

WEDNESDAY, NOVEMBER 17, 2021

Public Session: 5:30 p.m. (Virtual Meeting)

AGENDA

A. CALL TO ORDER

K. Maves

B. APPROVAL OF AGENDA

K. Maves

C. ENHANCED STUDENT ACCESS TO FREE MENSTRUAL PRODUCTS IN ONTARIO SCHOOLS

S. Veld

D. ANNUAL REPORT ON DSBN INVESTMENTS

S. Veld

E. SHORT-TERM FINANCING OF MINISTRY FUNDED CAPITAL PROJECTS

S. Veld

F. SCHEDULE OF ACCUMULATED SURPLUS

S. Veld

G. NEXT MEETING: WEDNESDAY, JANUARY 19, 2022 at 5:30 p.m.

H. ADJOURNMENT

Enhanced Student Access to Free Menstrual Products in Ontario Schools

Wednesday, November 17, 2021

BACKGROUND

At the July 2020 Finance Committee Meeting and subsequent Board Meeting thereafter, Trustees approved a Menstrual Equity Initiative funded through operating budget, to offer free menstrual products to students across the DSBN. The contract was awarded to Orkin Canada and was fully operational with dispensers and product in place in all schools at the start of January 2021. This contract provides the menstrual products and dispensers as well as the service to replenish and service dispensers if required. We provided 2 to 4 dispensers for every secondary school and 1 to 2 dispensers for each elementary school, for a combined total of 133 units system wide. Each unit is serviced monthly with refills of free product and replacement dispensers as necessary. We are very pleased with the service we have been provided to date.

The Ministry of Education recently announced a new initiative to support menstrual equity and has accepted a donation from Shoppers Drug Mart Incorporated, to provide menstrual products each year, over a three-year term, beginning with the 2021-22 school year, as well as product dispensers to facilitate the distribution of the menstrual products within schools. The DSBN allocation was determined to be 113,000 products per year and 24 dispensers.

In discussion with the Ministry, we have confirmed that their free offer would not be enough to support all our schools and advised that the three-year contract the DSBN has with Orkin Canada includes exclusivity with them for monthly service dispensers and the provision of product. We have instructed the Ministry to take DSBN's portion and have it reallocated to school boards where there is need.

RECOMMENDED MOTION

"That the Enhanced Student Access to Free Menstrual Products in Ontario Schools report, be received."

Respectfully submitted by:

Stacy Veld, Superintendent of Business Services

November 17, 2021

For further information, please contact Stacy Veld, Superintendent of Business Services.

Annual Report on DSBN Investments

Wednesday, November 17, 2021

BACKGROUND

District School Board of Niagara (“DSBN”) Policy B-04 Investment of Board Funds requires that an annual report on individual investments and investment performance be prepared as part of the year-end financial reporting process.

The policy also specifies that the following information be provided.

1. Schedule 1 – Summary of Investments lists all individual investments held at the end of the fiscal year, being August 31, 2021. The schedule summarizes the term, purchase and maturity date, organizational name, quality rating, principle amount and interest rate for each Guaranteed Investment Certificate investment.
2. The investment portfolio is invested 100% in the Corporate Investment category as allowed by the Policy. All investments are within the maximum individual organization limit allowed by the Policy.
3. The investment portfolio is generating an annual average investment return of 2.30%, which is an increase of 207% over the interest rate paid by the Board’s financial service provider on DSBN’s daily cash balances.
4. All investments were made in accordance with the DSBN’s Investment Policy and the objectives set out therein.

In 2020-21, DSBN continued with its’ short-term investment strategy to maximum our interest income on DSBN’s daily cash balances. During 2020-21, DSBN held an average of \$31.2M in short-term investments with an average rate of 0.91%, which is an increase of 21.33% over the interest rate earned on DSBN’s daily cash balances.

APPENDED DATA

1. Summary of Investments

RECOMMENDED MOTION

“That the Annual Report on DSBN Investments, as at August 31, 2021, be received.”

Respectfully submitted by:

Stacy Veld, Superintendent of Business Services
Nicky Westlake, Controller of Finance

November 17, 2021

For further information, please contact Stacy Veld, Superintendent of Business Services.

**District School Board of Niagara
Summary of Investments
As at August 31, 2021**

Investment Broker	Term	Purchase Date	Maturity Date	Invested In	DBRS Rating	Principal Amount	Annual Interest Rate
Scotiabank	5 years	October 20, 2016	October 20, 2021	Scotiabank GIC	AA	10,850,413	2.06%
Raymond James	5 years	October 26, 2017	October 26, 2022	National Bank of Canada	AA(low)	10,000,000	2.56%
						20,850,413	

Average Interest Rate	2.30%
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Short-Term Financing of Ministry Funded Capital Projects

Wednesday, November 17, 2021

BACKGROUND

The Ministry of Education (MOE) has approved funding totalling \$16,349,605 under the 2021-22 School Condition Improvement funding program to support various capital improvements for DSBN schools.

Since the MOE only pays these capital grants to Boards twice per year, based on actual spending, Boards must finance the project costs until the provincial grants are received. As a result, the MOE allows school boards to use short-term borrowing to interim finance these capital projects, and the MOE covers all related interest costs under the Allocation for Short-Term Interest Grant.

To borrow under this program, a borrowing resolution is required which authorizes the District School Board of Niagara (DSBN) to borrow an amount up to the Ministry approved capital grant allocations of eligible capital projects.

TIMELINE

The DSBN may commence borrowing under this program immediately following the delivery of the approved Capital Projects Borrowing Resolution 2021-02 and an executed loan agreement to the Board's banking services provider.

APPENDED DATA

1. Draft Capital Projects Borrowing Resolution Number 2021-02.

RECOMMENDED MOTION

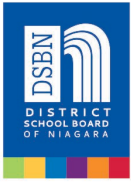
"That Borrowing Resolution 2021-02 authorizing the Board to borrow up to \$16,349,605 for the short-term financing of Ministry funded capital projects, pursuant to the provisions of section 243(1) of the Education Act, be approved."

Respectfully submitted by:

Stacy Veld, Superintendent of Business Services

November 17, 2021

For further information, please contact Stacy Veld, Superintendent of Business Services.



CAPITAL PROJECTS BORROWING RESOLUTION

2021-02

A RESOLUTION AUTHORIZING THE DISTRICT SCHOOL BOARD OF NIAGARA (the “Board”) TO BORROW MONEY PURSUANT TO THE PROVISIONS OF SECTION 243(1) OF THE EDUCATION ACT FOR THE RAISING OF FUNDS TO MEET THE CURRENT EXPENDITURE REQUIREMENTS OF CERTAIN CAPITAL PROJECTS AS MORE PARTICULARLY DESCRIBED IN THIS RESOLUTION, UNTIL CURRENT REVENUE IS RECEIVED.

WHEREAS:

- A. The Board has received funding under the Ministry of Education’s 2021-22 School Condition Improvement capital funding;
- B. The Board wishes to apply to the Canadian Imperial Bank of Commerce (“CIBC”) for a capital loan for the purpose of short-term financing the capital projects until the capital grants are received from the Ministry of Education;
- C. The total cost of the projects is within the Board’s Debt and Financial Obligation Limit as established by the Ontario Ministry of Education.
- D. The interest expense incurred will be repaid to the Board by the Ministry of Education under the ‘Allocation for Short-Term Interest Grant’.

THEREFORE, BE IT RESOLVED as follows:

- 1. “The Chair and the Treasurer are authorized on behalf of the Board to borrow up to \$16,349,605 for capital projects in accordance with the Act.
- 2. The Chair or Vice-Chair and the Treasurer are authorized for and on behalf of the Board to execute and deliver all such documents to do such other acts and things as may be necessary to give full effect of this resolution.

We hereby certify that the foregoing is a true and complete copy of a Resolution of the Board in the Province of Ontario, duly passed at a meeting of the Board and that this Resolution is in force and full effect.

Dated this 17th day of November, 2021

.....
Sue Barnett, Board Chair

.....
Stacy Veld, Treasurer

Schedule of Accumulated Surplus

Wednesday, November 17, 2021

BACKGROUND

As part of the year-end Financial Statement process, the Schedule of Accumulated Surplus, along with explanatory notes describing each of the DSBN's accumulated surplus funds, is presented to the Board of Trustees for approval.

The attached Schedule of Accumulated Surplus shows the status of the Board's accumulated surplus as at August 31, 2021, and identifies transfers to and from which have occurred during the 2020-21 fiscal year. The year-end resulted in an increase to accumulated surplus of \$4,750,101 leaving an ending balance of \$60,264,586 of which \$34,011,647 is internally appropriated. The surplus was a result of operating budget savings from the impact of COVID-19 in use of supplies, professional development, utilities, and staffing.

In the 2021-22 budget, \$4,498,749 of the General Operating accumulated surplus has been used to fund expenditures.

APPENDED DATA

1. Schedule of Accumulated Surplus for the Year Ended August 31, 2021
2. Accumulated Surplus - Explanatory Notes

RECOMMENDED MOTION

"That the Schedule of Accumulated Surplus for the year ended August 31, 2021, be approved."

Respectfully submitted by:

Stacy Veld, Superintendent of Business Services
Nicky Westlake, Controller of Finance

November 17, 2021

For further information, please contact Stacy Veld, Superintendent of Business Services.

DISTRICT SCHOOL BOARD OF NIAGARA
SCHEDULE OF ACCUMULATED SURPLUS
FOR THE YEAR ENDING AUGUST 31, 2021

	01-Sep-20 Balance	Transfers To	Transfers From	31-Aug-21 Balance	Committed	Net Available
<u>INTERNALLY APPROPRIATED</u>						
Capital						
Board - Major Capital	\$ 2,190,834	\$ -	\$ -	\$ 2,190,834	\$ -	\$ 2,190,834
West Niagara Theatre & Greenhouse	7,700,000	-	246,890	7,453,110	7,453,110	-
Committed Capital Projects	14,270,494	819,943	883,976	14,206,461	14,206,461	-
Total Capital	24,161,328	819,943	1,130,866	23,850,405	21,659,571	2,190,834
Equipment Replacement						
Cafeteria Equipment	62,952	95	-	63,047	63,047	-
Data Centre	1,437,585	-	-	1,437,585	1,437,585	-
Network Infrastructure	2,052,909	-	-	2,052,909	2,052,909	-
Photocopier	1,587,958	69,392	1,670	1,655,680	1,655,680	-
Printing Services	245,254	-	-	245,254	245,254	-
VOIP/Unified Communications	1,079,097	-	-	1,079,097	1,079,097	-
Artificial Turf & Track Replacement	48,747	23,792	15,324	57,215	57,215	-
Committed Equipment Projects	14,480	15,324	5,921	23,883	23,883	-
Total Equipment Replacement	6,528,981	108,603	22,915	6,614,669	6,614,669	-
Other						
Self-Insurance	258,230	-	-	258,230	258,230	-
Total Other	258,230	-	-	258,230	258,230	-
Year End Carry Forwards						
Schools	961,168	436,578	961,168	436,578	436,578	-
Board Contractual	399,781	543,850	399,781	543,850	543,850	-
Departmental	30,000	-	30,000	-	-	-
Total Year End Carry Forwards	1,390,949	980,428	1,390,949	980,428	980,428	-
<u>UNAPPROPRIATED</u>						
General Operating	23,171,996	5,385,857	-	28,557,853	4,498,749	24,059,104
Total General Operating	23,171,996	5,385,857	-	28,557,853	4,498,749	24,059,104
Total Accumulated Surplus	\$ 55,511,484	\$ 7,294,831	\$ 2,544,730	\$ 60,261,586	\$ 34,011,647	\$ 26,249,939

DISTRICT SCHOOL BOARD OF NIAGARA

ACCUMULATED SURPLUS - EXPLANATORY NOTES

DSBN Accumulated Surplus - Internally Appropriated

1. Capital

a. Major Capital

The Major Capital accumulated surplus has been set aside to cover the cost of major capital projects (i.e., renovations, additions, school sites) which exceed the revenue received through Ministry grants.

b. Committed Capital Projects

With the implementation of new accounting standards in 2010-11, a Committed Capital Projects accumulated surplus is required to fund the future years amortization expense for capital projects funded from the Major Capital accumulated surplus.

2. Equipment Replacement

Cafeteria Equipment

This accumulated surplus provides for unexpected and not otherwise budgeted repairs to cafeteria equipment.

Data Centre

This accumulated surplus provides for the replacement and/or upgrading of the Board's central (on premise) data centre. The components of the data centre include equipment, building infrastructure and the systems for power, security and cooling. An annual budget amount is transferred to this accumulated surplus.

Network Infrastructure

This accumulated surplus provides for the replacement and/or upgrading of the infrastructure that enables network connectivity, operations and management of the Board's network and Wi-Fi systems. The components of the network infrastructure include network switches, Wi-Fi Access Points, and Data Cabling. An annual budget amount is transferred to this accumulated surplus.

Photocopier

This accumulated surplus provides for the replacement of photocopy machines throughout the system as required. The per-copy charge includes an amount to provide for the replacement of the machines by the end of their expected life.

Printing Services

Printing Services operates on a cost-recovery basis. All operating and equipment costs incurred to produce printed materials are recovered through charges to the users - schools, other departments. Any annual surplus generated by Printing Services may be transferred to accumulated surplus to provide funds for upgraded or replacement equipment. This surplus may also be used to offset annual costs if expenditures exceed revenue generated.

Voice Over Internet Protocol (VOIP)/Unified Communications

This accumulated surplus provides for the replacement and/or upgrading of the systems for the delivery of voice communication and multi-media technologies. An annual budget amount is transferred to this accumulated surplus.

Artificial Turf and Track Replacement

This accumulated surplus provides for the replacement and/or upgrading of the synthetic turf and track fields. All partnership and rental revenues are transferred to this accumulated surplus.

Committed Equipment Projects

With the implementation of new accounting standards effective in 2010-11, a Committed Equipment Projects accumulated surplus was required to fund future year's amortization expense for capital equipment purchases funded from various Equipment Replacement accumulated surpluses.

3. Self-Insurance

This accumulated surplus covers the deductible portion of property insurance claims in excess of the annual budget amount. In the event claims are lower than budget, the unspent amount is transferred to accumulated surplus.

4. Year-End Carry Forwards

These funds represent annual school surpluses or deficits, and surpluses in specific departmental and Board contractual budgets. The amounts are set up at year end and subsequently reversed in the following year. This allows school administrators and central staff to more effectively plan the timing of approved expenditures and initiatives.

DSBN Accumulated Surplus - Unappropriated**General Operating**

The accumulated surplus for general operating requirements has been built up over the years from year-end operating surpluses. Any year-end surplus or deficit arising from operations is transferred to or from this accumulated surplus.

In May 2017, the Board approved the following motion, "That, on an annual basis, approximately \$4,000,000 of the General Operating Accumulated Surplus continue to be set aside to cover unexpected or unbudgeted expenditures which may arise during a particular year or to provide limited funding for other approved one-time expenditures and that 20% of the remaining balance in the General Operating Accumulated Surplus, as reflected in the annual financial statements, be transferred to revenue in the budget for the year following the year in which the financial statements have been completed."