2016, 2:00 p.m., at the Ganges Fire Hall Meeting Room.

5. Adjournment

There being no further business, motion to adjourn moved by Committee Chair Schlenker.
CARRIED

The meeting adjourned at 4:20 p.m.

Norbert Schlenker
Committee Chair

Andrew Peat
Corporate Administrator