

MINUTES

SHAWNIGAN IMPROVEMENT DISTRICT

Meeting **Annual General Meeting**
Date Wednesday, April 26, 2017
Place Board Room - Fire Hall No. 1

Present Chris Shields, Chair; Dean Freer, Vice-Chair; Mike Trotter, Trustee; Keith Shields, Trustee, Fire Chief; Karen Berezki, Administrator.

Absent Dan Salmon, Trustee.

Call to Order 7:30 p.m.

Chairman Chris Shields called the meeting to order, introduced the head table and welcomed approximately 36 members of the public, of which 24 were registered to vote.

Mr. Shields advised that the meeting was called for the following purposes:

- (a) To receive from the Trustees a report on the conditions of the works and a statement of the financial position of the Improvement District;
- (b) To discuss with the Trustees any matter relating to the works or finances of the Improvement District;
- (c) To fix the honorarium of the Trustees for the ensuing year;
- (d) To elect two Trustees to each serve for a three year term.

ADOPTION OF MINUTES

Minutes of the April 27, 2016, Annual General Meeting were distributed to the attendees for advance review.

Moved: Chris Shields

Second: Mike Trotter

Carried: That the April 27, 2016 Annual General Meeting minutes be accepted as circulated.

CHAIRMAN'S REPORT - *Chris Shields*

I am happy to report to you all on behalf of the Shawnigan Improvement District Trustees. Since the last Annual General Meeting in 2016, a lot has happened within the Improvement District. Before I discuss what the District has been up to, I will provide you with some background information about the Improvement District and their responsibilities to the public.

The Shawnigan Improvement District was created 67 years ago and derives its authority to operate under the Local Government Act and Letters Patent. Order in Council is then granted by the Provincial Cabinet, which provides legality to our function as an Improvement District.

The Improvement District oversees two functions; one being the Shawnigan Lake Fire Department and the second being street lighting. With regards to the Fire Department, the Improvement District provides bylaws, policies, and finances to ensure safe and practical function for this community service.

The purpose of this Annual General Meeting is to provide the community with some insight on the financial status and future plans of the Improvement District as it relates to the Shawnigan Lake Fire Department. Also included in this meeting is the election of two trustees for a three-year term and a public period where we can entertain questions from the public.

At this time, I would like to discuss some of the projects that have been started or have been completed since the last AGM.

#1 New Fire station on Sooke Lake Road

We broke ground on the Fire Station build in late May of last year and we had substantial completion of the building by mid-December. It was at that time, we were able to allow the Chief access to the station for firefighting purposes. Almost immediately, a medical response vehicle was responding to their first call in that area.

As far as the build itself, the trustees are satisfied with the layout of the hall and the functionality of this layout. The construction phase of the project had its ups and downs, but for the most part, things went smoothly. Currently, there are a couple issues still to be resolved before we can fully call it complete. It should be noted, we were on budget with our original price from the contractor and we were approximately 5-6 weeks behind scheduled completion.

This has been a long process to get to this point and the trustees are excited to finally be done after many years of planning. It must be noted that all of the trustees and our financial administrator have spent a considerable amount of time on this project and I would like to thank them all for their efforts.

#2 Fire Apparatus

Complementing the new station with fire apparatus will be our next project. Within the next couple months, we should have 2 new apparatus in the district and this will complete the major expenditures for the district for this project. Over the duration of the apparatus build, the Chief has been acquiring items for these response vehicles and we expect that once the apparatus arrives, there will be little time before they are put into service.

#3 Headquarters, Station 2, Boathouse

Since our last AGM, minimal time and money has been spent on our other fire stations (including the boat house). This in part, has a lot to do with the low maintenance requirements of these structures and grounds. Since these buildings are older, they do require periodic maintenance; however, we try to stay up on these items and budget for them accordingly. Our goal is to keep the stations looking clean and respectful to the public. I would like to extend a thank you to Trustee Dan Salmon for his continued

efforts in maintaining and organizing the building and grounds maintenance for all the halls and the boathouse.

#4 Continued Training

The training prop in the back of number 1 hall is once again providing the volunteers with an incredible opportunity for training. Having the ability to host training events is incredibly beneficial for the surrounding departments and this also promotes joint training between regional departments.

The trustees are also very pleased to see how many of the volunteers are stepping up to the plate to complete training courses as well as mandatory training requirements set out by the Fire Chief. We encourage you all to challenge yourselves and complete as much training as you can accommodate into your busy schedules. There is no replacement for good training and we believe Shawnigan Fire Department has some of the best around.

Looking forward, we do not expect nor do we have any significant projects on the horizon.

Currently, the Shawnigan Lake Volunteer Fire Department has over 40 volunteers. This, I believe, is a testament to the willingness of the community to volunteer and to further themselves as individuals. The program that the Fire Chief and the officers have created seems to be contagious amongst the members and we hope this continues for many years to come. As always, we trust that the Chief will keep up the great work for the community and once again, Thank You Fire Chief Shields for your time and your dedication.

At this time (on behalf of the trustees), we would like to sincerely thank the Shawnigan Lake Volunteers for all of their commitment and dedication throughout the year. Volunteering takes up family time and personal time, but in turn, it does create a great sense of accomplishment, both individually as well as in a team setting. We appreciate all that you do for the community and we are very fortunate to have each and every one of you. Keep up the great work.

I would also like to say a special thank you to the Trustees (vice Chair) Dean Freer, Mike Trotter, Dan Salmon, Karen Berezki (financial administrator), as well as Fire Chief Keith Shields. As discussed, these individuals have spent a considerable amount of time on special projects this year with great results. Without your time and dedication we wouldn't have such a productive Improvement District Board of Trustees.

As mentioned earlier, the Improvement District operates as a business as we have to be fiscally responsible for all monies spent within the District. Karen Berezki (who is our Financial Administration Officer), takes care of these expenditures. Of the many years she has been doing this for the Improvement District, I would say this this last year has been the busiest. She offers us a wealth of knowledge regarding budget forecasting, correspondence with government agencies, as well as maintaining well laid out financial statements. On behalf of the trustees, I would like to thank her for all of her efforts over the last year.

In closing, the trustees are looking forward to a slightly less eventful year and we would like to thank you all for attending tonight's meeting to show your support for the community.

Moved: Dean Freer
Second: Mike Trotter

Carried: That the Chairman's Report be accepted as presented.

FIRE DEPARTMENT REPORT - *Keith Shields, Fire Chief*

The Shawnigan Lake Fire Department was dispatched 310 times during 2016. The breakdown is as follows:

- 23 Alarms activated
- 17 Assistance calls
- 34 Burning complaints
- 5 Bush fires
- 6 Miscellaneous fires
- 3 Hazardous materials
- 27 Hydro line incidents
- 117 Medical aid
- 12 Mutual aid
- 54 Motor vehicle incidents
- 12 Structure fires
- 1 Rescue call

This call volume is up over 60 calls from the previous year.

There were 52 regular practises, 3 officer practises, 11 tech Rescue practises, a 20 hour First Responder refresher course, a 40 hr First Responder course, auto extrication day, 2 day Technical Rescue refresher, a 4 day Tech Rescue Level 1 and a 4 day Level 2 Rescue class. In addition to this there were multiple firefighting and operational drills. Two of our officers have just recently completed their Fire Officer Level 1 certification to a national standard and did really well at it.

This team provided fire extinguisher demos, fire hall tours, public safety talks at Discovery School and some of the local daycares. This team also managed to squeeze in public events like the Shawnigan Shiver, Cowichan Exhibition, Canada Day Event, Christmas light up, Remembrance Day ceremony and had members run with the Wounded Warrior run through our District.

Membership is at an all time high of 43. Within this group we have an incredibly motivated and committed officer core. We run an officer in training program and those that have participated have really stepped up with the training operations. It can be really challenging making sure all the members are getting what they need at the training sessions with large groups like this but this leadership seems to be working for us.

The rest of the membership are also great to work with. It's interesting to see and hear after an intense training session where the firefighters have worked hard, sweated like crazy and are probably worn out that they tell you the ordeal they just went through was great. " a good practise". That to me is a testament of the commitment and dedication of this team. This level of intensity in the training has really paid off in my books. We've had some challenging calls this past year and in my opinion this team stepped up and did great. It really makes me proud.

We opened #3 Station in late December and currently have a first response vehicle, that is normally stationed at #1 Station, running out of it. This vehicle has medical response capabilities as well as auto extrication tools. Having this Station at the south end is a great asset. It's a long run from #1 Station so having an initial size up and possible action from the #3 Station crew is definitely a bonus. The new apparatus has been specked and ordered and both the engine and tender should be here around the end of May. The new trucks will be housed at #1 Station with the current Engine 1 and Tender 1 heading to #3 Station. This addition will give the department 3 Engines, 3 Tenders, Ladder truck, Rescue truck, Wildland truck and a Command Vehicle. Add the jet boat, hose trailer and ATV setup and I believe we have equipment second to none while maintaining one of the lower taxation rates in the area.

We are still waiting for the province to approve our boundary extension request for the south end of the district. Until this happens we have Cougar Ridge and some of the Sooke Lake Road residents under contract for fire and rescue services. There was some confusion over the inclusion date that the ministry provided us that led us to believe it was already processed but not so. The District also has a land swap deal going with Mill Bay Fire Protection District. We have petitioned to have the end of Briarwood subdivision included in our District in exchange for some properties on Empress in the Cobble Hill area. This exchange is to improve response times as both of these areas are closer to the other departments stations and require a response through the others District to serve the residents.

Our capital plan for the Fire Department is dynamic and changes as our requirements change.

- 2017 sees the new engine and tender for #1 Station
- 2018 exhaust extraction system for #1 Station
- 2019 exhaust extraction system for #2 Station
- 2020 Replacement of current Tender 1

None of this would be possible without the solid support of the Trustees of the Shawnigan Improvement District. The forethought and vision of past Trustees and current ones along with previous Fire Chiefs have provided the District with a solid firefighting force at a reasonable cost.

To make sure this all happens in a timely manner we rely on our financial administrator and my administrative assistant. To them a big thanks. It's an honour to serve the community with this Department and its members and I look forward to more challenges in the coming year.

Moved: Chris Shields

Second: Mike Trotter

Carried: That the Fire Department's Report be accepted as presented.

2016 AUDITED FINANCIAL STATEMENTS - *Karen Berezcki, Administrator*

By resolution of the Board of Trustees at its December 12, 2016 regular meeting, Anton, Bryson & Schindler Chartered Professional Accountants LLP, was appointed auditor for the 2016 fiscal year. Further, having provided good service at reasonable cost since 2009, pursuant to the Shawnigan Improvement District's Letters Patent, it is hereby noted that the Board also chooses this firm as auditor for the ensuing year.

Copies of the year-ended December 31, 2016 audited financial statements are available upon request. Otherwise, pending approval at this meeting, the statements will be uploaded to the Shawnigan Improvement District (SID) Website.

Now, on behalf of the SID's auditor, the financial statements are presented as follows:

Anton, Bryson & Schindler has audited the financial statements of Shawnigan Improvement District, comprising the statement of financial position as at December 31, 2016, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Trustees is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor's responsibility is to express an opinion on these financial statements based on its audit. The audit was conducted in accordance with Canadian generally accepted auditing standards. Those standards require that the Auditor comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The Auditor believes that the audit evidence obtained in its audit is sufficient and appropriate to provide a basis for its audit opinion, which states:

In Anton, Bryson & Schindler Chartered Professional Accountants' opinion, the financial statements present fairly, in all material respects, the financial position of the Shawnigan

Improvement District as at December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Highlights of these Financial Statements are set out as follows:

Operating Fund:

The 2016 Statements show an Operating deficit of \$410,923, compared to a prior year surplus of \$381,628. A net difference of \$792,551. With the goal to save monies on interest expense, existing cash flow was utilized to support Hall 3 expenditures. As such, the Hall 3 interim financing totalled only \$272,254, compared to construction expenses of \$1,021,091. This variable is mainly responsible for the year-end operating deficit. Nevertheless, Shawnigan Improvement District's 2017 Capital Tax Advance Bylaw No. 136 was registered in March 2017 and authorizes the long term borrowing of \$2,000,000, which will balance the 2016 deficit within the current fiscal.

Renewal Reserve Fund:

The Renewal Reserve Fund is set up to pay for the repair, maintenance or replacement of an existing asset when it reaches the end of its useful life. Expenditures from this fund are authorized by Bylaw passed by the Board of Trustees. The bylaw is then submitted to the Ministry of Community, Sport and Cultural Development for its records. There were no expenditures from this fund during 2016.

The balance of the Renewal Reserve Fund at December 31, 2016 was \$464,522 compared to the prior year balance of \$411,914.

Capital Assets:

Capital Asset Acquisitions in 2016 totalled \$1,132,585, comprising Fire Hall No. 3 construction expenditures of \$1,021,091, and fire fighting equipment, turn out gear, and works on the outdoor training facility of \$111,494.

Including the 2016 capital asset acquisitions, the net book value of tangible capital assets comprising buildings and equipment totals \$4,154,094 compared to \$3,229,868 in 2015.

Net Debt:

The net debt as at December 31, 2016 totals \$1,471,780 compared to \$1,311,675 in 2015. The increase is due to the interim financing of \$272,255 required to respond to Hall No. 3 construction costs.

Now for a quick overview of the current year's operations:

2017 Operating Budget:

The budget in 2017 calls for a tax levy of \$600,000, compared to \$500,000 in 2016. A \$100,000 increase.

Although many plus or minus expense items are evident, this tax levy increase is mainly due to operating expenses associated with the new satellite Fire Hall No. 3, namely: 1) administrator gratuity; 2) buildings and grounds; 3) vehicle expense; 4) firefighter gratuity; 5) fire chief gratuity; 6) insurance; 7) equipment; and 8) furnishings.

In closing, the Shawnigan Improvement District continues to operate in a favourable financial position. Despite the operating deficit reported earlier, the overall accumulated surplus as at December 31, 2016 is \$2,735,914 compared to \$2,711,737 in 2015. The Board of Trustees is to be commended for its capable fiscal management.

Moved: Chris Shields
Second: Mike Trotter

Carried: That the 2016 Audited Financial Statements be accepted as presented.

TRUSTEE HONORARIUM:

Chair Chris Shields reported that the honorarium is currently set at \$12,000 per year. Each of the four Trustees receive \$2,200, the Chair receives \$3,200. The Trustees attend 12 regular meetings to conduct the business of the Improvement District, plus any special meetings as deemed necessary and the Annual General Meeting where they report to the land owners.

The honoraria last increased from \$11,000 to \$12,000 in 2016. The increase of \$1,000 was proposed, with the additional \$1,000 being allocated to the Chair's position in recognition of the extra time commitment associated with the position.

Moved: Chris Shields
Second: Mike Trotter

Carried: That the trustee honorarium remain as is and be set at \$12,000 for the 2017 fiscal.

ELECTION OF TRUSTEES:

By resolution of the Board of Trustees at its February 13, 2017 regular meeting, Mr. Cliff Evans was invited to act in the capacity of Returning Officer for the purpose of managing the Trustee election process at the Annual General Meeting. The Chair introduced Mr. Evans as the duly appointed Returning Officer.

Mr. Evans explained that two three year terms have expired resulting in two vacant positions to fill. He then called for nominations from the floor to elect two Trustees to each serve for a three year term.

Tiffany Newman nominated Keith Shields. Accepted.

Brett Malcolm nominated Chris Shields. Accepted.

Further nominations were called three times and when no further nominations were received, nominations were declared closed.

Keith Shields and Chris Shields were declared elected by acclamation.

Congratulations were extended to each candidate, who were thanked for letting their names stand for election.

NEW BUSINESS: (nil)

PUBLIC PERIOD: (nil)

ADJOURNMENT:

Moved: Chris Shields

Second: Mike Trotter

Carried: That the meeting adjourn at 8:04 p.m.

The next regular meeting of the Board of Trustees will be held on Monday, May 8, 2017, Fire Hall No. 1, Board Room.

CERTIFIED CORRECT

Chairperson

Administrator