

Audit Committee Meeting Minutes – November 10, 2025

Public Meeting

Roll Call:

Trustees:	Staff:
Suzanne Ruttan	Krishna Burra
Garrett Elliott	Craig Young
Tiffany Lloyd	Paula Carson
	Lindsay Benjamin
External Members:	Recorder and Producer:
Christine Innocente	Danielle Burns, Recorder
Roger Richard	Sarah Shaw, Producer
Invitees:	
Lori Huber, KPMG External Auditor	
Pasquale L'orfanio, Internal Auditor	
Genevieve Segu, Regional Internal Audit Manager	

Trustee Ruttan began the meeting with opening remarks.

The Land Acknowledgement was read: The Limestone District School Board is situated on the traditional territories of the Anishinaabek and Haudenosaunee. We acknowledge their enduring presence on this land, as well as the presence of Métis, Inuit, and other First Nations from across Turtle Island. We honour their cultures and celebrate their commitment to this land.

1. CALL TO ORDER

The meeting was called to order at 5:35 pm.

Limestone District School Board

Limestone District School Board is situated on traditional territories of the Anishinaabek and Haudenosaunee.

2. ADOPTION OF THE AGENDA

Chair Ruttan called for any additions to the agenda. No additions were made.

MOTION: *That the Agenda as presented be accepted.*

MOVED BY: *R. Richard. Carried.*

3. DECLARATION OF CONFLICT OF INTEREST

None.

4. FOR INFORMATION

4.1. AUDIT COMMITTEE ANNUAL REPORT TO THE BOARD OF TRUSTEES AND MINISTRY OF EDUCATION

Superintendent Young presented the annual report which detailed the audit committee members and their attendance at the three audit meetings. The report summarized the work performed by the external and internal auditors. The annual report to the Ministry of Education outlined the material presented at the three audit committee meetings by the external auditors.

Chair Ruttan asked for questions. There were none.

4.2. 2025-2026 REGIONAL INTERNAL AUDIT PLAN UPDATE

P. L'orfano presented an update on the 2025–2026 Regional Internal Audit Plan. The audit committee previously approved the plan on September 15, 2025. Key updates included the staffing benchmarking engagement, which is currently in planning phase. There will be collaboration across 17 boards to assess central administrative staffing for the years 2022–2025. The 2025-2026 educational assistant deployment audit has not yet been initiated, however, when it begins, its scope will focus on assessing the efficiency, fairness, and transparency of how educational assistants are allocated, ensuring this process aligns with the areas of instructional risk that have been identified. No follow-up procedures are outstanding and there have been no management-requested audits at this time.

The update was received for information in accordance with Ontario Regulation 361/10.

Chair Ruttan asked for any questions on the update. There were none.

4.3. AUDIT FINDINGS REPORT FOR THE YEAR ENDED AUGUST 31, 2025

L. Huber, the external auditor, shared the audit findings report for the year ended August 31, 2025, which indicated a smooth audit process with no significant issues or findings, including the handling of fraud risk, cybersecurity risk, and management override of controls. Materiality was

set at \$8 million, with only a minor reclassification identified and corrected. No significant deficiencies or recommendations for improvement were noted.

Chair Ruttan asked for any questions. There were none.

5. ACTION ITEMS

5.1. ADMIN REPORT ON THE DRAFT CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2025

Superintendent Young thanked the financial services team for delivering another clean audit. Manager Carson presented the audited consolidated financial statements for the year ended August 31, 2025, including Consolidated Statement of Financial Position, Consolidated Statement of Operations and Accumulated Surplus, Consolidated Statement of Changes in Net Debt, Consolidated Statement of Cash Flows, and Notes to Consolidated Financial Statements.

Key highlights from the Consolidated Statement of Financial Position include a \$6.1M increase in cash, a \$14.1M drop in other receivables (mainly due to Bill 124 funding), and a \$2.1M decrease in temporary borrowing. Accounts payable decreased overall, though construction-related payables rose by \$5.9M. Long-term liabilities declined by \$3.8M due to Ontario Financing Authority repayments. Deferred revenue fell by \$2M following funding envelope changes, while Deferred Capital Contributions rose by \$9.3M. Tangible Capital Assets increased by \$8.9M, and the Asset Retirement Obligation (“ARO”) grew by \$1.5M due to inflation-based revaluation.

The Consolidated Statement of Cash Flows reflects an annual deficit of \$132K, which aligns with the amounts shown on both the Consolidated Statement of Operations and Accumulated Surplus, and the Consolidated Statement of Changes in Net Debt. It also details the cash effects of changes in the categories listed on the Consolidated Statement of Financial Position, resulting in a total increase of \$1.6M in the Board’s cash balance. Revenue gains came from increased allocations and fundraising, while cost savings were seen in transportation, Indigenous programs, and WSIB.

The accumulated surplus as of August 31, 2025, is \$11.8M. The total available for compliance is \$31.9M, including unappropriated funds, committed capital, school budget carryovers, and WSIB. The total unavailable for compliance is a deficit of \$20.1M and includes school-generated funds, ARO liability, and surplus for revenue recognized for land.

A new note on financial instruments outlines potential risks related to cash, accounts receivables, investments, and long-term debt.

Chair Ruttan brought forward the following motions:

Limestone District School Board

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- MOTIONS:**
- 1) That the Audit Committee recommend to the Board approval of the audited consolidated financial statements for the year ended August 31, 2025.
 - 2) That the audited consolidated financial statements for the year ended August 31, 2025, be filed with the Ministry of Education and posted on the Board website subject to approval at the November 19, 2025, Board meeting.

MOVED BY: Trustee Elliott. All in favour. Carried.

6. OTHER BUSINESS

None.

7. NEXT MEETING DATE

May 4, 2026

8. ADJOURNMENT

Chair Ruttan called for a motion to adjourn the meeting.

MOTION: To Adjourn.

MOVED BY: Trustee Lloyd. Carried.

The meeting adjourned at 6:10 pm.

9. PRIVATE DISCUSSION BETWEEN AUDITORS AND THE AUDIT COMMITTEE