

MINUTES

SHAWNIGAN IMPROVEMENT DISTRICT

Meeting **Annual General Meeting**
Date Wednesday, April 27, 2016
Place Board Room - Fire Hall No. 1

Present Chris Shields, Chair; Dean Freer, Trustee; Dan Salmon, Trustee; Keith Shields, Trustee, Fire Chief; Karen Berezcki, Administrator.

Call to Order 7:30 p.m.

Chairman Chris Shields called the meeting to order, introduced the head table and welcomed approximately thirty-two members of the public.

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 "3" year term.

ADOPTION OF MINUTES

Minutes of the April 29, 2015, Annual General Meeting were distributed to the attendees for advance review.

Moved: Chris Shields
 Second: Mike Trotter

Carried: That the April 29, 2015 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 Lake Improvement District Trustees. Since the last Annual General Meeting in 2015, 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 Lake Improvement District was created 66 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 within the Shawnigan Lake community, 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.

For those of you that may not know, the Shawnigan Lake Fire Department will be increasing their firefighting capacity by adding another Fire Station at the south end of the lake. Since we are in the development phase the trustees have been working hand in hand with the architects to put our ideas on paper. Overall, the trustees are very happy with the design and we believe that we are providing the rate payers of Shawnigan with a quality structure that will suit the needs of the district. As far as the building process is concerned, we surpassed another goal this week as we had our building plans approved by the CVRD. Currently, we are waiting for the contractor tendering process to end, which closes on May 11. After the closing date, we will be selecting a contractor and proceeding with the construction phase of the project.

This has been a long process to get to this point and the trustees are excited to finally see the light at the end of the tunnel. It must be noted that all of the trustees (as well as our financial administrator) have spent a considerable amount of time on this project and I would like to thank them all for all of their efforts.

As far as other projects around the district, our two fire stations are fairly maintenance free since our landscape plans were completed early in 2015. This has proven to be beneficial as it requires less time and money to make it look presentable. Not only does the Improvement District maintain the grounds and the structures, we also maintain the fireboat house located at the government wharf. Constant care and attention is required to keep this structure operational, especially during the winter months. The boathouse is in great working order as Trustee Dan Salmon has taken responsibility of this task. Trustee Salmon's motivation and organizing skills are an asset to the Improvement District and for that, the trustees thank you.

The training prop in the back of No.1 Hall is once again providing the volunteers with an incredible opportunity for training. The Fire Chief has taken it upon himself to expand the training prop (as needed) and in turn, has marketed the facility to the surrounding volunteer departments. This training facility is one of a kind in the Cowichan Valley and this is providing the district with some financial compensation as it often gets rented out by Technical Rescue Companies.

At this time, I would also like to say a special thank you to the Trustees (vice Chair) Dean Freer, Mike Trotter, Dan Salmon, Karen Bereczki (financial administrator), as well as Fire Chief Keith Shields.

I am extremely satisfied with the elected trustees that sit beside me. All of the trustees have their own strengths and, in turn, these strengths help the overall operations of the Improvement District. The amount of time they all spend on special projects is commendable and we should all be grateful for the work they have accomplished over the last calendar year. As mentioned, this last year has been extremely busy and every single one of trustees has stepped up to contribute... for that I thank you all.

The Improvement District operates as a business as we have to be fiscally responsible for all monies spent within the District. Our Financial Administration Officer (Karen Berezki) has the daunting task of administering these financial affairs. She has been working very hard on keeping up with the expenditures of the district (including; the two existing halls and the finances associated with the new build, among many others). On behalf of the trustees, I would like to thank her for all of her efforts over the last year, and also extend a pre-thank you for the remainder of 2016. With the new hall project, I can imagine the workload will increase, so keep up the great work.

Currently, the Shawnigan Lake Volunteer Fire Department has reached an all-time high in volunteer numbers. This, I believe, is a testament to the willingness of the community to volunteer. Also, a lot has to do with the Fire Chief creating an incredible program that attracts these volunteers in great numbers. From what the Trustees have heard, the Chief challenges the volunteers to get the most out of themselves and in turn, makes them eager to continue to develop as Fire Fighters and outstanding members of the public. The Chief has been a volunteer with the Shawnigan Lake Fire Department for 39 Years, and a career Fire Fighter for over 33 years. In my opinion, there is no replacement for his knowledge and experience and the trustees are beyond grateful for his commitment to the volunteers and the community. As always, we trust that the Chief will keep up the great work for the community and once again, thank you for your time and 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. From what the Chief has corresponded with us, you are all going above and beyond a baseline level of volunteering. Such a commitment takes away from personal time, time with family and friends, but it creates a bond that only fire fighters have. You are improving yourself to then better the community and that is extremely commendable. We appreciate all that you do for the community and we are very lucky to have each and every one of you. I'm not sure if it's something in the Shawnigan water that keeps you all motivated, but keep up the great work.

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

Moved: Chris Shields

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 249 times during our fiscal year which runs from Dec.1 to Nov. 30th. The breakdown is as follows.

- 13 alarms activated
- 13 assistance calls
- 25 burning complaints
- 12 minor fires
- 117 medical aids
- 2 hazardous materials
- 14 Hydro lines
- 4 Mutual aid calls to Mil Bay, Malahat, and Cowichan Bay
- 42 Motor vehicle incidents
- 2 Smoke reports
- 1 Technical rescue
- 4 Structure fires

In addition to these calls there were 52 weekly practices and 72 extra-curricular practices and events which included the following:

- 12 Technical rescue practices
- 2-day Instructor development course
- 3 days Advanced Tech rescue
- 4 Officer practices
- 6-day First responder course
- 3-day First responder recert course
- 2 - 4-day Tech Rescue courses
- 2-day Emergency vehicle operations course
- 9 extra practices for new members
- 6 pumping practices
- 7 days of First responder instructor training
- 4-day Light urban search and rescue course
- 2-day Marina firefighting course

Add to this the events attended by the fire department like the Christmas light up, family day and the gathering at the community centre. We also attended the Canada day celebration, Triathlon, Wounded warrior run, Cowichan exhibition, Shawnigan Shiver and the Remembrance Day ceremony in Cobble Hill. We provided 3 fire extinguisher demos, 4 hall tours, Open House and Fire Safety Talks at Discovery School and the Alliance Church preschool. With all that you're talking a lot of commitment from your volunteer firefighters.

There are changes coming to how Fire Services operate in the Province. First off the province has set the rules with more detail and confusion about the level of training than before. The rules are out there but a lack of criteria and training are making it confusing. Another change is the new Fire Safety Act which is sitting before the legislature right now. This new act replaces the existing Fire Services act. We have heard it has passed

second reading and possibly 3rd as of today. At our local level we have had a lot of questions about where Improvement Districts fit in as they are not really identified in this new Act. As pointed out by some of my colleagues there is going to be a huge shift in Investigative and financial responsibility. These are just a few of the concerns we have with this proposed legislation. In the past the Office of the Fire Commissioner helped out in this regard. This change, to me, looks like some serious downloading by the province to the authority having jurisdiction which in our case is the Improvement District. The group that worked on this new act has not been very forthcoming with information.

Last year in my report I talked about a boundary review that took place and I am now happy to report after 2 years it is finally completed by the provincial government.

Knowing how long this process could take and the construction of #3 hall on the horizon I have petitioned the property owners in Cougar Ridge and Sooke Lake Rd. to fill out an application for inclusion into the district. In the meantime, since we have a reliable water source with the hydrant at Sooke Lake Rd and Shawnigan Lake Rd, the Trustees have entered into an agreement for contracted fire protection services. This will be in effect until the application for inclusion is approved by the province. This is much like we did for the Estates at Shawnigan Station.

Our membership has grown substantially this last year as we now stand at 40 members. I believe we have the largest department in the valley now. With that comes some challenges though. Coordinating training to capture some of our shift workers has put more burden on the trainers. A sincere thanks to those that have stepped up and looked after this issue.

The department is looking forward to getting hall #3 underway, it's been a long time coming. The additional apparatus will alleviate some of the training challenges we have with the larger membership. This addition will of course cut response time to our south end residents as well. The insurance break the south end folks see should be substantial once the hall is in operation. I have had reports that some of the Cougar Ridge residents are paying up to \$400 per month for house insurance.

Our capital plan for the Fire Department is dynamic and changes as our requirements change. The 5-year plan is as follows:

- 2016 Hall 3 completion
- 2017 Engine and tender for hall 3
- 2018 Exhaust extraction system for #1 hall
- 2019 Exhaust extraction system for #2 hall
- 2020 Replacement of tender #1

I would like to acknowledge the Firefighters families that allow your firefighters to donate the hundreds of hours to training, community events and emergency response for the betterment of all of us in the district.

Next on the list is thanks to our firefighters that do so much for us. We have had some tough calls this past year. Calls that most of the public don't even know about much less

deal with. This group just keeps showing their dedication and commitment by continuing on. These Firefighters aren't here for any glory or pats on the back. They are here because they care about their community and the people who live here. It still amazes me when we have to block a road because of an incident how abusive some people can be towards the firefighters because they have been inconvenienced. Never mind the person who may be having the worst day of their life or never mind the firefighter who will probably still be on scene or at the hall getting the truck back in service long after the complainer is at their destination. Thanks Firefighters for taking that in stride.

None of this service we provide would be possible without the solid support of the Trustees of the District. Providing the funding resources and guidance for the fire department is second to none in my books. I don't believe this kind of relationship between trustees and fire department is all that common so I feel very fortunate in our situation. Not to mention our taxation rate is still one of the lowest in the area.

A huge thanks goes to our officer group for taking the extra step and leading the department in all our activities. Thanks also to our financial administrator and administrative support for keeping us on track. I look back on 2015 as a very successful growth and accomplishment year and I anticipate 2016 to be even better.

Moved: Chris Shields

Second: Dan Salmon

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

2015 AUDITED FINANCIAL STATEMENTS - *Karen Berezcki, Administrator*

On behalf of SID's auditors Anton, Bryson & Schindler (formerly Morine & Co.) Chartered Professional Accountants, of Nanaimo, BC, the Shawnigan Improvement District Audited Financial Statements for the year-ended December 31, 2015 are presented as follows:

Anton, Bryson & Schindler has audited the financial statements of Shawnigan Improvement District, which comprise the statement of financial position as at December 31, 2015, 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, as follows:

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, 2015 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 as follows:

The 2015 Audited Financial Statements show an Operating Surplus of \$65,890 as at December 31, 2015. This amount does not include the transfer to contingency of \$50,000 which when applied reduces this amount to \$15,890. The accumulated operating surplus since SID's inception is \$381,630.

The Renewal Reserve Fund is set up to pay for the repair, maintenance or replacement of a SID asset when it reaches the end of its useful life. Expenditures from this fund are authorized by Bylaw passed by the Board of Trustees, of which is then submitted to the Ministry of Community, Sport and Cultural Development. There were no expenditures from this fund during 2015.

The balance of the Renewal Reserve Fund at December 31, 2015 was \$411,914, compared to \$359,143 at December 31, 2014.

Capital Asset Acquisitions in 2015 totalled \$426,436, comprising Fire Hall No. 3 land and development expenditures of \$312,276, and firefighting equipment, turn out gear, building improvements and ongoing works on the outdoor training facility of \$114,159.

The net book value of tangible capital assets as at December 31, 2015; comprising buildings and equipment totals \$3,229,868 compared to 3,009,377 in 2014.

The net debt as at December 31, 2015 totals \$1,311,675 compared to \$918,666 in 2014. The increase is due to \$500,000 interim financing to respond to Hall No. 3 land purchase and development costs.

The budget in 2016 calls for a tax levy of \$500,000, compared to \$472,000 in 2015. A \$28,000 or 6% increase.

Although many plus or minus expense items are identified in the individual line item categories, the increase is mainly due to rate increases to Fire Fighter gratuities,

concurrent with the higher volume of call-outs and practices attended. The Fire Chief Rates were adjusted to reflect added responsibility coincident with the planning, development, recruitment and eventual management of a third fire hall.

Largely due to the capable fiscal management of the Board of Trustees, the Shawnigan Improvement District continues to operate in a favourable financial position.

If there is any interest, a limited number of copies of the audited financial statements are available here tonight. The statements will also be uploaded to the SID Website.

Moved: Chris Shields
Second: Dan Salmon

Carried: That the 2015 Audited Financial Statements be accepted as presented.

TRUSTEE HONORARIUM:

Chair Chris Shields reported that the honorarium is currently set at \$11,000 per year. This amount is divided into five equal parts with each of the five Trustees receiving \$2,200. The Trustees attend 12 regular meetings, where they conduct the business of the Improvement District, any special meetings as deemed necessary, plus the AGM where they report to the land owners.

The honoraria last increased from \$10,000 to \$11,000 in 2015. An increase of \$1,000 is being 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: Dean Freer

Carried: That the trustee honorarium be set at \$12,000 for the 2016 fiscal.

ELECTION OF TRUSTEES:

The Chair introduced Mr. Cliff Evans as duly appointed Returning Officer.

Mr. Evans called for nominations from the floor.

Tiffany Newman nominated Dean Freer. Accepted.

Paul Gallagher nominated Dan Salmon. Accepted.

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

Dean Freer and Dan Salmon were declared elected by acclamation.

Congratulations were extended to each candidate.

NEW BUSINESS: (nil)

PUBLIC PERIOD:

The following topics were discussed:

- Hall No. 3 construction progress
- Hall No. 3 location

ADJOURNMENT:

Moved: Chris Shields

Second: Mike Trotter

Carried: That the meeting adjourn at 8:05 p.m.

The next regular meeting of the Board of Trustees will be held on Monday, June 13, 2016, Fire Hall No. 1, Board Room.

CERTIFIED CORRECT

Chairperson

Administrator