



BRANDON SCHOOL DIVISION

Finance and Facilities Committee Minutes

Tuesday, September 17, 2019 – 8:30 a.m.

Boardroom, Administration Office

Present: S. Montague (Chair), J. Murray, L. Ross (Alternate)
D. Labossiere, E. Jamora, C. Cramer

Regrets: P. Bartlette

1. CALL TO ORDER

The Finance and Facilities Committee Meeting was called to order at 8:34 a.m. by Mr. Denis Labossiere, Secretary-Treasurer.

2. ELECTION OF CHAIR

It was agreed that Trustee Stephen Montague would serve as Committee Chairperson for 2019-2020.

3. APPROVAL OF AGENDA

The agenda was approved as circulated.

4. PREVIOUS COMMITTEE MINUTES FOR INFORMATION PURPOSES ONLY

The Minutes of the June 18, 2019 meeting were received as information.

5. REVIEW COMMITTEE RESPONSIBILITIES

The Committee Responsibilities were reviewed and Trustees agreed to continue with the same responsibilities as listed.

6. MEETING DATES FOR 2019-2020

The Committee reviewed the dates for the Committee's monthly meetings. The Secretary-Treasurer noted that there were two (2) dates that conflicted with other meetings. The Committee agreed to reschedule the Tuesday, October 15, 2019 meeting to Tuesday, October 22, 2019 at 8:30 a.m., and to reschedule the Tuesday, November 19, 2019 meeting to Tuesday, November 26, 2019 at 8:30 a.m.

7. COMMITTEE GOVERNANCE GOAL ITEMS

A. BDO Canada LLP – June 30, 2019 Year-End

The Secretary-Treasurer provided, for information, the BDO Canada LLP Client and Engagement letters regarding the June 30, 2019 Audit, and the Planning Report to the Board of Directors.

B. 2020-2021 Budget Preparations

The Secretary-Treasurer reviewed the updated Trustee Budget Request form for 2020-2021. Trustee Budget Requests are due by October 31, 2019, although it is recommended that the Budget requests be submitted as early as possible.

C. Establish Stakeholder Questions and Meeting Dates

The Committee discussed the Stakeholder questions to be used for the 2020-2021 Budget. The questions will be provided to the Stakeholders prior to their meeting with the Finance and Facilities Committee.

The Committee set the following tentative Stakeholder meeting dates:

- Employee Groups – Tuesday, October 22, 2019 – 4:30 p.m.
- Chamber of Commerce – Tuesday, October 22, 2019 – 12:00 p.m.
- Parent Councils – Thursday, October 24, 2019 – 7:00 p.m.

8. OTHER COMMITTEE GOVERNANCE MATTERS

A. Review Preliminary 2018-2019 Results

Mr. Denis Labossiere, Secretary-Treasurer, reviewed the preliminary 2018-2019 results and indicated that his office is currently finalizing the financial statements and preparing for the auditors.

He reviewed the projected Variance Summary Report and highlighted changes. The projected Net Current Year Surplus is approximately \$2.8 million after transfers to Capital. Trustees asked questions for clarification in regards to various variances for which the Secretary-Treasurer provided further information.

B. Capital Reserves

The Secretary-Treasurer reviewed the projected Capital Reserves Balances as of June 2019.

Mr. Labossiere indicated that based on the 2018-2019 Preliminary Financial Statements, the Division's Accumulated Surplus will amount to 6.7% of Operating Fund Expenses based on PSFB Calculations. Senior Administration recommended that \$2,830,000 from the Operating Fund Accumulated Surplus be allocated to Capital Reserves for capital items that address both short-term and long-term needs of the Division.

The Secretary-Treasurer reviewed the following Capital Reserve recommendations:

Vincent Massey Fitness Studio - \$295,000

In March 2019, the Brandon School Division closed the Fitness Studio for observable structural concerns at Vincent Massey High School. The auditorium stage was repurposed into the studio years ago as the provincial physical education curriculum was revised to include strength training. The weight of the gym equipment has resulted in multiple failures of the wood flooring and bracing underneath the auditorium resulting in the fitness studio closure. As strength, training and conditioning are part of the Manitoba curriculum framework for high school students, repairs are required to ensure the room is safe for users, to address student-learning needs and to improve accessibility.

Although PSFB has assisted the Division with reviewing the project, PSFB has indicated that they cannot fund the project and it would be the responsibility of the Division for the construction repairs needed for the fitness studio.

VOIP (Voice over Internet Protocol) Phone System - \$176,000

In 2014, the Brandon School Division changed its telephone system from Centrex to VOIP. The Division's vendor has advised that support will no longer be available after December 31, 2021 for the Unified Communication Servers at the Division Office and Vincent Massey, and after December 31, 2022, there will no longer be support for the voice gateways at each of the remote locations (schools and maintenance). The funds will be used for the replacement of aging VOIP servers and gateway equipment.

Security Cameras System Upgrade - \$339,000

The Division currently has 308 security cameras installed on the interior and exterior of our high schools and the exterior of our elementary schools, along with 3 Digital Video Recorders (DVRs). Several of the devices are now 6 years old. To ensure all components of technology continue to operate efficiently, each type of equipment is given an expected replacement date. In this case, the DVRs are estimated at 5-6 years and the cameras have an expected life of 7-8 years. The funds will be used for the replacement/upgrade of Division security equipment.

Wireless Networking Equipment Replacement - \$225,000

As the Division continues to move toward a mobile computing environment, the wireless network infrastructure faces increasing demands. It is necessary that we keep the wireless network updated and current, to meet the requirements additional devices place on the Division network and that funds be set aside to address the replacement of the wireless networking equipment.

Lighting Retrofit - \$489,000

This project entails facility lighting upgrades at Crocus Plains, Earl Oxford and George Fitton. The lights will be retrofitted from the current T8's to LED's in both interior and exterior lighting. The Led lighting has a longer lifespan thus reducing maintenance and energy costs. The facility audit performed by a 3rd party projected that the lighting upgrades will result in annual energy savings of \$41,641

Replacement of outdoor basketball backstops - \$173,000

The Division's current outdoor basketball backstops have seen failures at both the rim and backboards. The Division has 54 outdoor basketball backstops, of which 20 of them are currently unusable/not in use due to safety of the students. The funds will allow for the replacement of the outdoor basketball backstops with supplier installed manufactured certified units.

Replacement of School Paging Systems - \$533,000

Many of the Division's current school paging systems are at their end of life, often requiring costly repairs and at times replacement parts are not available. With safety, security and accessibility in mind the Division requires replacement of these systems to meet current industry standards. The paging system upgrades will provide increased lock down capability such as electronic messaging to meet accessibility standards and provide strobes and improve communication in the event of a lockdown. The Division requires funding for both classrooms and common areas to ensure communication is facility wide in the event of an emergency. The capital reserve is for the replacement of the school paging systems at Neelin, Linden Lanes, JR Reid, Meadows and O'Kelly.

School Bus Capital Reserve Fund - \$600,000

The replacement of a minimum of three (3) buses at market value per annum shall be allocated to transportation and be reflected in the annual operating budget as per Administrative Procedure 8035 to meet the objective of achieving a twelve (12) year retirement age for Division's school buses. The transfer of \$600,000 to the School Bus Reserve will result in a reserve for approximately twelve (12) buses and will allow the Board to minimize the effect on taxes for 2020-2021 by replacing four (4) buses through the reserve instead of the 2020-2021 budget.

The Secretary-Treasurer also noted that PSFB has yet to approve the Linden Lanes Resource Centre Renovation Capital Reserve request approved by the Board in 2019.

The Committee discussed that should PSFB not approve the capital reserve requests, that funds be designated through the accumulated surplus for the projects.

The Committee agreed to the recommendations as presented.

Recommendations:

- That the amount of \$295,000 from the Operating Fund Accumulated Surplus be allocated to the Vincent Massey Fitness Studio Capital Reserve Fund to address the construction repairs needed to meet curriculum requirements, safety and accessibility, subject to PSFB approval.
- That the amount of \$176,000 from the Operating Fund Accumulated Surplus be allocated to the VOIP (Voice over Internet Protocol) Phone System Capital Reserve Fund for the replacement of aging VOIP servers and gateway equipment, subject to PSFB approval.
- That the amount of \$339,000 from the Operating Fund Accumulated Surplus be allocated to the Security Cameras System Upgrade Capital Reserve Fund for the replacement/upgrade of security cameras, subject to PSFB approval.
- That the amount of \$225,000 from the Operating Fund Accumulated Surplus be allocated to the Computer Network Infrastructure Capital Reserve Fund for the replacement of wireless networking equipment, subject to PSFB approval.
- That the amount of \$489,000 from the Operating Fund Accumulated Surplus be allocated to a Lighting Retrofit Capital Reserve Fund for the facility lighting upgrades at Crocus Plains, Earl Oxford and George Fitton, subject to PSFB approval.
- That the amount of \$173,000 from the Operating Fund Accumulated Surplus be allocated to an Outdoor Basketball Backstop Capital Reserve Fund for the replacement of outdoor basketball backstops, subject to PSFB approval.
- That the amount of \$533,000 from the Operating Fund Accumulated Surplus be allocated to a School Paging Systems Capital Reserve Fund for the replacement of school paging systems at Neelin, Linden Lanes, JR Reid, Meadows and O'Kelly, subject to PSFB approval.
- That the amount of \$600,000 from the Operating Fund Accumulated Surplus be allocated to the School Bus Capital Reserve Fund for future replacement and expansion of the school bus fleet.

C. Confirm Payments of Account (July & August)

The payments of account for the months of July and August were provided for information.

The reports were accepted as circulated.

D. Sub-Committee Reports

- Workplace Safety and Health – May 14, 2019

9. OPERATIONS INFORMATION

- The Secretary-Treasurer reviewed letters regarding the following projects:
 - Green Acres – Heating System and Unit Ventilator Replacement
 - École Harrison – Steam Heating System Replacement
 - Linden Lanes – Grooming Room Renovation
 - École New Era School – Grooming Room and Exterior Ramp
 - École New Era School – Steam Unit Ventilator Replacement
- The Secretary-Treasurer reviewed additional letters and information on the following:

- École Harrison DDC Controls Capital Reserve Fund – Johnson DDC Controls – PSFB Project Support
- Maryland Park School: Project Support for Additional Costs and Land Exchange

10. NEXT REGULAR MEETING: Tuesday, October 22, 2019, 8:30 a.m., Boardroom.

The meeting adjourned at 10:06 a.m.

Respectfully submitted,

S. Montague (Chair)

P. Bartlette

J. Murray

L. Ross (Alternate)