

**WEDNESDAY, NOVEMBER 30, 2022**

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

## **AGENDA**

**A. CALL TO ORDER**

S. Veld

**B. ELECTION OF CHAIR**

S. Veld

**C. APPROVAL OF AGENDA**

Chair

**D. POLICY B-02: MILEAGE REIMBURSEMENT RATE**

S. Veld

**E. POLICY B-04: INVESTMENT OF BOARD FUNDS**

S. Veld

**F. SHORT-TERM FINANCING OF MINISTRY FUNDED CAPITAL PROJECTS:  
CAPITAL BORROWING RESOLUTION 2022-01**

S. Veld

**G. SUMMARY OF ACCOUNTS**

N. Westlake

**H. SCHEDULE OF ACCUMULATED SURPLUS**

S. Veld

**I. NEXT MEETING: Wednesday, January 18, 2023, at 5:30 p.m.**

**J. ADJOURNMENT**

**POLICY**

SECTION:	BUSINESS	POLICY:	<b>B-02</b>
TOPIC:	<b>MILEAGE REIMBURSEMENT RATE</b>	PAGE:	Page 1 of 1
		DATE:	<del>September 2017</del> November 2022
REVIEW DATE:	<del>May 2022</del> November 2027	REVISED:	

The District School Board of Niagara (DSBN) shall provide mileage reimbursement for all employees and trustees who are authorized to use their own vehicle in the performance of their regular duties.

In accordance with Canada Revenue Agency, the per kilometre rate for kilometres driven by an employee using their personal vehicle for business, as published each January, will be the DSBN's kilometre reimbursement rate effective September 1<sup>st</sup> of that year.

Kilometres may be claimed for distance measured from one's regular place of employment to any other DSBN-owned establishment or to other locations to which an employee actually travels in the course of DSBN business.

**POLICY**

SECTION:	BUSINESS	POLICY:	<b>B-04</b>
TOPIC:	<b>INVESTMENT AND MANAGEMENT OF BOARD FUNDS</b>	PAGE:	Page 1 of 2
		DATE:	<del>October 2017</del> November 2022
REVIEW DATE:	<del>October 2022</del> November 2027	REVISED:	

**1. Purpose**

~~The purpose of this policy is to provide~~ An effective framework for the investment and management of District School Board of Niagara (DSBN) funds that ensures the security of principal, and optimizes investment returns while conforming to the Education Act and applicable regulations.

**2. Scope**

This policy applies to the investment of centrally managed operating and reserve and trust funds. The amount of investments is to be maintained at levels which will maximize the interest income earned by the DSBN (net of any short-term borrowing costs).

**Authority to Make Investments**

The Board of Trustees delegates the authority to make investments in compliance with the DSBN's Investment Policy to the Superintendent of Business Services and the ~~Controller of Finance. Chief Financial Officer.~~

All investment activity requires the written approval by any two of the following:

- Superintendent of Business Services & Treasurer
- Controller of Finance
- Director of Education
- ~~Manager of Financial Services~~
- ~~Manager of Purchasing & Central Services~~

**Investment Objectives**

The investment objectives of the DSBN shall, in order of priority, be as follows:

- Adherence to statutory requirements;
- Preservation of principal;
- Ensuring availability of cash to meet disbursements and other obligations;
- Maintenance of liquidity;
- Diversification of investment portfolio;
- Competitive rate of return on investments commensurate with constraints in (a) to (e).

**Authorized Investments**

The Education Act, R.S.O. 1990, section 241 provides the legislative authority for the DSBN to invest funds in accordance with certain prescribed rules. The prescribed rules which limit permitted investments to high quality fixed income type investments are contained in Ontario Regulation 41/10, Part IV, Eligible Investments.

In order to ensure maximum security and proper diversification in the DSBN's portfolio, the maximum exposure for each category of investment allowed under Ontario Regulation 41/10 and each individual investment within the category as a percentage of the total portfolio which is locked in for terms of one year or greater, is as follows:

Category Type	Investment Quality Limit (Minimum)	Category Limit Maximum	Individual Organization Limit (Maximum)
Federal and Federal Guaranteed	AA	100%	100%
Provincial and Provincial Guaranteed	A	50%	25%
Municipal and Municipal Guaranteed	AA (low)	25%	10%

**POLICY**

SECTION:	BUSINESS	POLICY:	<b>B-04</b>
TOPIC:	<b>INVESTMENT AND MANAGEMENT OF BOARD FUNDS</b>	PAGE:	Page 2 of 2
		DATE:	<del>October 2017</del> November 2022
REVIEW DATE:	<del>October 2022</del> November 2027	REVISED:	

Category Type	Investment Quality Limit (Minimum)	Category Limit Maximum	Individual Organization Limit (Maximum)
Corporate (Banks listed in Schedule I and II of the Bank Act (Canada), Loan or Trust Corporations registered under the Loan and Trust Corporations Act, Credit Unions to which the Credit Unions and Caisses Populaires Act, 1994 applies)	AA (low)	100%	20% <sup>(1)</sup>

<sup>1</sup>For the corporate investment category, the individual organizational limit of 20% can be increased to 40% provided the investment is one of the six largest Canadian chartered banks with a minimum investment quality rating of AA or greater.

**Investment Quality Restrictions**

The DSBN shall not invest in any security locked in for terms of one year or greater which does not meet the long-term minimum credit ratings as provided in the above table, as rated by the Dominion Bond Rating Service Limited or comparable ratings from other rating agencies.

Should the credit rating of any security be downgraded below the minimum credit rating required by this policy, it shall be sold within 90 days after the day the investment rating was downgraded.

**Investment Term Restrictions**

All long-term fixed income investments (i.e. investments with a remaining term to maturity equal to or greater than 1 year) shall have a remaining term to maturity not greater than 5 years from the date of purchase. The amount to be invested in long-term investments shall be spread over a period not to exceed 5 years as part of a fixed income ladder portfolio.

**Short-Term Investment Quality and Organizational Limit Restrictions**

The DSBN shall not invest in any security locked in for terms less than one year which does not meet the short-term minimum credit rating of R-1 (Middle), as rated by the Dominion Bond Rating Service (DBRS) Limited or comparable ratings from other rating agencies, or the investment is fully guaranteed by a Provincial government whose short-term DBRS credit rating is R-1 (Middle) or greater. All short-term investments which are not cashable within the next business day cannot exceed \$10,000,000 with any one individual financial institution.

**Investment Brokers**

Investments will be made through the services of brokers or investment services offered by financial institutions that have been selected through the DSBN's Investment Services Request for Supplier Qualifications (RFSQ) process.

**Reporting**

The Superintendent of Business Services shall submit to the Board of Trustees a report on the performance of the DSBN's portfolio of investments as part of the annual financial report to the Board. The report shall include the following:

- a listing of individual investments held at the end of the fiscal year;
- percentage of the total portfolio by institutional category and by individual organization;
- a statement about the performance of the investment portfolio during the fiscal year;
- a statement by the Superintendent of Business Services as to whether or not, in his or her opinion, all investments were made in accordance with the investment policy and objectives adopted by the Board.

**POLICY**

SECTION:	BUSINESS	POLICY:	<b>B-04</b>
TOPIC:	<b>INVESTMENT AND MANAGEMENT OF BOARD FUNDS</b>	PAGE:	Page 2 of 2
		DATE:	<del>October 2017</del> November 2022
REVIEW DATE:	<del>October 2022</del> November 2027	REVISED:	

Category Type	Investment Quality Limit (Minimum)	Category Limit Maximum	Individual Organization Limit (Maximum)
Corporate (Banks listed in Schedule I and II of the Bank Act (Canada), Loan or Trust Corporations registered under the Loan and Trust Corporations Act, Credit Unions to which the Credit Unions and Caisses Populaires Act, 1994 applies)	AA (low)	100%	20% <sup>(1)</sup>

<sup>1</sup>For the corporate investment category, the individual organizational limit of 20% can be increased to 40% provided the investment is one of the six largest Canadian chartered banks with a minimum investment quality rating of AA or greater.

**Investment Quality Restrictions**

The DSBN shall not invest in any security locked in for terms of one year or greater which does not meet the long-term minimum credit ratings as provided in the above table, as rated by the Dominion Bond Rating Service Limited or comparable ratings from other rating agencies.

Should the credit rating of any security be downgraded below the minimum credit rating required by this policy, it shall be sold within 90 days after the day the investment rating was downgraded.

**Investment Term Restrictions**

All long-term fixed income investments (i.e. investments with a remaining term to maturity equal to or greater than 1 year) shall have a remaining term to maturity not greater than 5 years from the date of purchase. The amount to be invested in long-term investments shall be spread over a period not to exceed 5 years as part of a fixed income ladder portfolio.

**Short-Term Investment Quality and Organizational Limit Restrictions**

The DSBN shall not invest in any security locked in for terms less than one year which does not meet the short-term minimum credit rating of R-1 (Middle), as rated by the Dominion Bond Rating Service (DBRS) Limited or comparable ratings from other rating agencies, or the investment is fully guaranteed by a Provincial government whose short-term DBRS credit rating is R-1 (Middle) or greater. All short-term investments which are not cashable within the next business day cannot exceed \$10,000,000 with any one individual financial institution.

**Investment Brokers**

Investments will be made through the services of brokers or investment services offered by financial institutions that have been selected through the DSBN's Investment Services Request for Supplier Qualifications (RFSQ) process.

**Reporting**

The Superintendent of Business Services shall submit to the Board of Trustees a report on the performance of the DSBN's portfolio of investments as part of the annual financial report to the Board. The report shall include the following:

- a listing of individual investments held at the end of the fiscal year;
- percentage of the total portfolio by institutional category and by individual organization;
- a statement about the performance of the investment portfolio during the fiscal year;
- a statement by the Superintendent of Business Services as to whether or not, in his or her opinion, all investments were made in accordance with the investment policy and objectives adopted by the Board.

## **Short-Term Financing of Ministry Funded Capital Projects**

Wednesday, November 30, 2022

### **BACKGROUND**

The Ministry of Education (MOE) has approved funding totalling \$15,071,473 to support Capital Priorities as follows:

- \$9,385,992 of Capital Priorities and \$1,007,261 of Child Care Capital for construction of a 331-pupil place addition, gymnasium, and a 3-room child care centre addition at Quaker Road PS in Welland;
- \$2,551,402 of Capital Priorities and \$512,669 of Child Care Capital to support additional costs related to the construction of a Joint-Use 587-pupil place, JK-8 school in Wainfleet;
- \$579,458 of Capital Priorities and \$277,895 of Child Care Capital to support additional costs related to the construction of a 276-pupil place addition and a three-room child care centre retrofit at Smith Public School in Grimsby;
- \$756,796 of Capital Priorities for construction of a 230-pupil place addition at Peace Bridge Public School in Fort Erie.

As Boards must finance the project costs until the provincial grants are received, the MOE allows the use of short-term borrowing to interim finance these capital projects, and they fund 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 these programs immediately following the delivery of the approved Capital Projects Borrowing Resolution 2022-01 and an executed loan agreement to the Board's banking services provider.

### **APPENDED DATA**

1. Draft Capital Projects Borrowing Resolution Number 2022-01

### **RECOMMENDED MOTION**

"That Borrowing Resolution 2022-01 authorizing the Board to borrow up to \$15,071,473 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 30, 2022

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



## DISTRICT SCHOOL BOARD OF NIAGARA

191 CARLTON ST. ■ ST. CATHARINES, ON ■ L2R 7P4 ■ 905-641-1550 ■ DSBN.ORG

### CAPITAL PROJECTS BORROWING RESOLUTION

2022-01

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 2022-23 Capital Priorities 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 \$15,071,473 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 30<sup>th</sup> day of November, 2022

.....  
Sue Barnett, Board Chair

.....  
Stacy Veld, Treasurer

## Summary of Accounts

Wednesday, November 30, 2022

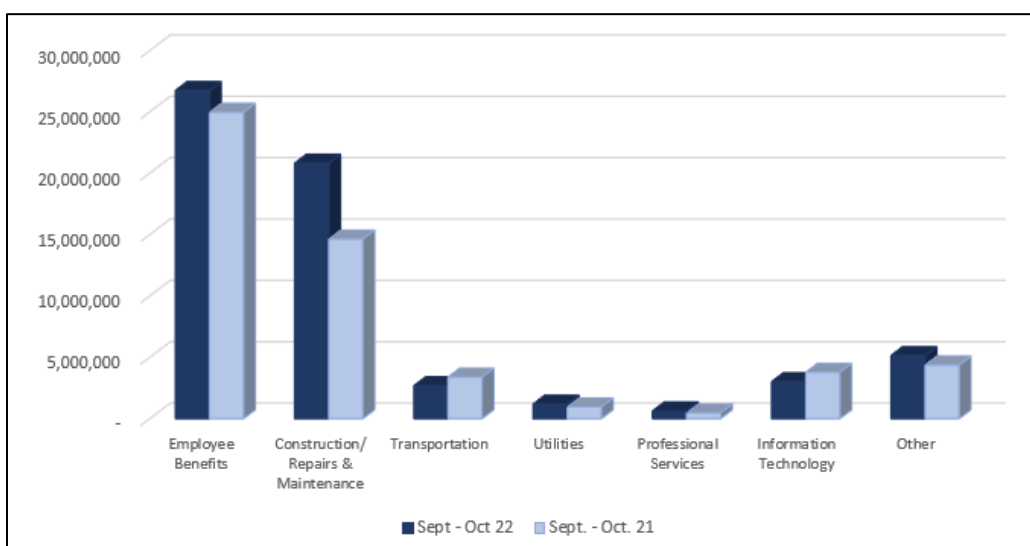
### BACKGROUND

This report summarizes the cash outflow of expenditures paid during the previous months. The summary highlights the costs associated with employee benefits, constructions/repairs & maintenance, transportation, utilities, professional services, information technology purchases and the other non-salary expenditures. The timing of the expenditures is reported on a cash-basis and does not include accruals for accounting purposes. The information presented in this report is not intended to match the timing of information presented in quarterly and annual financial reports.

### SUMMARY OF ACCOUNTS

A summary of accounts paid for the month of September and October 2022, is as follows:

Expenditure Category	September 2022	October 2022
Employee Benefits	\$ 14,563,917	\$ 12,169,985
Construction/Repairs & Maintenance	14,153,609	6,655,178
Transportation	78,348	2,602,227
Utilities	463,023	724,721
Professional Services	246,678	371,449
Information Technology	1,659,963	1,352,575
Other	2,970,329	2,166,640
<b>Total</b>	<b>\$ 34,135,867</b>	<b>\$ 26,042,775</b>





## FINANCE COMMITTEE

Wednesday, November 30, 2022

### RECOMMENDED MOTION

“That the Summary of Accounts paid for the months of September and October 2022, totaling \$60,178,642 be received.”

Respectfully submitted by:

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

November 30, 2022

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

## **Schedule of Accumulated Surplus**

Wednesday, November 30, 2022

### **BACKGROUND**

As part of the year-end Financial Statement process, the Schedule of Accumulated Surplus is presented to the Board of Trustees for approval.

The attached Schedule of Accumulated Surplus shows the status of the DSBN's accumulated surplus as at August 31, 2022, and identifies transfers to and from which have occurred during the 2021-22 fiscal year. The year-end resulted in an increase to accumulated surplus of \$9,428,176 leaving an ending balance of \$70,244,351 of which \$43,440,625 is internally appropriated.

The projected in year surplus was reported to Trustees in our interim reporting throughout the year. The majority of the surplus is a result of a settlement of a long-standing arbitration matter on benefits, increase in enrolment over our projections, significant savings in WSIB costs and utilities and underspending as a result of the impact of COVID-19 in supplies, staffing and professional development.

Transfers have been made to specific accumulated surplus accounts for year-end support through Trustee approved motion. In the 2022-23 budget, we have identified balances that are committed for a specific purpose and used \$4,580,992 of the General Operating accumulated surplus to balance the original budget.

### **APPENDED DATA**

Schedule of Accumulated Surplus for the Year Ended August 31, 2022

### **RECOMMENDED MOTION**

"That the Schedule of Accumulated Surplus for the year ended August 31, 2022, be approved."

Respectfully submitted by:

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

November 30, 2022

*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, 2022**

	01-Sep-21 Balance	Transfers To	Transfers From	31-Aug-22 Balance	Committed	Net Available
<b><u>INTERNALLY APPROPRIATED</u></b>						
Capital						
Board - Major Capital	\$ 2,190,834	\$ -	\$ -	\$ 2,190,834	\$ -	\$ 2,190,834
West Niagara Theatre & Greenhouse	7,453,110	-	37,288	7,415,822	7,415,822	-
Thorold Field	-	2,019,000	-	2,019,000	2,019,000	-
Admin Building	-	6,900,000	-	6,900,000	6,900,000	-
Committed Capital Projects	14,206,461	3,532,528	227,749	17,511,240	17,511,240	-
Total Capital	23,850,405	12,451,528	265,037	36,036,896	33,846,062	2,190,834
Equipment Replacement						
Data Centre	1,437,585	-	-	1,437,585	1,437,585	-
Network Infrastructure	2,052,909	-	-	2,052,909	2,052,909	-
Photocopier	1,655,680	-	-	1,655,680	1,655,680	-
VOIP/Unified Communications	1,079,097	-	-	1,079,097	1,079,097	-
Artificial Turf & Track Replacement	365,516	52,894	-	418,410	418,410	-
Committed Equipment Projects	23,883	-	2,155	21,728	21,728	-
Total Equipment Replacement	6,614,669	52,894	2,155	6,665,408	6,665,408	-
Other						
Self-Insurance	258,230	-	-	258,230	258,230	-
Total Other	258,230	-	-	258,230	258,230	-
Year End Carry Forwards						
Schools	961,168	118,576	961,168	118,576	118,576	-
Board Contractual	543,850	361,515	543,850	361,515	361,515	-
Departmental	30,000	-	30,000	-	-	-
Total Year End Carry Forwards	1,535,018	480,091	1,535,018	480,091	480,091	-
<b><u>UNAPPROPRIATED</u></b>						
General Operating	28,557,853	-	1,754,127	26,803,726	4,580,992	22,222,734
Total General Operating	28,557,853	-	1,754,127	26,803,726	4,580,992	22,222,734
<b>Total Accumulated Surplus</b>	<b>\$ 60,816,176</b>	<b>\$ 12,984,513</b>	<b>\$ 3,556,337</b>	<b>\$ 70,244,351</b>	<b>\$ 45,830,783</b>	<b>\$ 24,413,568</b>