



## **MINUTES OF THE FINANCE COMMITTEE**

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**Wednesday, April 19, 2017**

**Grimsby-Lincoln Meeting Room  
6:00 p.m.**

Present:

Trustee Committee Members: Sue Barnett, Helga Campbell (for Jonathan Fast),  
Lora Campbell, Kevin Maves (Chair)

Regrets: Jonathan Fast

Trustee Guests: Diane Chase, Linda Crouch, Dale Robinson

Administration: Stacy Veld, Superintendent of Business Services  
Robert Dunn, Manager of Projects & Maintenance  
Rick Werezak, Chief Financial Officer

Recording Secretary: Brenda Buckingham, Business Assistant

### **CALL TO ORDER**

Chair Kevin Maves called the meeting to order at 6:00 p.m.

### **APPROVAL OF THE AGENDA**

The agenda was reviewed and it was,

Moved by: Sue Barnett  
Seconded by: Lora Campbell

**“That the agenda be approved as presented.”**

CARRIED UNANIMOUSLY

### **APPROVAL OF THE MINUTES OF THE FEBRUARY 22, 2017, MEETING**

The minutes of the February 22, 2017, Finance Committee meeting were reviewed and it was then,

Moved by: Sue Barnett  
Seconded by: Lora Campbell

**“That the minutes of the February 22, 2017, Finance Committee meeting  
be approved as presented.”**

CARRIED UNANIMOUSLY

**AWARD OF CONTRACT - HVAC UPGRADES AT WELLAND CENTENNIAL SECONDARY SCHOOL**

Manager of Projects & Maintenance Bob Dunn explained that, within the 2016-17 Multi Year Capital Plan, major building upgrades at Welland Centennial Secondary School had been approved. These upgrades include the relocation of three air handling units from their current corridor ceiling space to rooftop penthouses; the replacement of the HVAC pneumatic controls with new digital direct controls; and a new sawdust collection system for the wood shop. The Multi Year Capital Plan identified \$2,000,000 for this project.

The tender process resulted in a total of five (5) out of seventeen (17) pre-qualified contractors submitting bids which ranged from a low of \$1,662,000 to a high of \$2,042,085 (excluding HST). Following a review by the project Engineer and Board staff, all bids were found to be complete with no errors or omissions. The low bid was received from Bromac Construction, a Niagara-based company. Bromac Construction has successfully completed a number of projects for the DSBN which include the construction of John Brant and Twenty Valley schools, as well as the addition and renovation at Gordon Public School.

It was confirmed that the total estimated project cost is within the budgeted allocation.

The project would be scheduled to commence immediately and be complete in eighteen months. It will be staged so that there is no disruption to school operations.

It was confirmed to the Committee that, at this time, no penalty clause for delays in the completion of a construction project is included in DSBN tenders, as this could result in contractors building into their tender bid an associated cost. Superintendent Veld noted that the few issues experienced on past DSBN projects could not be attributed to the contractor.

Bob Dunn explained that he and his staff mitigate construction concerns by routinely visiting the construction sites and meeting with the contractors. His staff are very knowledgeable of where the work should be at during the various stages of construction. In addition, a team of Facility Services and Purchasing Services staff conduct an audit at the end of each project. If there were any issues that occurred during the course of the project, this process provides an opportunity to review the scope of work and hold a meeting with the contractor. If deemed appropriate, a contractor will be removed from the pre-qualification list and therefore not eligible to bid on future DSBN projects.

The Finance Committee expressed their appreciation to Bob Dunn and his staff for the experience and expertise demonstrated as they work through the high volume of construction projects undertaken.

Moved by: Sue Barnett  
Seconded by: Helga Campbell

**“That the low bid received from Bromac Construction, in the amount of \$1,662,000 (plus HST), be accepted and a contract awarded for HVAC upgrades at Welland Centennial Secondary School.”**

CARRIED UNANIMOUSLY

**2016-17 SECOND INTERIM FINANCIAL REPORT**

Chief Financial Officer Rick Werezak presented the second Interim Financial Report for the period ending February 28, 2017. This report is an update to the first interim report presented to the Committee on January 18<sup>th</sup>. It provides a comparison of year-to-date actual revenue and expenditures to the prior year, explains key variances from budget, and forms a conclusion as to the projected

surplus for the year. Schedules provided within the report summarize the significant changes in staffing, enrolment, revenue and expenditures, and the special initiative Provincial grants, from the original budget.

The significant changes to the 2016-17 Budget, at this point in time, were highlighted. The enrolment data, based on the preliminary October 31, 2016 actual enrolment and projected March 31, 2017 enrolment, is above projections by 406 FTE or 1.1%, with elementary above budget by 481 FTE and secondary below budget by 75 FTE. In addition, special initiative provincial grants, in the amount of \$1,180,896, have been announced after the approval of the original budget. Expenditures have been increased to offset this increase in the provincial grants revenue.

At this time, the revised projections indicate a projected general operating surplus of \$7,768,000 for the 2016-17 fiscal year. The Committee was reminded that this is not an actual surplus but reflects a reduction to the transfer of general operating surplus required to balance the 2016-17 budget.

During discussion, Superintendent of Business Services Stacy Veld confirmed that an increase in elementary teachers was not required in response to the elementary enrolment increase as the students were accommodated by existing classes. It was further noted that staff development expenditures have increased due to funding allocated through EPO grants of \$1.2 million and a carry-over of \$1.3 million 2015-16 funds for that purpose.

The third 2016-17 interim report, factoring in the actual March 31<sup>st</sup> enrolment data, will be provided to the Committee in June.

Superintendent Veld congratulated Rick Werezak and his team for their work which produced such accuracy in these projections. Committee Chair Maves asked that the Committee's appreciation be passed on to the Financial Services staff.

In response to questions regarding the 2017-18 Ministry of Education budget funding, Superintendent Veld will be providing highlights to the Trustees prior to their Board meeting on April 25<sup>th</sup>, and a more detailed report to the Finance Committee at their May meeting. Budget preparation has been delayed due to the fact that the GSN funding was released by the Ministry two weeks later than last year. In the meantime, Trustees may email any 2017-18 budget suggestions to Stacy Veld. It was then,

Moved by: Lora Campbell  
Seconded by: Sue Barnett

**"That the Interim Financial Report for the period ending February 28, 2017,  
be received."**

CARRIED UNANIMOUSLY

#### **REVISIONS TO ADMINISTRATIVE PROCEDURE 5-23 *Trustee Travel and Business Expenses***

Revisions to Administrative Procedure 5-23 *Trustee Travel and Business Expenses* were presented to the Committee by Superintendent Stacy Veld. Revisions have been made which include the reintroduction of allowable meal expense per diems related to out-of-town travel. In addition, housekeeping revisions now allow for all ineligible expenses to be listed in one section as opposed to appearing in various sections of the procedure.

The revisions presented were reviewed and supported. Further revisions were recommended to support meal expenses and standard hotel room upgrades when such is required for extenuating circumstances or health requirements. Written justification and the approval of the Board Chair will be required for reimbursement.

It was then,

Moved by: Helga Campbell

Seconded by: Sue Barnett

**“That Administrative Procedure 5-23: *Trustee Travel and Business Expenses* be approved as amended and adopted.”**

CARRIED UNANIMOUSLY

**NEXT MEETING**

The next meeting of the Finance Committee will be May 17, 2017.

**ADJOURNMENT**

The meeting adjourned at 7:10 p.m.

**Kevin Maves**  
**Chair**