Salt Spring Island Fire Protection District

Finance and Audit Committee Terms of Reference Policy

POLICY ADMINISTRATION

Policy Number	AG-4107-05
Policy Category	Governance
Approved By	Board of Trustees
Approval Date	July 20, 2026
Supersedes	AG-4107-01; AG-4107-02; AG-4107-03; AG-4107-04

PURPOSE

To establish the mandate, composition, responsibilities, and accountability of the Finance and Audit Committee. The Committee supports financial stewardship, transparency, accountability, long-term financial sustainability, and sound governance.

SCOPE

The Committee supports the Board of Trustees in fulfilling its oversight responsibilities for the District's financial management, reporting, auditing, budgeting, financial planning, reserves, investments, capital financing, debt management, and financial risk management. The Committee provides advice and recommendations to promote sound financial stewardship, accountability, transparency, regulatory compliance, and the long-term financial sustainability of the District. The Committee acts in an advisory capacity and does not have independent decision-making authority except as expressly authorized by the Board.

APPROVED

DEFINITIONS

"Committee" means the Finance and Audit Committee as established by the Board of Trustees.

"District" means the Salt Spring Island Fire Protection District.

POLICY STATEMENT

Membership

1. Committee members shall be appointed annually by the Board following the Annual General Meeting.
2. The Committee shall consist of:
    a. Up to three Trustees (including the Board Chair as an ex officio member)
    b. Up to two public members with relevant expertise. Public members must be eligible electors or residents within the District and serve in a volunteer capacity.
    c. Ex officio members: Board Chair, Chief Administrative Officer, and Fire Chief.
3. The Committee shall appoint a Chair from among the Trustee members**.**

Committee Roles & Responsibilities

The Committee monitors and reports on the financial condition of the District. Responsibilities include review of financial statements, financial controls, reserve strategies, long-term financial planning, capital financing, debt management, investment practices, and financial risk management. Committee recommendations remain advisory and do not authorize expenditures unless approved by the Board.

Audit Oversight

The Committee shall recommend the appointment of the external auditor and review annual audited financial statements.

Budget and Financial Planning

The Committee shall review annual budgets, financial forecasts, and capital plans. The Committee should review long-range financial plans, reserve balances, taxation impacts, and asset replacement funding requirements.

Accountability and Reporting

The Committee shall report its activities, findings, and recommendations to the Board. An annual work plan and annual report should be provided to the Board outlining priorities, accomplishments, emerging risks, and recommendations.

Meetings

1. The Committee shall meet monthly or at the call of the Chair in accordance with applicable bylaws.
2. The Committee shall establish a schedule of its regular meetings for the coming year and publish the schedule on the District's calendar.
3. Meetings and their minutes are open to the public except as provided in Part 4 Division 3 of the Community Charter.
4. The Chair presides over meetings. If the Chair is not present five minutes after the scheduled start of a meeting, the committee shall choose one of the Trustees present as chair for that meeting and continue with its agenda. If the Recorder is not present, the committee shall choose a recorder for the meeting.
5. Each Committee member has exactly one vote on a question.
6. Electronic participation may be permitted where authorized by District bylaws and meeting procedures.

RECORDS MANAGEMENT

Committee records shall be managed in accordance with District records management requirements. Meeting agendas, minutes, reports, budgets, audit reports, and financial analyses shall be retained in accordance with AG-5201 Document Management Policy.

AUTHORITY

The Committee is a standing committee of the Board of Trustees and operates in an advisory capacity. The Committee does not have independent decision-making authority and may only make recommendations to the Board unless expressly authorized.

The Committee operates in accordance with: District bylaws, including the Meeting Procedures Bylaw; Freedom of Information and Protection of Privacy Act (FOIPPA) and the BC Community Charter.

COMPLIANCE AND ENFORCEMENT

All Committee members shall comply with this policy, applicable District bylaws, and relevant legislation, including the Freedom of Information and Protection of Privacy Act (FOIPPA) and the Community Charter. Committee members are expected to conduct themselves in accordance with established standards of ethical behaviour, confidentiality requirements, and the public

interest. Failure to comply with this policy may result in actions consistent with District policies and procedures, including removal from the Committee or other appropriate measures as determined by the Board of Trustees. Unauthorized disclosure of confidential information, or the improper use, alteration, or destruction of records or information, may result in disciplinary action and potential legal consequences.

REFERENCES & RELATED DOCUMENTS

Salt Spring Island Fire Protection District Meeting Procedures Bylaw No. 159

Freedom of Information and Protection of Privacy Act (FOIPPA)

REVIEW AND REVISION

This shall be reviewed periodically to ensure alignment with legislative and operational requirements.

REVISION HISTORY

Version	Date	Approved By
AG-4107-01	December 7, 2015	Board of Trustees
AG-4107-02	June 25, 2018	Board of Trustees
AG-4107-03	May 17, 2021	Board of Trustees
AG-4107-04	September 16, 2024	Board of Trustees