

MINUTES

BRAITHWAITE ESTATES IMPROVEMENT DISTRICT

Meeting 46th Annual General Meeting
Date **Thursday, April 25, 2024**
Place Cobble Hill Community Hall, 3550 Watson Ave., Cobble Hill

Present: Robin Brett, Chair; Gerry Giles, Vice-Chair; Gordon Redding, Treasurer; Wayne Gillis, Trustee; Philip Leeman, Trustee, Maintenance; Joe Woolls, Operator; Island Flow Control (to 7:40 pm); Karen Berezcki, Administrator.

Call to Order: 7:05 p.m.

1.0 INTRODUCTION

Chair Robin Brett called the meeting to order, introduced the Board of Trustees and Staff, and welcomed seven 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 27, 2023, Annual General Meeting were distributed to the residents in attendance.

Moved: John Miller
 Second: Katrina Grounds

Carried: **That the April 27, 2023, 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 three years as he started in May 2021.

Operational items of note over the past year include:

- a) The new SCADA monitoring system is up and running:
 - i. Ability to dial into aquifer level readings
 - ii. Sensitive alarms on all the wells
 - iii. Factual information and answers to queries are readily available
- b) Rolmar Well #2 has been upgraded with new pump and pipe
- c) Braithwaite Well #3 has been upgraded with new pump and pipe; a long-standing sand issue has been resolved
- d) Fisher Well #4 is running very well; it is slated for upgrading work to be done
- e) An ROV video inspection of the tower was recently completed with good results showing very clean conditions
- f) Hydrants were serviced
- g) Valves were exercised and serviced
- h) Infrastructure within the BEID right-of-way between Telegraph and Fisher has shown some wear-and-tear resulting in leak repair work

Moved: Jim Baker

Second: Jackie Baker

Carried: **That the April 25, 2024, Operator Report be accepted as presented.**

4.0 FINANCIAL OFFICER REPORT *Karen Berezcki, Administrator*

4.1 2023 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, 2023.

For reference, a copy of the financial statement 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 December 7, 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 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, 2023, 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, 2023, 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, 2023, is \$1,845,619 compared to \$1,831,682 in 2022, representing a net surplus of \$13,937.

The **Consolidated Statement of Operations (page 5)**, outlines this surplus in detail.

Pages 6 through 12 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.

Operating Fund (page 13):

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, 2023, totals \$92,359, compared to prior year surplus of \$90,484; representing a net 2023 operating surplus of \$1,876.74.

Backflow Reserve Fund (page 14):

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 2023. The accumulated surplus in this fund at December 31, 2023, totals \$18,300.

Renewal Reserve Fund (RRF) (page 15):

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 \$281,400 comprised of Well #2 refurbishment and pump replacement (\$43,187); Well #3 refurbishment and pump replacement (\$7,985); Well #4 preliminary investigation (\$1,322); control system replacement with SCADA technology (\$228,856).

The accumulated surplus in this fund at December 31, 2023, totals \$605,828.

Capital Expenditure Charge Fund (CEC) (page 16):

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.

There were no CEC charges collected in 2023. CEC expenditures totalling \$3,504 comprised of the Master Plan Update.

The accumulated surplus in this fund at December 31, 2023, totals \$114,231.

Equity in Tangible Capital Assets (pages 17 & note 3 on page 11 also refers:

Tangible Capital Assets currently include the water system, water mains, buildings, fire protection, SCADA control system and security devices. 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 \$307,130 to tangible capital assets during 2023 reflect a portion of the renewal reserve fund expenditures reported earlier (SCADA; chain link fencing). Disposals totalled \$55,000 (well pump #2; well pump #3; control system).

The accumulated surplus in this fund at December 31, 2023, totals \$1,014,900.

4.2 2024 Operating Budget, Rate Changes & Planning for the Future:

The District continues to operate in a favourable financial position. This is largely due to good fiscal management and difficult decisions.

Tolls and tax rates were last increased effective April 1, 2023 and June 1, 2023 respectively.

The annual tax rates have been reviewed. Members can expect a base increase from \$225 to \$250 effective June 1, 2024. A tolls increase is not planned.

It was necessary for the Board to raise taxes in order to meet cost increases and renewal reserve funding requirements projected in the 2024 budget. No one likes rate increases, but the Board hopes you will find them reasonable.

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

Moved: Katrina Grounds

Second: Jackie Baker

Carried: That the 2023 Audited Financial Statements, and April 25, 2024, Financial Officer's report be accepted as presented.

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

Here is a list of accomplishments and operational items over the last year:

- a) Master Plan update – Draft #2 review currently in progress. The Master Plan is a very important document for the District. It outlines the work that the engineers determine will keep the District sustainable for a 10-year period. It may include the cost of safety and security measures, and above all the preparation and necessary upgrades to prepare for any growth in the District, so that we are able to keep up with demand. It's also an important document from a financial point of view because the cost calculations determine what a developer will pay to the District for joining or subdivision. This money goes into a separate account to be used to augment our pumping and storage capacity which benefits us all in the future.
- b) SCADA control system was installed. In the past checking the system was done once a day. Now the SCADA keeps 24/7 watch over the District works and if anything is amiss, the Operator knows exactly where the problem is before heading out to resolve the matter.
- c) Rolmar Well #2 refurbishment – pump tested to determine its accurate capacity, replaced well casing with Stainless Steel, replaced pump.
- d) Braithwaite Well #3 refurbishment – in the past this well had been drawing sand when pumped above 50 gpm and it appeared to have more recently deteriorated to 25 gpm. It was pump tested to determine exactly at what point it was pulling sand through the screen when the contractor discovered that the pump was set too low. The pump was replaced and repositioned and it is now pumping at 60 gpm without drawing sand. The well casing was replaced with Stainless Steel, and it has now been brought on-line to run in rotation with Well #2 and Well #4.
- e) Fisher Well #4 – This well also appeared to have lost considerable capacity. Our contractor discovered that the meter was faulty and the well has been operating at its original capacity. The pump is nearing its expected lifespan, and we will be upgrading it in the next month, including the usual pump testing and replacing anything else that needs it.
- f) ROV video inspection of water tower – this inspection showed that the water tower is in good condition.

It should be noted that the cost of all the repairs is not just on the backs of the water users. The money for the major repairs comes out of the Renewal Reserve Fund and everyone in the District, including all the bare lots who are not yet using water, pay into the Renewal Reserve Fund through the yearly taxes.

- g) Water Tower Security – some time ago we discovered that someone climbed the water tower, stood outside the guard rail and spray painted it. You may have also noticed pink spray paint tagging on the roads as well. Trustees were concerned about anyone doing something so dangerous, but there were also concerns regarding the safety and security of the water in the tower. Braithwaite is a safe area to live but Trustees acknowledge that the world is changing, so we have been thinking ahead and taken the extra precautions of:
 - i. Chain link fencing installed around tower site to protect the reservoir, shop and Well #3; and
 - ii. We are in the process of installing additional security measures at key facilities and connecting that to SCADA so that we can monitor any intrusion alarms

Additionally, there has been other notable ongoing work:

- h) One application for a 2-lot subdivision at 1233 Braithwaite – in progress
- i) Tree removal at tower site
- j) Gate post replacement at Well #4
- k) Long service replacement at 1115 Rolmar
- l) Relocate service to road allowance at 1043 Braithwaite
- m) Meter replacements and backflow installations are ongoing
- n) Leak repair on Jedson Road
- o) Frozen service line at 3668 Telegraph

Moved: Jim Baker

Second: Katrina Grounds

Carried: That the April 25, 2024 trustee report be accepted as presented.

Subsequent to the Trustee Report, the Operator was thanked for his attendance and was excused from the balance of the meeting.

6.0 TRUSTEE HONORARIUM

The Chair advised the total honorarium is currently \$10,000.00 per year, as set by the ratepayers at the April 27, 2023, AGM. This amount is divided into six equal parts - the four Trustees receive one part each (\$1,666.67) and the Chair receives two parts (\$3,333.33). The honorarium was last increased from \$9,000.00 to \$10,000.00 by ratepayers in attendance at the April 27, 2023 AGM. It is up to the landowners to set the Honorarium.

Moved: Barb Miller

Second: Katrina Grounds

Carried: That the trustee honorarium be set at \$11,000.00 for the 2024 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: Robin Brett's and Gordon Redding's three-year terms have completed.

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

Nominations were called for candidates to stand for election to fill two three-year terms.

1) Gerry Giles nominated Robin Brett. *Accepted.*

2) Philip Leeman nominated Dennis Maher. *Accepted.*

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

Robin Brett and Dennis Maher were declared elected by acclamation.

The candidates were thanked for letting their names stand for election.

The 2024/25 Board of Trustees was confirmed as follows: Trustees Robin Brett, Gerry Giles, Wayne Gillis, Philip Leeman and Dennis Maher.

7.0 OTHER BUSINESS

General discussion and Q&A ensued:

- a) How often is water tested?
 - i. Health test samples are taken from two individual test ports per week; generally, eight tests per month. The sample locations rotate weekly.
 - ii. Annual full spectrum or chemical analysis samples are taken from each of the three distribution wells. There are no parameters that have exceeded the maximum limits in drinking water.
 - iii. Test results are posted on the District's website at BEID.ca.
- b) Should residents submit address and postal code changes individually?
 - i. Previously there was one postal code only for the BEID area. Communications to members will be dependent on whether there is one unique postal code or multiple postal codes.
- c) Are there any plans to install hydrants on Telegraph Road?
 - i. No. There are no pipes on Telegraph. The water main is in an easement located off Cheeke Road, between Fisher Road and Telegraph Road.

- d) Who is doing the Master Plan?
 - i. WSP Canada from Victoria.

Since there was no other business forthcoming, the Chair thanked the owners for attending, noting to members that they do not have to wait for the AGM to ask questions. The Trustees are available to address any concerns throughout the year.

The meeting was adjourned.

8.0 ADJOURNMENT

Moved: Jim Baker
Second: Jackie Baker

Carried: That the meeting be adjourned.

The meeting adjourned at 8:05 pm.

The next regular meeting of the Board of Trustees will be held on Thursday, April 25, 2024, immediately following the AGM.

CERTIFIED CORRECT

Chairperson

Administrator