



**FINANCE & OPERATIONS COMMITTEE MEETING**  
**Tuesday, September 27, 2016 – 9:00 a.m.**  
**Atlantic Place – Executive Boardroom**  
**Via Teleconference**

**1. Call to Order**

The meeting of the Finance and Operations Committee of the Newfoundland and Labrador English School Board was called to order at 9:02a.m. on Tuesday, September 27, 2016.

Members Present:     Goronwy Price, Chair  
                              Milton Peach, Board Chair  
                              Nada Borden, Committee Member  
                              Wayne Lee, Committee Member  
                              John George, Committee Member

NLESD Staff Present:   Terry Hall, Assistant Director of Education – Finance and Business  
                                  Administration/Student Transportation  
                                  Jim Sinnott, Director of Facilities and Custodial Management  
                                  Juliah Chislett, Comptroller/Director of Financial Services  
                                  Susan Clarke, Administrative Assistant (Finance/Recorder)

Absent with Regrets:   Gary Baikie, Committee Member  
                                  Rick Martin, Committee Member

**2. Approval of Agenda**

It was moved by John George, seconded by Wayne Lee and carried unanimously that the agenda be adopted as presented. *Carried.*

**3. Approval of Minutes – March 5, 2016, May 6, 2016**

It was moved by Wayne Lee, seconded by Nada Borden that the minutes of March 5, 2016 be adopted as presented. *Carried.*

It was moved by John George, seconded by Wayne Lee that the minutes of May 6, 2016 be adopted as presented. *Carried.*

#### **4. New Business – for motion**

##### **4.1 Budget Approval 2016-2017 School Year**

The attached schedules summarize the operating budget for Newfoundland and Labrador English School District (NLESD) for the period July 1, 2016 to June 20, 2017. This budget does not reflect capital funding, special incentive or special project funding from the Department of Education and Early Childhood Development (DEECD) or Nunatsiavut Government funding nor does it reflect schools' controlled funds, or the operations of the Newfoundland and Labrador Education Foundation.

The Schools Act, 1997 requires School Districts to balance its budget each fiscal year. The proposed budget for the 12 month period ending June 30, 2017 is balanced. The budget as presented reflects the most current operating grant from DEECD for this period. Any salary adjustments required as a result of future contract negotiations have not been taken into consideration. The budget for board owned pupil transportation is based on the 2015-16 approved budget and will be adjusted when the 2016-17 budget is approved by the DEECD. The budget for contracted pupil transportation is based on 2015-16 actual expenditures.

**Motion:**

**Moved by Wayne Lee, seconded by John George that the Finance and Operations Committee recommend to the Board, approval of the Newfoundland and Labrador English School District's balanced budget for the 12 month period July 1, 2016 to June 30, 2017. *Carried.***

**Recommendation #1:**

**That the Finance and Operations Committee recommend to the Board, approval of the Newfoundland and Labrador English School District's balanced operating budget for the 12 month period July 1, 2016 to June 30, 2017.**

##### **4.2 Budget Status Update – Period Ending March 31, 2016**

Budget highlights indicate the following:

**Total Revenues**

Revised Budget (total),	\$785.2 Million
Revised Budget (net of block funding from DOE)	\$109.7 Million
Revenue earned to March 31, 2015 (net)	\$ 82.5 Million

**Total Expenses**

Revised Budget (total)	\$784.4 Million
Revised Budget (net of items block funded by DOE)	\$108.9 Million
Incurred/encumbered to March 31, 2015 (net)	\$ 78.08 Million

% Budget remaining (net)	28%
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As a result of the Government of Newfoundland and Labrador's current deficit situation and their direction to Departments and Boards to refrain from incurring expenditures of a discretionary nature, the budget was reviewed and revised resulting in projected savings of \$0.79 million.

The attached schedules summarize the operating results compared to the revised budget for the period ending March 31, 2016.

**Motion:**

**Moved by Nada Borden, seconded by John George that the Finance and Operations Committee recommend to the Board, approval of the March 31, 2016 revised budget and status update. *Carried.***

**Recommendation #2:**

**That the Finance and Operations Committee recommend to the Board, approval of the March 31, 2016 revised budget and status update.**

**4.3 Approval to Borrow – Bus Purchases 2016**

Each year, the provinces of Newfoundland and Labrador, New Brunswick, Nova Scotia and Prince Edward Island undertake a joint school bus purchasing program. The tender number 197001-17 has been awarded to Leeds Transit of Ontario.

Within the board owned fleet of the Newfoundland and Labrador English School District, there were twenty 2003 model buses that had to be removed from service in accordance with provincial regulation. These buses were replaced with twenty new 2016 model year buses. These twenty new buses for the Newfoundland and Labrador English School District have specifications as per the attached spreadsheet.

As purchaser, the District placed the order with the vendor and arranged related debt financing. Standard practice is to finance the related debt over a 12 year equivalent to the useful life of the asset.

**Motion:**

**Moved by Nada Borden, seconded by John George that the Finance and Operations Committee recommend to the Board, approval to:**

- a. **purchase 7 buses for Eastern Region at a per unit cost of \$109,317.23(plus HST); 2 buses for Western Region at a per unit cost of \$108,470.23(plus**

HST); 8 buses for Central Region at a per unit cost of \$108,712.23(plus HST); 1 bus for Central Region at a per unit cost of \$113,087.04(plus HST); 1 bus for Labrador Region at a per unit cost of \$110,967.23(plus HST); and 1 bus for Labrador Region at a per unit cost of 108,770.11(plus HST); and

- b. borrow up to \$3,000,000.00 with an amortization period of twelve years, with such approvals further subject to Ministerial approval. *Carried.*

**Recommendation #3:**

That the Finance and Operations Committee recommend to the Board, approval to:

- a. purchase 7 buses for Eastern Region at a per unit cost of \$109,317.23(plus HST); 2 buses for Western Region at a per unit cost of \$108,470.23(plus HST); 8 buses for Central Region at a per unit cost of \$108,712.23(plus HST); 1 bus for Central Region at a per unit cost of \$113,087.04(plus HST); 1 bus for Labrador Region at a per unit cost of \$110,967.23(plus HST); and 1 bus for Labrador Region at a per unit cost of 108,770.11(plus HST); and

- b. borrow up to \$3,000,000.00 with an amortization period of twelve years, with such approvals further subject to Ministerial approval.

**4.4 Conche Property – Deed of Quit Claim**

Newfoundland and Labrador English School District received a request from the Town of Conche to have the recently closed Sacred Heart School building and property transferred to the Town.

Sacred Heart School was closed on June 30, 2016. The property is in the name of RCEC – St. Georges. The District indicated that it would consider a Quit Claim in favor of the RCEC from the District if the RCEC would accept it. This would be subject to Board and Ministerial approval. (RCEC could request removal of building from site as per Agreement).

The District received an estimate from a realtor who suggested a price of \$20,000-\$30,000 for land and building.

RCEC wrote the District stating it had been contacted by the Town and would accept a Quit Claim from the District and deal with the Town for its request.

To remove the building would be a significant cost to the District.

There are two vacant former school properties in the area that the District has received no interest after tendering twice and subsequent advertising and continuous offering through a realtor.

It is recommended that the District provide a Quit Claim in favor of the RCEC for the Sacred Heart School property in Conche.

**Motion:**

**Moved by Nada Borden, seconded by Wayne Lee that the Finance and Operations Committee recommend to the Board, approval for the Newfoundland and Labrador English School District to provide a Deed of Quit Claim in favor of the RCEC for the Sacred Heart School Property in Conche, subject to Ministerial approval. *Carried.***

**Recommendation #4:**

**That the Finance and Operations Committee recommend to the Board, approval for the Newfoundland and Labrador English School District to provide a Deed of Quit Claim in favor of the RCEC for the Sacred Heart School Property in Conche, subject to Ministerial approval.**

**5 Date of Next Meeting**

The next meeting will be held on Saturday, October 1, 2016 directly following the scheduled Board Meeting.

**6 Adjournment**

Motion to adjourn by Wayne Lee at 9:15a.m. *Carried.*