

MINUTES

SHAWNIGAN IMPROVEMENT DISTRICT

Meeting **Annual General Meeting**
 Date Wednesday, April 30, 2014
 Place Board Room - Fire Hall No. 1

Present Mike Wright, Chairman; Chris Shields, Vice-Chair; Dean Freer, Trustee; Dan Salmon, Trustee; Keith Shields, Trustee, Fire Chief; Karen Berezcki, Administrator.

Call to Order 7:35 p.m.

Chairman Mike Wright called the meeting to order, introduced the head table and welcomed 30 members of the public.

Mr. Wright 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 24, 2013, Annual General Meeting were distributed to the attendees for advance review.

Moved: Cliff Evans

Second: Alan Sutherland

Carried: **That the April 24, 2013 Annual General Meeting minutes be accepted as circulated.**

CHAIRMAN'S REPORT - *Mike Wright*

It is my pleasure to report to you on behalf of the Shawnigan Improvement District Trustees the activities of the District for the past year since the last Annual General Meeting of April 24, 2013.

The Shawnigan Improvement district was created in 1950 and derives its authority to operate from the Local Government Act and Letters Patent which are granted by an Order in Council of the Provincial Cabinet. The district currently has two functions that it oversees. One is to provide bylaws, policies and financial oversight to the Shawnigan lake Volunteer Fire Department and the second function is to provide streetlighting.

Improvement Districts were initially created to manage irrigation systems in the interior of the province. Some improvement districts have chosen to provide other services to

their residents such as water utilities, parks, dikes, garbage collection, community halls, health centers and other unique services as directed by their residents and authorized through their Letters patent. Most improvement districts provide and manage a single community service. Although the improvement district is an autonomous corporation, it is subject to direction of the Ministry of community, Sport and Cultural Development. As the Ministry responsible for the local governance system, it has an interest to ensure that the local government remains open, representative, responsive and accountable to its citizens and that locally elected officials make effective use of their legislative powers. That is the primary reason for our Annual General meeting tonight, to provide in an open meeting of concerned citizens, the financial status and future plans of the district and the Shawnigan Lake Fire Department. In addition to that the eligible voters have the opportunity to elect two trustees for a three year term. As you will note on the agenda there is an allotted time that allows for new business. This is an opportunity for the public to ask questions and to give the Trustees direction on what the Improvement District should be doing within its mandate.

There are other maintenance and up-keep projects undertaken and completed. These include:

1. Upgrades to the static training center.
2. Upgrades to building heat and air conditioning.
3. New compressor installed #1 Hall.
4. Installed used compressor #2 Hall.
5. Work on the technical rope rescue and confined space training site project have continued over the reporting period.
6. Other general routine maintenance on all the District buildings has taken place to ensure they are kept in good repair.

Following an extensive audit by the Fire Chief, there were several boundary extensions where property owners within the District were petitioned to be included and thereby receive the benefit of fire protection for the Shawnigan Lake Fire Department.

The proposed #3 Fire Hall is progressing through various local and provincial government agencies for approval. As reported at the 2013 annual meeting a purchase agreement to purchase 3.1 acres of land at the south end of the district was signed. The original proposal in principal was drafted in the form of a land purchase agreement was signed between the Shawnigan Lake Improvement District and vendor. Subsequent to several meetings with governmental and private stakeholders, the process of reassigning the land use, several ecological studies and reports, satisfying the requirements of the local community plan, subdivision of the property, and impact on infrastructure studies, the initiative continues to move forward. At present the process is being further advanced by the Ministry of Transportation in drafting a Preliminary Layout Approval. Optimistically, the District hopes to enter into the final negotiations with the vendor.

The Improvement District also sought legal opinion with regard to the CVRD Nuisance Smoke Bylaw in order to provide clarification on overriding and confusing bylaws being the SLID Burning Bylaw and the aforementioned Nuisance Smoke Bylaw. Countless hours were spent in meetings seeking clarification in burning times when a local bylaw was already in place.

The Improvement District Trustees possess unique talents and abilities, which they are able to use to help keep the district functioning. As a community we are also fortunate to have a capable Financial Administration Officer in Karen Berezcki who so efficiently administers the financial affairs of the District.

As you will see tonight in the presentation of the audited financial statements, the District is operating very efficiently largely due to the team of Trustees and Firefighters who put in many hours of time in service to the community. One performance-measuring tool that is applied to any local government is community equity. Community equity is simply the value the residents receive for the tax money they spend on the service. The District has several million dollars invested in the buildings, equipment and trained people who deliver an essential service to the community on volunteer time. When fully considered, the Shawnigan Improvement District and the Shawnigan Lake Volunteer Fire Department provides exceptional community equity.

The focus and challenges of the Improvement District Trustees over the course of the upcoming year will include the acquisition of land for #3 Hall; the design and construction of #3 Hall; the procurement of apparatus and equipment; and finally the recruitment and training of personnel. The aforementioned challenges will be in addition to normal operational requirements of the infrastructure of #1 and #2 Halls. Further, the Improvement District will continue to ensure responsible and accountable stewardship of rate payer funds which have been entrusted to us.

Moved: Toni Hammond
Second: Sebastien Arsenault
Carried: **That the Chairman's Report be accepted as presented.**

FIRE DEPARTMENT REPORT - *Keith Shields, Fire Chief*

The Shawnigan Lake Fire Department was dispatched to 208 incidents during our fiscal year December 1, 2012 to November 30, 2013. The breakdown is as follows:

- 91 First Responders
- 35 MVIs
- 18 Burning Complaints (1.5 per month)
- 17 Alarms Activated
- 11 Assist Calls
- 8 Hydro Incidents
- 7 Chimney Fires
- 7 Reported Structure Fires
- 7 Miscellaneous Fires
- 3 Rescues
- 2 Bush Fires
- 2 Hazardous Material Incidents

In addition to these calls there were 52 regular practices, 11 evening technical rescue practices and a number of officer development evening practices held.

Weekend courses and sessions were held throughout the year, which included First Responder medical training, Technical Rescue training, auto extrication, pump operation, LiveFire training, a Hazardous Materials course and most recently a Traffic Control Instructors course.

On the public education side, there have been firehall tours, school presentations, fire extinguisher demonstrations, fire drills and block watch lectures. Members of the department have also attended community events such as the December Village Light-Up, Canada Day celebration, Cops for Cancer, The Gathering, the Subaru Triathlon and a couple of fundraising events. There was also a strong representation by Department members at the Remembrance Day Ceremony in Cobble Hill.

Following a recent boundary review it was found that 15 properties assumed to be in the District following a campaign in 2006 for inclusion for some reason never were. A petition was solicited to these property owners to once again make application for inclusion. I am happy to report that all but one CVRD-owned property have signed off and these applications have been submitted to the Provincial Government for approval. This will tidy up our boundaries, get these properties in the District allowing the Fire Department to respond legally and will generate more revenue for the district through property taxes.

After years of trying to get the lake access roads cleared out and useable, this has finally been achieved. Through recent meetings and correspondence, the Ministry of Highways granted permission to MainRoads Contracting to brush out these roadways for our access. These lake access points are vital in the Department's water supply operations. It still amazes me how some of our residents encroach onto the right-of-ways as if they own the land while actually hindering emergency vehicle access. I commend the Department of Highways and MainRoads Contracting for assisting us by clearing these accesses. Our next access issue is one where CVRD has placed two larger boulders on an access road with no consultation with the Shawnigan Improvement District or Fire Department.

Another issue to be dealt with was the newly enacted CVRD Nuisance Smoke Bylaw #3716. Once again, there was very little consultation with the Shawnigan Improvement District or the Fire Department. There was one meeting with CVRD that was focused on air quality based on a monitoring station in Duncan. We voiced our concerns to the Area Director, CVRD staff and Bylaw Enforcement officers and were basically ignored. A legal opinion was sought on the enactment of this bylaw; but because CVRD called it a nuisance smoke bylaw they could, in fact, enact it. If they had named it a fire prevention or burning bylaw they would not have been able to enact it because the Shawnigan Improvement District has had a burning bylaw since 1989. The bylaws share a lot of similarities but, the District bylaw covers all the bad stuff yet still allows for a reduction of fuel load on the majority of properties. At a recent Cowichan Valley Fire Chief Association meeting the Ministry of Forests fire prevention officer voiced his concerns about the build-up of fuels in our areas. CVRD's proposal to take yard waste to recycling depots is not always practical or economical. The District Trustees have unanimously taken the stand that the Fire Department will not endorse or enforce CVRD's bylaw and

that the Fire Department will only enforce the District's bylaw. CVRD's burning window of one month in the Fall and one month in the Spring with the correct venting index is not reasonable, in my opinion. These two months are potentially wet ones; debris has not had a chance to dry out in the Spring and will obviously smoke more. I believe CVRD needs to listen to the effected parties and quit doing their own thing. I've been told that all CVRD meetings are open to the public and I could have attended to listen to their bylaw plans, but I believe that if a governing body (CVRD) is planning to enact a bylaw/regulation that effect another governing body (SID), the onus should be on CVRD to contact the Shawnigan Improvement District. The District and Fire Department have enough to do without having to look over their shoulders constantly to see what is coming next. Our bylaw works! – for the entire year there were only 18 burning complaints with less then half being legitimate and not neighbor versus neighbor. The District bylaw is enforceable usually within 15 minutes; CVRD's two bylaw officers cover all of the CVRD and typically don't work evenings or weekends.

The progress on the acquisition of land for #3 Hall is still ongoing. We are now waiting for the Department of Highways' approval after the rezoning has passed. We were told by the previous Highways' manager that everything was good to go but that doesn't appear to be the case now. Hopefully soon.

In the Department's Capital Plan for last year, it identified the breathing air compressor as a replacement for 2015 but that has been stepped up. A new compressor and fill station have been put into service at #1 Hall and the original unit has been retrofitted and installed at #2 Hall. This allows the halls to operate independently if access should be cut off to either hall as well as cut down travel time to refill cylinders.

The revised Capital Plan is as follows:

- 2014 - #3 Hall and apparatus
- 2015 - #3 Hall and apparatus
- 2016 – Exhaust extraction systems for #1 and #2 Halls
- 2017 – Assessment of Tender #1 and replace if necessary
- 2018 – Ongoing contribution to the Renewal Reserve Fund.

At this point I would like to thank the officers and fire fighters for all their support. The amount of volunteer time here is commendable. It's easy to work for people who are motivated and enthusiastic. I have seen big improvements to the Department's fire fighting and rescue capabilities this past year. That comes from a lot of time put in by the fire fighters, which also means a fair amount of time is missed with family, so it wouldn't be right to just thank the membership but also their support crew at home.

None of this would be possible without the continued support of the District Trustees, Financial Administrator and Admin Support. I thank you all on behalf of the Shawnigan Fire Department.

Moved: Al Brunet

Second: James Dickinson

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

2013 AUDITED FINANCIAL STATEMENTS - *Karen Berezcki, Administrator*

On behalf of SID's auditors Morine & Co., Chartered Accountants, Nanaimo, BC, the Shawnigan Improvement District 2013 Audited Financial Statements are presented as follows:

Morine & Co. has audited the financial statements of Shawnigan Improvement District, which comprises the statement of financial position as at December 31, 2013, 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 obtain in its audit is sufficient and appropriate to provide a basis for its audit opinion, as follows:

In Morine & Co. Chartered Accountants' opinion, the financial statements present fairly, in all material respects, the financial position of the Shawnigan Improvement District as at December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting standards.

Highlights of the Financial Statements are as follows:

The 2013 Operating Surplus reported by the auditors is \$163,937. This amount does not include the transfer to Renewal Reserve funds of \$50,000, capital expenditures of \$142,876 or principal payments on loans of \$97,407 due to different reporting methods. The internal SID statements show a surplus of \$16,380.

The balance of the Renewal Reserve Fund at December 31, 2013 was \$305,029, compared to \$253,044 at December 31, 2012.

The Renewal Reserve Fund is set up to pay for the repair 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, and then submitted to the Ministry of Community, Sport and Cultural Development. There were no expenditures from this fund during 2013.

Capital Expenditures in 2013 totalled \$142,876, comprising fire fighting equipment, turn out gear, building improvements and ongoing works on the outdoor training facility.

The net book value of tangible capital assets as at December 31, 2014; comprising buildings and equipment totals \$3,078,249.

The net debt as at December 31, 2013 is \$1,020,746 compared to \$1,118,153 at December 31, 2012.

The budget in 2014 calls for a tax levy of \$482,000, a \$12,000 or 2.5% increase over the 2013 tax levy of \$470,000.

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

A limited number of copies of the audited financial statements are available for distribution tonight. If further copies are required these can be provided.

Moved: Dewar McArthy

Second: Cliff Evans

Carried: **That the 2013 Audited Financial Statements be accepted as presented.**

TRUSTEE HONORARIUM:

Administrator Karen Berezki advised that the honorarium is currently set at \$10,000 per year. This amount is divided into five equal parts with each of the five Trustees receiving \$2,000. 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 \$9,000 to \$10,000 in 2010.

Moved: Blaise Salmon

Second: Al Brunet

Carried: **That the trustee honorarium be set at \$10,000 for the 2014 fiscal.**

ELECTION OF TRUSTEES:

Chairman Mike Wright explained the election process and voting requirements. The trustees' terms of office were accounted for: Chris Shields' and Keith Shields' terms have expired.

Both Chris Shields and Keith Shields will let his name stand for re-election.

The qualifications and voting regulations were explained and nominations were called for from the floor.

Chris Gingell nominated **Chris Shields**. *Accepted.*

Al Brunet nominated **Roy Davies**. *Accepted.*

Tiffany Newman nominated **Keith Shields**. *Accepted.*

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

The Chairman appointed Cliff Evans to act as Returning Officer.

Alan Sutherland and Karen Berezcki, Administrator, collected the ballots. Cliff Evans, Returning Officer, Alan Sutherland and Karen Berezcki, Administrator, counted the ballots.

Returning Officer Cliff Evans presented the results to Chairman Michael Wright. Congratulations were then extended to Keith Shields and Chris Shields who were elected by majority vote, with 25 ballots being cast.

The Chairman thanked each of the candidates for letting their names stand for election.

NEW BUSINESS: (nil)

PUBLIC PERIOD:

The following topics were posed by members of the public, with Trustee responses as follows:

- (1) Blaise Salmon requested that the Audited Financial Statements be posted on the SID website. *To be reviewed by the Trustees at the May 12, 2014 meeting.*
- (2) Dewar McCarthy requested that the Operating Budget be posted on the SID website. *To be reviewed by the Trustees at the May 12, 2014 meeting.*
- (3) Clarification sought regarding CVRD and SID Burning Bylaws – essentially, can we burn? *SID will not enforce the CVRD Bylaw. The SID Burning Bylaw permits open fires up until mid-June.*
- (4) Alan Sutherland requested clarification as to the location of the properties seeking a boundary extension. *The properties in question are contiguous with the existing boundary, along Pillow Road, Rebecca Road, Sooke Lake Road, Ceylon Road, West Shawnigan Lake Road and Renfrew Road.*
- (5) Blaise Salmon requested that the number of votes per candidate be disclosed. *The Trustees will seek advice on this matter.*

- (6) It was suggested that at future annual general meetings, the Trustee candidates be asked to make a statement respective to background and interest holding the position of Trustee for SID.

ADJOURNMENT:

Moved: Sebastien Arsenault

Second: Blaise Salmon

Carried: **That the meeting adjourn at 8:25 p.m.**

The next regular meeting of the Board of Trustees will be held on Monday, May 12, 2014, Fire Hall No. 1, Board Room.

CERTIFIED CORRECT

Chairperson

Administrator