



**Special Meeting of the Board
Thursday, February 28, 2013 ♦ 1:00 p.m.
Trustees' Meeting Room**

Trustees:

Present: June Szeman (Chair), Rick Petrella (Vice Chair)

Via Teleconference: Dennis Blake, Cliff Casey, Bonnie McKinnon

Absent: Dan Dignard

Senior Administration:

Chris N. Roehrig (Director of Education & Secretary), Tom Grice (Superintendent of Business & Treasurer)

1. Opening Business

1.1 Opening Prayer

The meeting was opened with prayer led by Chair Szeman.

1.2 Attendance – as noted above.

1.3 Approval of the Agenda

Moved by: Dennis Blake
Seconded by: Cliff Casey

THAT the Brant Haldimand Norfolk Catholic District School Board approves the agenda of the Special Meeting of the Board of February 28, 2013.

Carried

1.4 Declaration of Interest - Nil

2. Committee and Staff Reports

2.1 Long-Term Debenture Financing

Superintendent Grice reported that the Ontario Financing Authority (OFA) has the responsibility to arrange financing for all capital projects like new schools or additions in the province. The OFA has arranged financing for St. Basil, Sacred Heart (Paris) and St. John's College in the amount of \$16,156,020, to be made available as of March 20, 2013

Moved by: Bonnie McKinnon
Seconded by: Rick Petrella

THAT the Brant Haldimand Norfolk Catholic District School Board approves By-Law Number 2013-A1 as follows:



A by-law to authorize a loan from the Ontario Financing Authority in the principal amount of \$16,156,020 pursuant to a loan agreement under section 7 of Ontario Regulation 41/10

WHEREAS subsection 247 (1) of the Education Act R.S.O. 1990, c. E.2, as amended (the “Education Act”) and the regulations made thereunder, provides that, subject to any other provision of the Education Act and, specifically, the regulations made under subsection 247 (3) of the Education Act, a district school board may by by-law borrow money or incur debt for permanent improvements and may issue or execute any instrument prescribed under clause 247 (3) (f) of the Education Act in respect of the money borrowed or the debt incurred;

AND WHEREAS section 7 of Ontario Regulation 41/10 (the “Regulation”), provides that (1) a board may by by-law borrow money for permanent improvements by way of a loan with an initial maturity of more than one year from the Ontario Financing Authority and that (2) a board that obtains a loan described in section 7 of the Regulation shall ensure that the proceeds of it are used for permanent improvements;

AND WHEREAS the Brant Haldimand Norfolk Catholic District School Board, which under the Education Act constitutes a district school board (the “Board”), has undertaken capital projects with respect to instructional spaces at existing elementary or secondary schools, or to construct new elementary or secondary schools for the board, some of which projects are described in Schedule “A-1” attached to the Loan Agreement, as hereinafter defined (individually a “NPP Eligible Project”, collectively the “NPP Eligible Projects”) and each NPP Eligible Project constitutes a “permanent improvement” as defined in subsection 1(1) of the Education Act. In the event that the Board will borrow the principal amount specified in paragraph 2.1 under the said Loan Agreement in respect of a single NPP Eligible Project, the term “NPP Eligible Projects” means that NPP Eligible Project;

AND WHEREAS the Board, has participated in one or more programs referred to as the Consolidated Capital Programs (as described below) (the “Consolidated Capital Programs”) involving capital projects that are described in the Schedule(s) referred to in recital (d) of the Loan Agreement, as hereinafter defined (individually a “Consolidated Capital Eligible Project”, collectively the “Consolidated Capital Eligible Projects”) and each Consolidated Capital Eligible Project constitutes a “permanent improvement” as defined in subsection 1(1) of the Education Act. In the event that the Board will borrow the principal amount specified in paragraph 2.1 under the said Loan Agreement in respect of a single Consolidated Capital Eligible Project, the term “Consolidated Capital Eligible Projects” means that Consolidated Capital Eligible Project;

AND WHEREAS the Consolidated Capital Programs include:

- (i) capital projects required for primary class size reduction (the “PCS Program”) for the purpose of addressing the reduction in primary class size to 20 or fewer students and under the PCS Program the Board has undertaken projects, some of which projects are described in Schedule “A-2” attached to the said Loan Agreement; and
- (ii) capital projects to provide for construction projects (the “CP Program”) described in Column 3 of Table 22.1 of Ontario Regulation 155/09, in the municipalities set out in



Column 2 of that Table opposite the name of the Board, and under the CP Program has undertaken projects, some of which projects are described in Schedule “A-6” attached to the said Loan Agreement;

AND WHEREAS the Board, has participated in a program referred to as the Best Start Program involving capital projects at new schools to provide child care spaces, some of which projects are described in Schedule “A-7” attached to the Loan Agreement, as hereinafter defined (individually a “Best Start Eligible Project”, collectively the “Best Start Eligible Projects”) and each Best Start Eligible Project constitutes a “permanent improvement” as defined in subsection 1(1) of the Education Act. In the event that the Board will borrow the principal amount specified in paragraph 2.1 under the said Loan Agreement in respect of a single Best Start Eligible Project, the term “Best Start Eligible Projects” means that Best Start Eligible Project;

AND WHEREAS the NPP Eligible Projects, the Consolidated Capital Eligible Projects and the Best Start Eligible Projects are collectively referred to as the “Eligible Projects”. In the event that the Board will borrow the principal amount specified in paragraph 2.1 under the said Loan Agreement in respect of a single Eligible Project, the term “Eligible Projects” means that Eligible Project. The NPP Program, the Consolidated Capital Programs and the Best Start Program are collectively referred to as the “Programs”. In the event that the Board will borrow the principal amount specified in paragraph 2.1 under the said Loan Agreement in respect of a single Program, the term “Programs” means that Program;

AND WHEREAS the Board has in part financed the Eligible Projects by way of temporary borrowing from a financial institution or from a restricted purpose revenue account (formerly referred to as a reserve account or a reserve fund account) of the Board and the Board intends to borrow money from the Ontario Financing Authority for the purpose of financing the Eligible Projects on a long-term basis, and in this connection the Board intends to borrow by way of a loan with an initial maturity of more than one year from the Ontario Financing Authority the principal amount of \$16,156,020 (the “Loan”) pursuant to a loan agreement in the form attached hereto as Schedule “A” (the “Loan Agreement”) which Loan Agreement constitutes an instrument prescribed under clause 247 (3) (f) of the Education Act and which sets out the terms and conditions on which the Ontario Financing Authority will make the Loan available to the Board;

NOW THEREFORE THE BRANT HALDIMAND NORFOLK CATHOLIC DISTRICT SCHOOL BOARD ENACTS AS FOLLOWS:

1. The Board hereby authorizes the Loan on the basis that it constitutes a loan under section 7 of the Regulation and authorizes the entering into of the Loan Agreement that is prescribed for the purposes of clause 247(3)(f) of the Education Act.
2. The Board is hereby authorized to enter into the Loan Agreement pursuant to which the Loan will be made available to the Board and the Chair of the Board and the Treasurer of the Board are hereby authorized to execute for and on behalf of the Board the Loan Agreement which provides for instalments of interest only and of combined (blended) principal and interest as hereinafter set forth, substantially in the form of Schedule “A”, with such changes thereto as may



be suggested by the Ontario Financing Authority and as such authorized officials of the Board shall approve.

3. The Director of Education of the Board, the Treasurer of the Board and any other financial officer of the Board are hereby each individually authorized generally to do all things and execute all other documents, instruments and agreements in the name of the Board in order to give effect to the Loan Agreement.
4. The Loan shall be paid in instalments of interest only and of combined (blended) principal and interest over a 25 year amortization period on the specified dates set out in Schedule "B" to the Loan Agreement with the first interest only payment on May 15, 2013 and thereafter instalments of combined (blended) principal and interest to November 15, 2037 in each of the years during the currency of the Loan as set forth in such schedule with the final payment of combined (blended) principal and interest on March 19, 2038. The Loan shall bear interest at the rate of 3.799% on the outstanding principal amount owing thereunder from time to time from the date thereof, which interest shall be payable in arrears as part of the instalments of interest only and of combined (blended) principal and interest payable on such days in each year of the currency of the Loan as are set out in Schedule "B" to the Loan Agreement.
5. In accordance with the provisions of the Education Act and the regulations made thereunder, during the currency of the Loan, the Board shall provide in its estimates for each fiscal year for the setting aside out of its general revenue in the fiscal year the amount necessary to pay the principal and interest coming due on the Loan in the fiscal year and, on or before each due date in each such year, the Board shall pay out of its general revenue the principal and interest coming due on the Loan in the year. Such sums of principal and interest payable on the Loan shall be provided for in accordance with subsection 247(5) of the Education Act. Subject to the foregoing, on or before each due date in each year during the currency of the Loan, the Board shall pay out of its general revenue the amount necessary to pay the specific sums of principal and interest payable on the Loan shown for the respective year as set forth in Schedule "B" to the Loan Agreement; but such amount shall be paid out of the Board's general revenue only to the extent required after taking into account funds available from other sources.
6. Any amounts payable by the Board in respect of the Loan including interest on overdue principal and interest in respect of the Loan together with fees and other amounts payable by the Board under the Loan Agreement, if applicable, shall be paid out of the Board's general revenue or any other available funds.
7. The proceeds of the Loan shall be used to finance the Eligible Expenditures, as defined in the Loan Agreement, in respect of the Eligible Projects on a long-term basis and for no other purpose except as permitted by the Education Act and the regulations made thereunder.

Carried



3. Business In-Camera

Moved by: Dennis Blake

Seconded by: Rick Petrella

THAT the Brant Haldimand Norfolk Catholic District School Board moves to an in-camera session of the Special Meeting of the Board.

Carried

4. Report on the In-Camera Session

Chair Szeman and Trustee Casey declared a conflict of interest in item 2.2 of the in-camera session and left the meeting. They did not take part in the consideration or discussion of, or vote on any question with relation to this item.

Moved by: Rick Petrella

Seconded by: Bonnie McKinnon

THAT the Brant Haldimand Norfolk Catholic District School Board approves the business of the in-camera session of the Special Meeting of the Board.

Carried

5. Adjournment

Moved by: Dennis Blake

Seconded by: Bonnie McKinnon

THAT the Brant Haldimand Norfolk Catholic District School Board adjourns the Special Meeting of the Board of February 28, 2013.

Carried