



BOARD OF TRUSTEES

Minutes of meeting held 16 December 2020 at Madam Kwong's Restaurant

1 PRESENT

- Charles Breurkes (Chair), Phil Holstein, Brent Crammond, Andrea Loubser, Victoria Ding, Tracy Scott, Chris Dann

1.1 In attendance

- Tom Music, Sheryl Crase (minutes)

2 MEETING COMMENCEMENT

- 5:40pm

3 2021 BUDGET (DRAFT)

Tom tabled the 2021 draft budget for discussion, and provided an overview of specific components.

2020 results

- Agreed it was heartening to have achieved an expected surplus of \$331k against the forecast deficit of \$311k for 2020.
- Noted that the significant surplus achieved in 2020 was due to receipt of additional government funding, as well as savings achieved.

2021 draft budget - overall position

- The draft budget shows a net operating deficit of \$817k, with the following items still to be finalised:
 - 2021 student numbers
 - 2021 teaching staff levels and entitlements
 - Further analysis of some areas such as STAR courses
 - Further consideration of the international situation.

International Department

- Noted that many schools throughout NZ have been affected by the closed border and resulting impact on international student numbers.
- The budget indicates a \$600k reduction from the previous year, based on having 87 fee paying students (down from 124 in 2020) and no change in border policy. This will result in a reduction in teaching staff from 8 to 6.
- Agreed that it is unlikely the strategic aim of achieving 180 international students can be met in the foreseeable future, and that there is a need to set a more realistic goal.

Independent income streams

- Phil noted that the current funding formula does not adequately support large schools, and that an independent income stream is needed in order to meet the cost of normal school operations.
- While the concept of increasing income from the Aurora Centre was supported, it was acknowledged that it was a niche venue, and noted that during the recent period of unavailability, a number of other schools had developed performance venues. Agreed there may be some value in targeting promoters and businesses likely to find the Aurora Centre a suitable venue.

- Phil noted that while there was a level of interest in establishing a BHS Alumni, it was estimated that an investment of around \$100k would be required to do this.

Income (key points)

- Student numbers: expectations are for 2333 students, plus 87 fee paying international students
- Ops Grant – increased by \$184k
 - \$600k relates to the changes in teachers' salaries and will be offset to curriculum.
 - \$122k urgent relief funding carried forward for 2021.
 - \$14k extra ESOL/ORS student numbers
- Interest income: reduced \$154k due to lower interest rates.
- Donations: reduced \$31k. The impact of the government's donations scheme is not yet known.
- Aurora income: reduced \$80k to reflect reduced hires. Noted that, as anchor tenant, the church represents 40% of this.

Expenses (key points)

- Staffing: 11.36 teaching staff funded from board funds, of whom 6 are international department. Estimated entitlement of 138.88 teachers.
- Curriculum related expenses: \$111k savings achieved
- Admin and support staffing – overall increase of 1%, mostly attributable to collective driven salary changes.
- Property: some increase in wage costs expected, but some savings expected in grounds and maintenance costs.

Staffing

- Budget based on estimated entitlement of 138.88 teachers, with an additional 11.36 staff funded from board funds (down from 15.91 budgeted in 2020)

Capital

- Tom recommended that \$30k is retained in the contingency fund to meet any unexpected repairs and maintenance.

4 APPROVAL OF 2021 DRAFT BUDGET

- *Moved Andrea, seconded Chris* that the draft budget as tabled, showing a deficit of \$817k, be approved in principle. Carried.
- Noted that a number of items were to be further considered, and that a final budget will be tabled for approval at the February board meeting.

5 MEETING CLOSURE

- 6:10pm

SIGNED AS A TRUE AND CORRECT RECORD



Charles Breurkes, Chair

24/2/21

Date