

MINUTES

BRAITHWAITE ESTATES IMPROVEMENT DISTRICT

Meeting 46th Annual General Meeting
Date **Thursday, April 27, 2023**
Place Cobble Hill Community Hall, 3550 Watson Ave., Cobble Hill

Present: Robin Brett, Chair; Gordon Redding, Treasurer; Gerry Giles, Trustee; Wayne Gillis, Trustee; Joe Woolls, Operator; Philip Leeman, Maintenance; Karen Bereczki, Administrator.

Absent: Dennis Maher, Vice-Chair.

Call to Order: 7:00 p.m.

1.0 INTRODUCTION

Chair Robin Brett called the meeting to order, introduced the Board of Trustees and Staff, and welcomed five residents of the District.

Chair Brett advised that the meeting was called for the following purposes:

- 1) To receive from the Trustees a report on the conditions of the works and a statement of the financial condition of the Improvement District;
- 2) To discuss with the Trustees any matter relating to the works or finances of the Improvement District;
- 3) To fix the honorarium of the Trustees for the ensuing year;
- 4) To elect one Trustee to serve for a three-year term.

2.0 ADOPTION OF MINUTES

Minutes of the April 21, 2022, Annual General Meeting were distributed to the residents in attendance.

Moved: Tom Harkins

Second: Gerry Giles

Carried: That the April 21, 2022, Annual General Meeting minutes be accepted as circulated.

3.0 OPERATOR REPORT *Joe Woolls, Operator, Island Flow Control*

Chair Robin Brett invited BEID's contract Operator, Joe Woolls of Island Flow Control to present a report on the operations of the District.

The Operator reported that he has been with the District for almost two years as he started in May 2021.

Operational items of note over the past year include:

1. Leak repair on the Fisher Road easement.
2. Removed an abandoned PRV chamber and replaced some pipe on the Fisher Road easement.
3. Unidirectional flushing and hydrant maintenance were completed.
4. Adams Close flush located and brought to surface.
5. Rolmar Well #2 investigation is ongoing. Well liner was replaced with new stainless-steel pipe.
6. Control system upgrade to SCADA eliminating an obsolete Telus line with radio
7. SCADA will allow for monitoring of aquifer levels, pump health, groundwater and static water levels, condition of wells. Alarms will be sent via email and text messaging.
8. SCADA upgrade is in progress and is almost complete.
9. Pumphouse #1 (Cheeke Road PRV Station) has been rebuilt. New PRV valves will be installed to allow for isolation of various zones. This will reduce the number of connections shut off when repair/maintenance is required.
10. Distribution overview map has been updated to current.
11. For a system this size it has been a very busy year.

Moved: Tom Harkins

Second: Nick Hill

Carried: That the April 27, 2023, Operator Report be accepted as presented.

The Operator was thanked for his attendance and was excused from the balance of the meeting.

4.0 FINANCIAL OFFICER REPORT *Karen Berezcki, Administrator*

4.1 2022 Audited Financial Statements:

Braithwaite Estates Improvement District (the “District”) was incorporated by letters patent issued on February 5, 1976, and operates under Part 17 of the *Local Government Act (BC)*. The principal activities of the District are to supply potable water for domestic use within the District’s boundaries.

As the Financial and Corporate Administrator of the District, it is a pleasure to present the audited financial statements for the year ended December 31, 2022.

For reference, a copy of the financial statements is included in the meeting handouts. This information is also available to members at large for viewing on the District’s website at www.BEID.ca.

The District’s financial statements have been audited by Morine and Schindler LLP, Chartered Professional Accountants, as appointed by the Board of Trustees at its February 2, 2023, regular meeting. The Independent Auditor’s Report found on pages 2 and 3, sets out the Auditor’s responsibilities, the scope of their examination, and their opinion on the District’s financial statements.

The auditor has expressed its unqualified opinion, at the top of page 2, as follows:

Auditor Opinion (page 2):

We have audited the consolidated financial statements of Braithwaite Estates Improvement District (the District), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2022, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Consolidated Statement of Financial Position (page 4):

Taking into account each of the funds to be reported, the consolidated accumulated surplus as at December 31, 2022, is \$1,831,682 compared to \$1,782,072 in 2021, representing a net surplus of \$49,610. The **Consolidated Statement of Operations (page 5)**, outlines this surplus in detail.

Pages 6 through 11 outline the consolidated statements of accumulated surplus, changes in net financial assets, cash flows, and notes to the consolidated statements.

Fund Accounting:

The District records accounting transactions using the fund accounting method. Each fund has a specific purpose, with spending restrictions that must be adhered to. Money in each individual fund, and interest earned on it, must be used only for the purpose for which the reserve fund was established.

Disbursements are authorized by resolution or by Bylaw, passed by the Board of Trustees. Once passed, disbursement bylaws must be submitted to the Ministry of Municipal Affairs and Housing.

Operating Fund (page 12):

Operations accounts for the day-to-day activities of providing services. Such as repairs and maintenance, hydro, insurance, operator fees, wages, training and administration costs.

The accumulated surplus in this fund at December 31, 2022, totals \$90,484, compared to prior year surplus of \$97,877; representing a net 2022 operating loss of \$7,393.

Backflow Reserve Fund (page 13):

Pursuant to the District's Backflow Prevention Program initiated in 2006, all connections within the District shall have a backflow prevention valve installed at no charge.

Other than investment income, there were no additions to, or expenditures from, the backflow fund during 2022. The accumulated surplus in this fund at December 31, 2022, totals \$18,080.

Renewal Reserve Fund (RRF) (page 14):

Part 706 of the *Local Government Act* requires the Trustees to create a renewal reserve fund, and to adequately fund it so that infrastructure can be maintained and replaced. The District's renewal reserve fund is set up to pay for the repair, maintenance or replacement of existing assets as they reach the end of their useful life.

Annual funding is determined by the RRF schedule. The calculated amount is budgeted, collected and expensed through the Operating Fund.

RRF expenditures totalling \$80,822 comprised of Well #1 Pumphouse Replacement (\$40,507); Well #2 pump remediation/well assessment (\$20,457); Fisher Road Easement Leak Repairs (\$18,702); Cheeke Road PRV Upgrade (\$1,100); SCADA Upgrade (\$55).

The accumulated surplus in this fund at December 31, 2022, totals \$806,624.

Capital Expenditure Charge Fund (CEC) (page 15):

Capital expenditure charges are levied under Bylaw no. 133, pursuant to section 698(1)(e) of the *Local Government Act*, where the creation of parcels of land or development on parcels of land will result directly or indirectly in new capital cost burdens for the District.

CEC funds generally come from developers when the existing boundary is expanded to include a new lot; when an existing lot is subdivided; or when an accessory dwelling is developed on a single lot.

CEC funds are restricted by the provincial government to use only for items that increase the water capacity of the District, such as additional wells or reservoirs. These funds cannot be used for repairing or replacing assets the District already owns. An engineer-developed 10-year Master Plan provides guidance for CEC funded projects.

CEC charges totalling \$45,390 were collected in 2022. This represents six CEC charges collected for accessory dwelling units. CEC expenditures totalling \$15,551 comprised of Master Plan Update (\$15,496), and SCADA Upgrade (\$55).

The accumulated surplus in this fund at December 31, 2022, totals \$141,428.

Equity in Tangible Capital Assets (pages 11 & 16):

Tangible Capital Assets currently include the water system, water mains, buildings, equipment and fire protection. These are stated at cost less accumulated amortization. Provision for repair/replacement of these assets, including inflation, is planned through the Renewal Reserve Fund.

Additions of \$61,582 to tangible capital assets during 2022 reflect a portion of the renewal reserve fund expenditures reported earlier. There were no disposals.

The accumulated surplus in this fund at December 31, 2022, totals \$775,066.

4.2 2023 Operating Budget, Rate Changes & Planning for the Future:

Despite the 2022 operating loss reported earlier, the District continues to operate in a favourable financial position. This is largely due to good fiscal management and difficult decisions.

The base tolls increased from \$90 to \$95 bi-monthly effective on the April 1, 2023, tolls billing. The annual tax rates are also under review. Members can expect an increase effective June 1, 2023.

It was necessary for the Board to raise rates in order to meet cost increases projected in the 2023 budget. No one likes rate increases, but the Board hopes you will find them reasonable.

Tolls and tax rates were last increased effective April 1, 2022 and June 1, 2022 respectively.

As always, I would like to recognize the Trustees for their commitment to system sustainability, continuous improvement, and service to the community.

Moved: Tom Harkins

Second: Francis Hugo

Carried: That the 2022 Audited Financial Statements, and April 27, 2023, Financial Officer's report be accepted as presented.

5.0 REPORT ON THE OPERATIONS OF THE DISTRICT *Robin Brett, Chair*

In recognition of his many years of service to the BEID, the Chair presented a gift to former Trustee Francis Hugo. Mr. Hugo accepted the gift with thanks, acknowledging the BEID has been built on a foundation from many years of dedicated governance. A tribute to the founding Trustees.

The Chair reported on the following items:

1. Subdivision Applications:
 - Account 4, 1235 Braithwaite – 2-lot Subdivision Application
 - Account 80, 940 Jedson Road – 4-lot Subdivision Application
 - Account 223, 3668 Telegraph – 2-lot Subdivision Application

2. Second Dwelling Suite Applications:
 - Account 31, 1166 Braithwaite Drive
 - Account 39, 1135 Braithwaite Drive
 - Account 44, 1123 Stuart Crescent
 - Account 45, 1127 Stuart Crescent
 - Account 70, 1090 Braithwaite Drive
 - Account 275, Lot 1 Braithwaite/Farnsworth (plus service connection for main dwelling)

3. Water Sustainability Act – Groundwater Licensing Application
No new information

4. Drainage Improvements – Shop Sink
Complete
5. Well #1 Pumphouse Replacement
Complete
6. Adams Close Air Valve Upgraded to Flush Valve
Complete
7. Fisher Road Easement
 - Leak #1 - investigation and leak repair
 - Leak #2 - removal of abandoned PRV Chamber, pipe replacement and leak repairComplete
8. SCADA installation
 - Proposal received
 - BEID's Engineer WSP reviewed and validated the proposal and cost estimateInstallation in progress
9. Shaw internet and Shaw phone installation (required for SCADA)
 - Conduit and internet installed
 - Shaw phone in progress (issues with porting the telephone # from Telus)
10. WSP 2013 Capital Development and Master Plan Update; Drawing Update from 2013 to Present
 - 10-year update required by legislationIn progress. First draft currently under review.
11. As a consequence of #10 above, to ensure drawings are up-to-date with each development, BEID entered into a Base Drawing Update Standing Offer agreement with WSP; drawing updates are paid by developer
12. Reservoir Security
Chain link fencing at the reservoir site is currently under review.
13. PRV and Pipe Work Upgrade for the Cheeke Road Pressure Zone
 - Provides ability to isolate pressure zonesWSP review of drawing and cost estimates currently in progress
14. Well #2 Assessment & Pump Size Review
Currently in progress

Moved: Tom Harkins

Second: Sanja Hugo

Carried: That the April 27, 2023 trustee report be accepted as presented.

6.0 TRUSTEE HONORARIUM

The Chair advised the total honorarium is currently \$9,000.00 per year, as set by the ratepayers at the April 21, 2022, AGM. This amount is divided into six equal parts - the four Trustees receive one part each (\$1,500) and the Chair receives two parts (\$3,000). The honorarium was last increased from \$8,000.00 to \$9,000.00 by ratepayers at the April 21, 2022 AGM. It is up to the landowners to set the Honorarium.

Moved: Sanja Hugo
Second: Tom Harkins

Carried: That the trustee honorarium be set at \$10,000.00 for the 2023 fiscal year.

7.0 ELECTION OF TRUSTEES

Chair Robin Brett explained the election process as follows:

Pursuant to Section 684(1) of the *Local Government Act*, in order to vote at an election for improvement district trustees, a person must be:

- 1) a Canadian citizen
- 2) 18 years of age or older
- 3) an owner of land within the improvement district
- 4) entitled to be registered as a voter under the *Elections Act*.

Every person who is qualified to be a voter in an improvement district is also qualified to be a trustee.

The Trustees' terms of office were accounted for: Dennis Maher's three-year term has completed.

Mr. Maher will not be standing for re-election.

Nominations were called for candidates to stand for election to one three-year term.

1) Gerry Giles nominated Philip Leeman. *Accepted.*

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

Philip Leeman was declared elected by acclamation.

Candidate Philip Leeman was thanked for letting his name stand for election.

The 2022/23 Board of Trustees was confirmed as follows: Trustees Robin Brett, Gerry Giles, Wayne Gillis, Philip Leeman and Gordon Redding.

7.0 OTHER BUSINESS

General discussion and Q&A ensued:

- What is the status of the Rolmar Well #2?

Well #2 is a main production well. It was developed in the 1980s. A camera inspection and hydrologist report has recently been completed. The Board will be making a decision on whether to scrub the screen and removed three feet of debris, or whether to simply proceed with installing a new pump and getting the well back on line.

- Is there a limit on capacity respective to secondary dwellings?

CVRD allows for secondary dwellings. As an Improvement District BEID is obligated to provide water. Fortunately, BEID has the capacity to supply further connections.

Since there was no other business forthcoming, the Chair thanked the owners for attending, and the meeting was adjourned.

8.0 ADJOURNMENT

Moved: Rhonda Scheiber

Second: Tom Harkins

Carried: That the meeting be adjourned.

The meeting adjourned at 8:13 p.m.

The next regular meeting of the Board of Trustees will be held on Thursday, April 27, 2023, immediately following the AGM.

CERTIFIED CORRECT

Chairperson

Administrator