

DEEP BAY IMPROVEMENT DISTRICT
MINUTES OF THE ANNUAL GENERAL MEETING

APRIL 12, 2011, BOWSER LEGION HALL

Call to Order: 7:30 pm

Trustees: Joyce Bartram, Chair Ken Carter
 Claire Hilscher Pam Smyth
 Tom Plensky

Regrets: Helmut Meuser Dianne Eddy

Also Present: Maintenance Operator - Don Buchner
 Fire Chief – George Lenz
 Administrator –Leslie Carter
 Administrative Assistant – Nina LeBlanc
 Auditor – Brent Johnson

Present: **22** Rate payers, 2 non resident fire members

Joyce Bartram, Chair of the Board, thanked everyone for coming out and introduced the fire department members, staff and trustees.

Motion: to approve the agenda for the current meeting:

Tom Plensky Seconded: Ron Baldry Vote: Carried

Minutes of the 2009 AGM Held on April 13, 2010:

Motion: to accept the minutes of April 13, 2010 AGM Minutes.

Wayne Foot Seconded: Bill Veenhof Vote: Carried

Business Arising From the Minutes: none

Reports presented in written form:

- Chair's Report
- Operator's Report
- Operations and Maintenance Committee Report
- Fire Chief's Report
- Fire Protection Committee Report
- Finance Committee Report
- Bylaw Committee Report
- Environment and Emergency Committee Report
- HR Committee Report

Motion: to accept reports as presented

Ron Baldry Seconded: Beverly Briggs Vote: Carried

Auditor's Report –

Brent Johnson reviewed the financials, explained new presentation format to conform to new accounting standards.

Motion: to receive the 2010 Auditor's Report

George Lenz Seconded: Frank Hieronymi Vote: Carried

Trustee's Honorarium

Motion: to approve the Trustees Honorarium at \$1,400.00 for the Board Chair and \$800.00 for each trustee in 2011 for a total of \$6200.

Frank Hieronymi Seconded: Margaret Furnell Vote: Carried

Other business

a. Discussion regarding increase to Parcel Tax needed to fund renewal

Ken Carter spoke to the need of the DBID to raise parcel tax to fund renewal. Referred to graphs in report package.

- Planning has been ongoing for a number of years
- Asset costs on the financials are recorded at historical costs not replacement.
- To replace all assets in the ground today would cost about \$11 million
- So far money is being raised for specific identified projects but all of the works will have to be replaced as some point
- Rates need to increase it is just a question of when. Borrowing will still be required further down the road, the board is not suggesting we raise all of the required monies before hand.
- An increase of \$50 will see us through for the next 18 years
- As an improvement district there are no grants available and current grants are drying up even for eligible local governments

F. Hieronymi: A sample of pipe was recently tested and came back that there is 20 year left and this probably means there are more like 30 years left.

Plans are based on this report and propose at 60 year life on the AC pipe rather than 50. The infrastructure replacement is not just pipes but all components of the system.

R. Baldry: Engineers will not stick their necks out and so play it safe with predictions

The board does look at engineers reports when making decisions but also take into account what is actually happening with the asset.

Clarification provided that the DBID uses water tolls to finance operations and parcel tax to fund renewal. This is at the discretion of the board.

R. Baldy: There are people in this district that have real cash flow problems and \$50 will make a huge difference

The board recognizes this and try's to keep costs down. This was reflected in the new toll structure. Low water users will see savings on their tolls that will balance off an increase in parcel, some rate payers will be more affected than others.

F. Hieronymi: Graph in report goes to 2091, will any of us still be alive then?

The graph to 2091 is a planning tool and presents a best case scenario. The board focuses on the 10 year plan. It is based on a 2% rate of inflation and a 3% interest borrowing rate. A change to either of these figures will affect the predictions significantly.

R. Baldry: Is possible expansion taken into account?

No, expansion is not taken into account. If there is a large development, they will contribute to renewal but will also increase the amount of infrastructure that needs to be funded for replacement.

Board is also working on a more comprehensive capital replacement schedule for all fire department assets this year so this may mean an increase needed to ensure sufficient funds.

F. Hieronymi: Population predictions can be a problem as they are not always accurate.

The board agrees and that is why we are assuming a steady population but not counting on expansion.

b. Presentation regarding the development process and the DBID's role

Joyce Bartram spoke to the development process both prior to the DBID receiving any application and once an application has been received by the office. (details in report package)

R. Baldry: Could the board clarify what CEC's are and what they can be used for CEC's are collected for new lots developed. The charge must be supported by an engineers report for specific work. CEC funds can only be used for adding capacity or expansion of the system not for replacement of existing works.

F. Hieronymi: Engineers report says that the Shoreline project is being done for an adjacent subdivision

The reason the Longview & Shoreline projects are being done is to address fire flows in the area.

c. Questions from the floor

R. Baldry: Feels that the current 12% penalty for late payment is too high and would like the board to review this as it is a hardship for some ratepayers. Government sets interest rates at 5.5%

Interest rates for taxes in arrears are set by the Province. These rates are reissued every 4 months. This interest is applied once a tax account is more than 12 months in arrears. The 12% penalty is set by the board to encourage prompt payment. The office does work with ratepayers that are in arrears.

Elections of Three Trustees

The election was turned over to Leslie Carter.

Terms expired: Joyce Bartram, Claire Hilscher, Helmut Meuser. Claire & Helmut have agreed to stand for election. Nominations called for from the floor: Joyce Bartram nominated Bill Veenhof. Nominations call for from the floor two more time, no further nominations were forthcoming.

Claire Hilscher, Helmut Meuser & Bill Veenhof elected by acclamation, each for 3-year terms expiring at the AGM 2014. Bill introduced himself to the rate payers.

Motion for Adjournment: Ed Ness

Meeting was adjourned at 8:40 pm

The above minutes were approved on May 18, 2011.

Chair of the Trustees

Officer