

MINUTES

SHAWNIGAN IMPROVEMENT DISTRICT

Meeting Annual General Meeting
Date Wednesday, April 24, 2019
Place Board Room - Fire Hall No. 1

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

Call to Order 7:32 p.m.

1.0 INTRODUCTION

Chairman Chris Shields called the meeting to order, introduced the head table and welcomed approximately 25 members of the public, of which 25 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.

2.0 ADOPTION OF MINUTES

Minutes of the April 18, 2018, Annual General Meeting were distributed to the attendees for advance review.

Moved: Chris Shields

Second: Mike Trotter

Carried: That the April 18, 2018 Annual General Meeting minutes be adopted as circulated.

3.0 CHAIRMAN'S REPORT - *Chris Shields*

I am happy to report to you all on behalf of the Shawnigan Improvement District Board of Trustees. Before I discuss what the District has accomplished in 2018, I will provide you with some background information about the Improvement District and the Trustees responsibilities to the public.

The Shawnigan Improvement District 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 status of the Improvement District as it relates to the Shawnigan Lake Fire Department. Also included in this meeting is the election of two trustees and a public period where we can entertain questions from the public.

At this time, I would like to give a brief overview of the happenings of the Improvement District in 2018.

Fire Apparatus:

To adhere to the NFPA guidelines for replacement of fire apparatus, the district has planned for the replacement of what is to be an outdated tender apparatus. Later in 2019, the district will acquire a new tender to replace the existing Tender 1. Pre-order has been complete and the payment plan for such has been established. It should be noted that we have previously accumulated the appropriate tools and gear for this apparatus. Looking forward, the next scheduled apparatus replacement will be Command 1 in 2022, and the next major apparatus replacement in 2026 with ladder 1.

Station 1:

There was minimal maintenance work completed at station 1 in 2018, with the exception of an exhaust extraction system for the fire apparatus bays. The building itself appears to be in good working order and the grounds are relatively maintenance free. I would like to thank all the members that participate in the hall clean-up days throughout the year. This effort improves the curb appeal of our main station and in return, it shows well to the public.

Throughout the last year, discussions between the fire Chief and the trustees have been focusing on the repair of certain sections of the flat roof at number 1 station. This will be a considerable expenditure and will have to be budgeted for accordingly. At this time, we would be looking into 2020 to have this work completed.

Station 2:

Since the last AGM, a dehumidifier has been placed at #2 station and this has been working very well to remove the moisture in the hall. New furniture was also added to the hall and has been working quite well for the members. Since our fire stations are considered a public assembly point in case of an emergency, we decided that it is important to update the generator at 2 hall to a larger unit to handle the needs of the hall. Scheduled replacement for the generator is to take place in the next few months.

Our provincial land lease ends in 2020 for number 2 station. The land that the fire hall sits on has been offered by the Provincial government to the Malahat First Nations as a part of their Treaty agreement. We have been working with Malahat First Nations and Provincial Mediators to come to a long-term agreement where we could continue to

occupy the land at no further cost to the district. We are hopeful that we are getting close to shaking hands and signing papers; however, this could still take some time. An application to cut danger trees from the around the hall 2 property has also been re-submitted to the province. The idea of the tree removal is to protect the building from damage in case of severe winter storms.

Station 3:

Hall three appears to be functioning quite well and members that respond to this hall are keeping the new building clean and tidy. Since the last meeting, hydroseed has been added to the side yards of the hall and will at some point require some further maintenance to look clean. We do not forecast any large expenditures in the near future.

Boathouse:

The Boathouse continues to operate as designed, and no immediate expenditures are expected until 2020 or 2021, where there will be some preventative maintenance completed. This last year, the Fireboat has undergone some significant engine maintenance. Thank you to the Chief for recognizing the issues, fixing what he could, and initiating the rebuild for proper operation. I would like to send a special thank you to Shawnigan resident and ex-trustee Dan Salmon for offering his boat for the time when the fireboat was out of service. This type of support in our community is rare, and very much appreciated from the Improvement District.

#4 Training:

The trustees are quite pleased to see how many of the volunteers are stepping up to complete training courses as well as mandatory training requirements. As stated in years past, we encourage all firefighters to complete as much training as they can accommodate into their busy schedules. There is no replacement for good training and we believe Shawnigan Fire Department has some of the best on the island. To have good training, you have to use a good facility and us trustees believe Shawnigan has that. The Improvement District encourages the initiation of new training ideas to meet the fast-changing fire service demands and we look forward to supporting new programs that may arise.

There has been a new initiative at Shawnigan Fire to create a defined rope training facility. The Chief, along with fire department members have created Summit Rescue, a specialized training company operating to provide high level rope training to other firefighters on the lower island. The Improvement District is excited to see the progress forward on this, and the fire chief has certainly put the time in to fill upcoming dates with students. The word is spreading quickly throughout the valley and lower island so we are certain it will be a success.

Volunteers:

Program development and pro-active members of the fire department are the main reasons for the retention of volunteers. As mentioned in the past, Chief Shields operates a challenging program for the volunteers and we support him in his motivation for success. The trustees would like to extend a thank you to the Chief for his dedication to the department and for providing a valuable service to the community.

Each and every one of the volunteers takes time out of their lives to help community members; a very commendable quality and this does not go unnoticed. There are 4 of us up here that understand that commitment level to be a volunteer firefighter. Our community is grateful to have each and every one of you.

I would also like to thank the Trustees for their time giving back to the community; (vice Chair) Dean Freer, Mike Trotter, Dave Cech, and our financial administrator Karen Berezki. We have all spent a considerable amount of time on special projects this year with great results, so thank you.

In closing, the trustees appreciate all of the volunteers' hard work and dedication throughout the year and we would like to thank everyone in attendance tonight's meeting to show your support for the community.

Moved: Mike Trotter

Second: Dean Freer

Carried: **That the Chairman's 2018 Annual Report be accepted as presented.**

4.0 FIRE DEPARTMENT REPORT - *Keith Shields, Fire Chief*

The Fire department was dispatched 373 times during 2018. This is up by 66 calls from last year. That puts SHAWNIGAN LAKE at the second highest call volume in the Cowichan Valley, contrary to what was being advertised by a neighbouring district. The breakdown is as follows:

- 19 Alarms activated
- 23 Assistance calls
- 44 Burning complaints
- 4 Bush fires
- 22 Miscellaneous fires
- 5 Hazardous materials
- 54 Hydro line incidents
- 144 Medical AIDS
- 13 Mutual Aids
- 36 Motor Vehicle incidents
- 1 Technical Rescue
- 8 Structure Fires

We held 52 regular practises, 12 regular tech rescue practises and 12 officer meetings. In addition to these regularly scheduled practises and meetings we held an instructor development course, traffic control class, emergency vehicle operations, live fire 1 & 2, mutual aid tech rescue, first responder and recert classes, tech recert, Hazmat Awareness, Interior team leader, Auto ex day, tech day, Officer practises and our Deputy took a fire investigation course.

The community events attended include the Shiver, Remembrance Day, clean-up day, camp good times, Canada day, Cowichan exhibition, Terry Fox run, SLCC Christmas event, Wounded warrior, Santa run/ food drive, Daycare tours, Discovery school talks, Foster parent group at SLCC and our open house.

Upgrades around the Stations included exhaust filtration system for #1, a dehumidifier and new furniture for #2 and a water filter system for #3.

Our upcoming capital project plans are dynamic and may change as the need arises:

- **2019** - Replacement of Tender 3, bigger generator for #2 Station that powers all the circuits. These are in the works.
- **2020** - Partial roof replacement on #1 Station
- **2021** - Boat house and Boat upgrade
- **2022** - Command 1 pickup replacement
- **2023** - Full inside and out paint of #2 Station

Our membership has fluctuated a little this past year dropping down to 36 at the low end. We recently held application interviews and are starting five recruits shortly.

At the end of 2018 we broke our ties with the technical rescue company we had been associated with and went on our own under the Fire Department umbrella. The name we chose is Summit Rescue. We offer training to our own members of course and other Fire Departments and groups. What this does is keep our instructor members sharp and with the income generated from outsiders are costs are minimal for our members. Any profit seen will go back into the program. We feel this is also a benefit to any local departments not having to travel to the mainland or incur instructor costs to come to the island. We recently completed our first class of 15 and have 2 more full classes booked.

None of the Fire Department functions would be possible without the solid support of the membership and the support team at home. The amount of time dedicated to looking after our district is second to none in the volunteer groups. I would like to extend a huge thanks to the membership and officers who spend an incredible amount of time and effort organizing and executing the weekly practises. This is where it all starts; without solid real-world training scenarios we would be at a real disadvantage when dealing with the real-life incidents. Thanks to everyone that makes this team #1 in my eyes.

At the root of all this is our Trustees. They have been very supportive of all the projects we put forth. By careful planning and projecting our taxation rate has remained stable and very fiscally responsible. A huge part of keeping all this in order is our administrator Karen. I feel she has gone above and beyond with all the happenings in the district this past year. Thanks Karen.

On the Fire Department side to keep all the training records, incident reports, and general operations running smooth is Heather Plumb. Thanks for a job well done.

Moved: Chris Shields
Second: Dean Freer

Carried: That the 2018 Annual Fire Department Report be accepted as presented.

5.0 2018 AUDITED FINANCIAL STATEMENTS - Karen Bereczki, Administrator

As Financial and Corporate Administrator for Shawnigan Improvement District, I am pleased to present the audited financial statements for the year ended December 31, 2018.

Pending approval at this meeting, these statements will be available for viewing on the Shawnigan Improvement District (SID) Website. There are also a limited number of paper copies available here upon request.

The Shawnigan Improvement District financial statements have been audited by MNP LLP, Chartered Professional Accountants, as appointed by the Board of Trustees at its January 15, 2019 regular meeting. The Independent Auditor's Report outlines their responsibilities, the scope of their examination, and their opinion on the Improvement District's financial statements.

The financial statements are the responsibility of the Board of Trustees. The statements have been prepared in accordance with Canadian public sector accounting standards. The auditor has expressed their opinion that the statements present fairly, in all material respects, the financial position of the Shawnigan Improvement District as at December 31, 2018.

Pursuant to the Shawnigan Improvement District's Letters Patent, it is hereby noted that the Board of Trustees chooses MNP LLP as auditor for the ensuing year.

The Improvement District records accounting transactions using the fund accounting method. As such, highlights of these Financial Statements are set out by individual fund as follows:

Operating Fund:

Operations accounts for the day-to-day activities of providing services.

The 2018 Statements show an accumulated Operating surplus of \$149,816, compared to prior year surplus of \$121,098. Representing a net 2018 operating surplus of \$28,718.

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, and then submitted to the Ministry of Municipal Affairs and Housing for official record.

There were no expenditures from this fund during 2018.

The balance of the Renewal Reserve Fund as at December 31, 2018 was \$226,895, compared to the prior year balance of \$100,277. Funding of the Renewal Reserve Fund is ongoing to ensure resources are in place for repair/replacement needs. For example, this fund will respond to the planned Station 1 roof replacement as set out in the five-year plan previously reported by the Fire Chief. There is no need to increase the operating budget or borrow to undertake this task.

Tangible Capital Assets:

Tangible Capital Assets include buildings and equipment. These are stated at cost less accumulated amortization.

Capital Asset Acquisitions in 2018 totalled \$106,158, comprising firefighting equipment, turn out gear, building and grounds improvements, and furnishings.

Including the 2018 amortization expense and capital asset acquisitions, the net book value of tangible capital assets comprising buildings and equipment totals \$5,002,365 compared to \$5,196,316 in 2017.

Net Debt:

The net debt as at December 31, 2018 totals \$1,953,694 compared to \$2,248,827 in 2017.

2019 Operating Budget:

The budget in 2019 calls for a tax levy of \$730,000, compared to \$650,000 in 2018. The \$80,000 increase is mainly due to increased contributions to the renewal reserve fund.

The impact of this increase on taxpayers is mitigated by the boundary changes approved and ordered by Ministerial Order No. M043 on February 8, 2018, comprising 46 additional properties within the District Boundaries. These properties have been included on the assessment roll in 2019 for the first time.

The Shawnigan Improvement District continues to operate in a favourable financial position. Taking into account each of the funds reported, the consolidated accumulated surplus as at December 31, 2018 is \$3,048,671 compared to \$2,947,489 in 2017.

While Shawnigan Improvement District continues to be well managed financially, improvements are always possible. I would like to recognize the Trustees, the Fire Chief, the Administrative Assistant and the Fire Department Members, for their commitment to continuous improvement and service to the community.

Moved: Chris Shields
Second: Mike Trotter

Carried: That the 2018 Audited Financial Statements, and Financial Officer's report be accepted as presented.

6.0 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, as well as the Annual General Meeting where they report to the land owners.

The honoraria last increased from \$11,000 to \$12,000 in 2016.

Moved: Chris Shields
Second: Dave Cech

Defeated: That the trustee honorarium remain as is and be set at \$12,000 for the 2019 fiscal.

Moved: Glen Sanders
Second: Brett Malcom

Carried: That the trustee honorarium be increased from \$12,000 to \$14,000 for the 2019 fiscal year.

7.0 ELECTION OF TRUSTEES:

Chair Chris Shields introduced Mr. Cliff Evans as the duly appointed Returning Officer.

The Trustees' terms of office were accounted for: Dean Freer's and Dave Cech's terms have expired. As such, there are two vacant Trustee positions comprising two three-year terms.

Tiffany Newman nominated Dean Freer. *Accepted.*

Brett Malcolm nominated Dave Cech. *Accepted.*

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

Dean Freer and Dave Cech were declared elected by acclamation.

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

8.0 NEW BUSINESS: (nil)

9.0 PUBLIC PERIOD:

- 1) What is the timing of the new generator at Station 2?

Chief Keith Shields advised that the generator installation is complete and the unit will be fully operational as soon as BC Hydro makes the connection.

- 2) What will happen to the old generator?

Chief Keith Shields advised that it is up for sale.

- 3) Resident Glen Sanders commented on the number of fires attended, and asked about the total dollar value of what was lost. Chief Shields indicated he didn't have that number with him but that he could look it up. Mr. Sanders noted that the point he was trying to make is that although there was some loss, the fire department had actually saved millions of dollars in assets.

- 4) Resident Glen Sanders commented on the Fire Underwriters Survey, and potential insurance premium reductions for owners of residences without hydrants. It is Mr. Sanders belief that given its equipment, water resources and pumping power, that the Shawnigan Fire Department would qualify for a favourable experience rating in this regard.

Discussion followed and Chief Keith Shields noted that he wasn't comfortable with the increased liability. Mr. Sanders urged that the matter be revisited

- 5) Resident Glen Sanders expressed a vote of thanks to the volunteer members and to the Board of Trustees for all that they do.

10.0 ADJOURNMENT:

Moved: Chris Shields

Second: Mike Trotter

Carried: **That the meeting adjourn at 8:25 pm.**

The next regular meeting of the Board of Trustees will be held on Thursday, May 16, 2019 at 7:00 p.m. at Fire Station 1 in the Board Room.

CERTIFIED CORRECT:

Chairperson

Administrator