



MINUTES OF THE FINANCE COMMITTEE

Thursday, May 17, 2018

**Grimsby-Lincoln Meeting Room
5:00 p.m.**

Present:

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

Trustees: Helga Campbell, Linda Crouch, Dale Robinson

Administration: Warren Hoshizaki, Director of Education
Stacy Veld, Superintendent of Business Services
JoAnna Roberto, Supt. of Curriculum & Student Achievement (K-8)
Robert Dunn, Manager of Projects & Maintenance
Nicky Westlake, Controller of Finance
Brian Vander Vloet, Manager of Financial Services

Recording Secretary: Brenda Buckingham, Business Assistant

CALL TO ORDER

Chair Kevin Maves called the meeting to order at 5:00 p.m.

APPROVAL OF THE AGENDA

The meeting agenda was reviewed and it was,

Moved by: Sue Barnett
Seconded by: Jonathan Fast

“That the agenda be approved as presented.”

CARRIED UNANIMOUSLY

APPROVAL OF THE MINUTES OF THE APRIL 16, 2018, MEETING

The minutes of the April 16, 2018, Finance Committee meeting were reviewed and it was then,

Moved by: Lora Campbell
Seconded by: Sue Barnett

**“That the minutes of the April 16, 2018, Finance Committee meeting
be approved as presented.”**

CARRIED UNANIMOUSLY

AWARDS OF CONTRACT

Superintendent of Business Services Stacy Veld presented three requests for awards of contract for boiler plant and HVAC upgrade projects that were approved in the Board's Multi-Year Capital Plan. Bob Dunn, Manager of Projects & Maintenance, reported on the scope of the projects and tender results.

Boiler Plant Upgrade at A.N. Myer Secondary School

The boiler plant project at A.N. Myer Secondary School will involve the replacement and consolidation of its two boiler plants with one new central boiler plant. New energy efficient condensing boilers, new pumps, heating controls and pipes within the boiler room will be installed. The 2017-18 and 2018-19 Multi-Year Capital Plan allocated total funding of \$1,000,000 for this project.

Bids were received from three (3) out of thirteen (13) pre-qualified mechanical contractors that ranged from a low of \$882,900 to a high of \$938,800 (excluding HST). All tenders were complete with no errors or omissions. The low bid was submitted by Mattina Mechanical, a Hamilton based firm which has successfully completed a number of projects at DSNB schools including heating system upgrades and replacements at Lakeview and Pine Grove public schools.

Work will be scheduled to commence immediately. The project will continue into the with no disruption to school operations.

Moved by: Sue Barnett
Seconded by: Lora Campbell

"That the low bid received from Mattina Mechanical, in the amount of \$882,900 (plus HST), be accepted and a contract awarded for the Boiler Plant Upgrade at A.N. Myer Secondary School."

CARRIED UNANIMOUSLY

Heating Ventilation & Air Conditioning (HVAC) Upgrade at Westlane Secondary School

The HVAC upgrade at Westlane Secondary School was allocated funding of \$750,000 in the 2017-18 Multi-Year Capital Plan. The project includes the replacement of the central boiler plant and some air handling equipment, new energy efficient condensing boilers, new pumps, digital direct heating controls and pipes within the boiler room. Two air handlers serving the gym and change rooms will also be replaced.

Bids for the project were received from three (3) out of thirteen (13) pre-qualified mechanical contractors and ranged from a low of \$634,690 to a high of \$785,000 (excluding HST). All tenders were complete with no errors or omissions. The low bid was submitted by Regional Mechanical, a Niagara based firm which has successfully completed a number of similar projects at DSNB schools.

Work will be scheduled to commence immediately and will continue into the winter with no disruption to school operations.

Moved by: Jonathan Fast
Seconded by: Sue Barnett

"That the low bid received from Regional Mechanical, in the amount of \$785,000 (plus HST), be accepted and a contract awarded for the HVAC Upgrade at Westlane Secondary School."

CARRIED UNANIMOUSLY

HVAC Upgrades at the Education Centre

The major mechanical upgrade project at the Education Centre was allocated a total of \$2,200,000 in the 2017-18 and 2018-19 Multi Year Capital Plans. Project work includes the replacement of the boiler plant, all heat pumps throughout the Education Centre, new ventilation equipment and upgraded controls to a digital building automation system. The cafeteria, St. Catharines Meeting Room and Print Shop will receive additional ventilation systems.

The project tender process resulted in bids from four (4) of thirteen (13) pre-qualified mechanical contractors ranging from a low of \$1,792,000 to a high of \$2,780,000. All bids were complete with no errors or omissions. The low bid was submitted by Group 92 Mechanical, a Niagara based firm that has successfully completed a number of similar projects for the DSBN.

The project will be scheduled to commence immediately, with no disruption to operations.

During discussion, it was explained that this project will provide upgrades to the original mechanics at the Education Centre which is almost 30 years old. The Ministry of Education does not allocate renewal funding for administrative buildings. Therefore, this project is supported through the proceeds of disposition of previous DSBN administrative buildings.

Moved by: Lora Campbell

Seconded by: Jonathan Fast

"That the low bid received from Group 92 Mechanical, in the amount of \$1,792,000 (plus HST), be accepted and a contract awarded for HVAC upgrades at the Education Centre."

CARRIED UNANIMOUSLY

MULTI-YEAR CAPITAL PLAN

Superintendent of Business Services Stacy Veld presented the Multi-Year Capital Plan, which covers a five-year period and addresses various capital needs related to school renewal and school condition improvement projects, accessibility improvements, additions and alterations to meet school program needs, major capital construction and administrative capital projects. The Board of Trustees, through the Finance Committee report, are asked to review the Plan and approve the projects set out for the subsequent school year.

Manager of Maintenance and Projects Robert Dunn reviewed the Multi-Year Capital Plan report and highlighted the various projects planned. Approximately \$33.3 million in funding and related expenditures have been identified for the 2018-19 year. The funding allocated for capital projects over the next five years totals approximately \$122.5 million through capital grants from the Province of Ontario, use of proceeds from the sale of school buildings and sites, third party funding, use of deferred revenue school renewal and the use of accumulated surplus.

Superintendent Veld confirmed that synthetic turf fields and sports tracks are scheduled to be constructed at Westlane S.S., E.L. Crossley S.S. and Port Colborne H.S.

It was further reported that 87, or 84%, of DSBN schools are now 91% to 100% accessible. Staff will continue to focus on projects designed to bring accessibility in all schools up to 90% and above by the MOE's recommended target date of 2025.

Trustees may contact their schools' Area Superintendent for additional details on projects scheduled for their schools.

Moved by: Sue Barnett
Seconded by: Jonathan Fast

“That the Multi-Year Capital Plan be received and that staff be authorized to proceed with all identified projects up to and including the 2018-19 year, subject to confirmation of necessary Ministry of Education capital funding approvals.”

CARRIED UNANIMOUSLY

The Finance Committee members and Superintendent Veld recognized Bob Dunn and his Facility Services staff for their hard work and effort in preparing the annual Multi-Year Capital Plan, and for the implementation and successful completion of the many construction projects undertaken every year.

2017-18 REVENUE BUDGET

Superintendent of Business Services Stacy Veld, with Controller of Finance Nicky Westlake and Manager of Financial Services Brian Vander Vloet, presented the 2018-19 preliminary revenue budget. The report included day school enrolment projections, a summary of grants, a revenue summary and a schedule of accumulated surplus funds.

Provincial Grant revenue changes for 2018-19 were outlined in the report, with impact on various DSBN operations. Superintendent Veld noted that the Board's projections of student enrolment have the largest impact on the revenue received from the Province. The projected 2018-19 average daily enrolment or ADE indicates an overall increase of 68 or 0.01% from the 2017-18 actual enrolment, representing a decrease in the elementary panel of 34 and an increase of 102 in the secondary panel.

During review of the schedule of accumulated surplus, it was noted that the preliminary revenue summary includes the use of \$2,118,007 of general operating accumulated surplus as per the May 2017 Board motion.

An expenditure budget, including potential increases and decreases, will be presented at the June Finance Committee meeting for consideration. At that time, potential changes in the Accumulated Surplus required to balance the budget will be provided.

Moved by: Lora Campbell
Seconded by: Sue Barnett

“That the 2018-19 Preliminary Revenue Budget be received.”

CARRIED UNANIMOUSLY

SHORT-TERM FINANCING OF MINISTRY FUNDED CAPITAL PROJECTS

Controller of Finance Nicky Westlake reported that, since the last borrowing resolution 2018-01 was passed last month, the DSBN has received additional capital funding approval from the Ministry of Education totaling \$13,703,030. This amount represents additional School Condition Improvement funding of \$12,332,730 and \$1,370,300 for eligible expenditures incurred between April 1, 2018, and March 31, 2019, that will reduce Greenhouse Gas emissions from DSBN facilities.

In order to commence capital borrowing under this program, approval of a borrowing resolution by the Board of Trustees is required. The resolution will authorize the DSBN to borrow an amount up to the Ministry-approved capital grant allocation of \$13,703,030.

Moved by: Sue Barnett
Seconded by: Jonathan Fast

“That Borrowing Resolution 2018-02, authorizing the Board to borrow up to \$13,703,030 for the short-term financing of Ministry funded capital projects, pursuant to the provisions of section 243(1) of the Education Act, be approved.”

CARRIED UNANIMOUSLY

NEXT MEETING

The next meeting of the Finance Committee is at the call of the Chair.

ADJOURNMENT The meeting adjourned at 5:50 p.m.

Kevin Maves
Chair