

MAYNE ISLAND IMPROVEMENT DISTRICT
DRAFT MINUTES of the 49th ANNUAL GENERAL MEETING
Held on SATURDAY, APRIL 20th, 2013

The 49th Annual General Meeting of the Mayne Island Improvement District (MIID) was held at the Agricultural Hall, Mayne Island, on Saturday, April 20th, 2013 commencing at 1:00 PM. Trustee David Maude chaired the meeting.

Present:

Trustees: David Maude; Gary Akey, Tracey DeRousie, Dean Mackay, Bob McKinnon,
Staff: Administrator: Gerrie Wise; Finance Officer: Katherine Somerville
Fire Chief Steve DeRousie
Returning Officer: Jon Hoff; Auditor: Terence M. Miller
Approx 75 Mayne Island property owners and/or residents

1) MEETING CALLED TO ORDER:

The meeting was called to order at 1:00PM and introductions of the Trustees, Auditor, Returning Officer and Staff were made by the Chair, David Maude.

2) ADDITIONS TO/APPROVAL OF THE AGENDA

MOTION: Moved by Millie Leathers and seconded by Bill Warning that the Agenda for the 49th (forty-ninth) Annual General Meeting of Saturday, April 20th, 2013 be adopted.
Motion was carried unanimously by show of hands.

3) APPROVAL OF MINUTES OF PAST ANNUAL GENERAL MEETING HELD ON APRIL 28th, 2012:

MOTION: Moved by Ian Dow and seconded by Pat Seebach that the Minutes of the 48th (forty-eighth) Annual General Meeting held on Saturday, April 28th, 2012 be adopted.
Motion was carried unanimously by show of hands.

4) ANNUAL REPORT OF THE BOARD OF TRUSTEES:

The Chair, David Maude presented the report¹, a copy of which is attached.

MOTION: Moved by Millie Leathers and seconded Pat Seebach by that the Annual Report of the Board of Trustees be accepted as circulated.

Question Pat Seebach: Mrs. Seebach complemented the Board on all the work they have done. She requested the Board Report be longer and reflect all the work done by the Trustees.

Motion was carried unanimously by show of hands.

5) ANNUAL REPORT OF THE FIRE CHIEF:

The Fire Chief's Report, a copy² of which is attached to these minutes, was reviewed.

¹ Report from the Board of Trustees

² Fire Chief's Report for 2012

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Question: Mary Cooper What does the increase in the Public Service category represent?

Answer: Fire Chief explained that the increase mostly reflects better record keeping

Question: Bill Warning Why has fire suppression taken a big jump this year?

Answer: Fire Chief There was a significant rise in the number of fires responded to, including fires which were burning in the prohibited season.

MOTION: “Moved by Carol Peacock and seconded by Ian Dow to accept the Fire Chief’s Report.”

Motion was carried unanimously by show of hands.

6) ANNUAL REPORT OF THE ADMINISTRATOR AND FINANCIAL OFFICER:

The Report³, a copy of which is attached to these minutes, was reviewed.

MOTION: “Moved by Rose White and seconded by Colleen Ming to accept the Administrator and Financial Officers’ Report”.

Motion carried unanimously by show of hands

7) PRESENTATION OF THE AUDITED FINANCIAL STATEMENTS:

The Financial Statements⁴, copy of which is attached to these minutes, were presented by Terry Miller, the Auditor for the Improvement District. The Auditor presented his “clean” Audit Report and an explanation of the Financial Statements including the Statement of Financial Position as stated for Government Accounting Standards. The Statements of Operations, Cash Flows, and the Notes were then briefly reviewed. The Revenues and Expenses for the Fire Protection Governance and Health Centre Operation were reviewed as well as the Statements of Reserves and Surpluses. The Auditor asked for questions.

Q. Mary Cooper: Regarding the Bank Borrowings, why are the amounts paid on the loans in 2012 reduced from the amounts paid in 2011? Does this mean that was all that was left on the loans?

A. Auditor: Yes, they were paid off during the year in accordance with the schedule of payments..

No further questions were asked at this time. The Auditor asked that further questions be directed to him through the Financial Officer.

The Chair thanked Terry Miller, the Auditor; for his work in completing the Financial Statements.

8) MOTION TO APPROVE THE AUDITED FINANCIAL STATEMENTS.

MOTION: “Moved by Mary Cooper and seconded by Barbara Baker that the Auditor’s Financial Report be adopted as presented”.

Motion was carried unanimously by show of hands.

³ Administrator & Finance Officers’ Report

⁴ Audited Financial Statements

9) MOTION TO APPOINT AUDITOR FOR 2013

MOTION: Moved by Jon Hoff and seconded by Mary Cooper that Terry Miller be retained as the Auditor for 2013.

Motion was carried unanimously by show of hands.

10) COMMITTEE REPORTS:

- i. **Fire Hall Committee** A report was presented by Trustee McKinnon. He explained that the cost of installing a Tank Farm, which was discussed last year as part of a new Fire Hall was found to be prohibitively high. With the approval of the Board, the Fire Chief is working on the alternate plan of developing a plan utilizing dry hydrants to begin implementation this year. This will give us access to a greater supply of water in order to deal with fire suppression on the island in the future. The costs will not be included in the budget for a new fire hall.
The building committee has been working on a footprint and site plan for the new fire hall. While the consideration of purchasing part of the property next door was eventually discarded, it did delay the planning process. A preliminary plan shows a 6 bay fire hall of one storey, of approximately 8600 square feet. We have now requested a preliminary scope of work and budget estimate from 3 contractors. Two have accepted, at a cost of \$4,800 and \$6,000. Their proposals are expected at the end of May at which time we will be able to move forward. Trustee McKinnon concluded his remarks.
- ii. **Mayne Island Health Centre Committee – Trustee Gary Akey**
The report⁵ a copy of which is included was presented and the Chair asked for questions. There being none, he asked for a motion to receive the committee reports.

MOTION: Moved by Len Epp and seconded by Wayne Ming to accept the Committees Reports.

Motion was carried unanimously by show of hands.

11) Report from Mayne Island Health Centre Association - Dr. Cilla Brooke

The Chair introduced the report⁶ a copy of which is included and asked for any comments or questions.

Comment from: Janine Dodds: Thank you to both MICHA and MIID for providing and maintaining the incredible facility and the work done in the past year. A round of applause followed her acknowledgement.

12) Other Business: Questions and comments:

Q. Mary Cooper What is your ball park estimation of being ready to proceed with building a fire hall and holding a referendum?

⁵ Report from MIID Health Centre Committee

⁶ Report from MICHA – Dr. Brooke

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Answer: Trustee McKinnon: I will have a lot better idea after the end of May when we get the proposals from the builders. Rather than meet a deadline, we would rather be later if it means getting all the information the community needs to make a decision. We are hoping to be able to move ahead with a referendum this fall with a plan then to build early next year.

Q. Bill Wyness: Regarding the study of fire protection systems on the island, with regard to extending a dry hydrant system, has a cost benefits review been done with a view to insurance savings for home owners projected over 5 years? Obviously, with hydrants installed there will be a savings to home owners for their insurance. Is there a consideration for a study to be done?

A. Trustee McKinnon The insurance saving is was not the main factor in considering the dry hydrant system. The mandate of the Board is to provide the best fire protection. Although not within the mandate of the Board, the insurance saving is certainly a consideration for the individual home owner. The cost of a dry hydrant system rather than Tank Farms was the determining factor.

Q. Mary Cooper .Is there an incentive to encourage people to contribute their ponds to a dry hydrant system?

A. Trustee McKinnon answered that an incentive is not considered at the present. We are trying to distribute them throughout the island and have identified approximately 26 locations. He emphasized that this is a long term project. The Chair added that an incentive to the property owner would be the insurance premium saving.

13) ELECTION OF TWO (2) TRUSTEES FOR A THREE (3) YEAR TERM:

Chair David Maude turned the meeting over to Jon Hoff, the Returning Officer, for the two positions of 3-year term of Trustee

Mr Hoff provided a summary of the election process and introduced a volunteer Ballot Counter and Scrutineer: Mr. Richard Brown.

Nominations presented to the Chair of Nominations, (Trustee McKinnon) were read: Tracey DeRousie, Sharon Hinton, and Doug Walker

A call was made for nominations from the floor.

A second call was made for further nominations from the floor.

A third call was made for further nominations from the floor.

There being none, nominations were closed and Jon Hoff, Returning Officer asked each candidate to speak. Each candidate spoke for approximately 3 minutes.

Voting commenced and ballots were collected and counted by Jon Hoff and Richard Brown.

Results were announced by Trustee McKinnon that Doug Walker & Sharon Hinton were elected to the position of Trustee and offered congratulations. He then thanked the Returning Officer, and asked for a motion to destroy the ballots.

MOTION: Ian Dow moved and Rose White seconded the motion to destroy the ballots

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There was a request from the floor to have the number of votes announced. Trustee McKinnon asked Tracey DeRousie whether she preferred the vote count to be confidential or made public. Mrs. DeRousie suggested they be made public. Results were then read: Doug Walker: 56 votes; Sharon Hinton: 43 votes; Tracey DeRousie: 34 votes.

The Motion was carried by a majority show of hands

Trustee McKinnon thanked Tracey DeRousie for her energy and effort over her past three years serving on the Board. He then thanked David Maude for his efforts and many hours of hard work serving as the Chair and on the Board. Trustee McKinnon thanked everyone for attending the meeting today and asked for a motion to adjourn.

14)ADJOURNMENT:

MOTION: Louie Vallee moved to adjourn the meeting. **Carried.**

Meeting adjourned at 2:15PM

, Chair

Gerrie Wise, Administrator

cc: Ministry, Trustees, Staff, Website, Library, file

Recorded by: Gerrie Wise

Mayne Island Improvement District
49th Annual General Meeting for the year 2012
Report from the Board of Trustees
April 20, 2013

2012 was a year of change for the Mayne Island Improvement District.

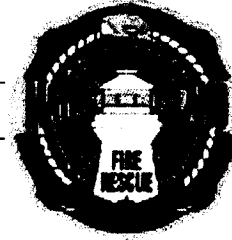
- In May we received a new pickup truck for the fire department.
- June saw the resignation of the Fire Chief, which presented some challenges over the summer fire season.
- In October ground was broken for the expansion of the Health Centre.
- Throughout the year, the building committee continued to make progress on the design of the proposed new fire hall.

The Trustees and staff have worked diligently to efficiently budget and insure value for money on all purchases. For the Health Centre we have been able to incorporate efficiencies that have improved operations, while lowering overall annual costs. Similarly we have been able to make several large capital purchases for the fire department and fund needed expenditures while stabilizing the overall taxation requisition.

In 2013 the Trustees have some important decisions in regard to vehicle replacement schedules and initiate the public information process in advance of the referendum for replacement of the fire hall.

Board of Trustees
Mayne Island Improvement District

Mayne Island Fire Rescue



Annual Fire Department Report for 2012

Fire Departments everywhere have evolved from only extinguishing structure fires in the past to the present responding to calls for Emergency Medical Assistance, Search & Rescue, Hazardous Material Spills, Public & Life Safety Education and the many general public assistance needs of today's society. Whether Mayne Island Fire Rescue Service is called for emergencies or lesser problems, we respond with "Yes, we can!"

Annual Emergency Call Response Summary

While there was an overall increase of fire related calls in 2012, there were fewer emergency medical responses. Two new initiatives were added to our Prevention & Education in 2012: "Working Smoke Alarms in Every Home", and assisting our RCMP to deliver the "WITS" anti-bullying program at Mayne Island School. The very effective, ongoing fire prevention program coordinated by Pender Island Fire Rescue at Swartz Bay is a partnership of the Gulf Island Fire Departments. The result of the program is fewer wildfires in the Gulf Islands overall; in 2012 there were no human-caused wildfires on Mayne Island.

SUMMARY OF CALLS

Year	Fire Suppression	Medical Responses	*Public Service	Search & Rescue	Prevention & Education	Hazmat	Total Calls
2012	34	32	151	1	18	1	237
2011	24	42	113	2	20	2	203
2010	26	35	98	4	27	4	194

* Includes: Fire investigation, burn permits, CRD addressing, CRD driveway inspections, pre-fire planning, inspections by request, community events

Equipment & Apparatus

The Fire Department took delivery of the 2012 Ford pickup "Utility 1" in July, replacing the 1996 Dodge pickup. We also acquired a forest firefighting skid unit for use with Utility 1 during the Extreme Fire Danger to allow fast response to small or remote brush fires. Our major Apparatus inspections were completed in February and March. Pump and Commercial Vehicle Safety Inspections are done to verify our vehicles are maintained properly and meet the requirements of the regulatory bodies. The technicians also report on items needing attention before the year is over. This information is valuable to planning and budgeting for replacement and repairs of our fire trucks as they age.

Firefighter Training

The NFPA® 1001 Standard for Fire Fighter Professional Qualifications was adopted in 2012 by the Fire Department to meet the Ministerial Order, effective January 1, 2003, replacing the previous BC Fire Service Training Standards. Our close partnership with Pender Island Fire Rescue enables this training to be delivered on Mayne Island in 2013 to qualifying Firefighters and Recruits, reducing the risks to our firefighters and also the liability concerns to the Board, and thus to the taxpayer. Also in 2012, firefighters attended various advanced training courses including the Regional Training Weekend hosted by Salt Spring Island Fire Rescue, building on their skills with current, modern fire fighting strategies and tactics. The benefit of all this necessary and advanced training to everyone is that when you call 911 for help; Firefighters will respond to the call, knowing what to do.

Volunteer Firefighters

Recruiting and retention of firefighters is a huge challenge for all Fire Departments, large or small. Seven individuals responded to the Mayne Island firefighter recruit campaign and were accepted as probationary members in training. The commitment made by these individuals to become firefighters and the support from their families is a priceless gift to us all, and we want to sincerely thank you.

Our goal is to achieve the optimum number of 30 Firefighters and to achieve this, we want to encourage individuals meeting the requirements of recruit firefighter to apply for the available positions during the next recruiting campaign in the fall of 2013!

Conclusion

2012 was a year of many changes and new challenges. With support from the Improvement District, Staff, Firefighters, and many volunteers, your Fire Department is healthy and prepared as we move into 2013. We are constantly striving to be better. Not better than any other Fire Department, simply better than we were before.

Steven DeRousie,
Fire Chief

Mayne Island Improvement District (MIID)
49th Annual General Meeting for the year 2012
20th April 2013
Financial Officer and Administrator's Report

2012 has once again been a year of change for the Improvement District. With the departure of our previous Chief and the hiring of Steve DeRousie as Fire Chief, all Operating and Capital Spending and planning was reviewed in depth as reflected in the Financial Statements for 2012 and budgets for 2013.

Improvement Districts must comply with the Local Government Act, the Community Charter and the Ministry of Community, Sport and Cultural Development and of course, the Income Tax Act and various Labour Acts and regulations, both Federal and Provincial. Board motions and bylaws are passed to govern the operation of the Improvement District. The Board approved eleven (11) bylaws in 2012. All Bylaws are posted on the MIID website as are all meeting minutes.

Health Centre & Heliport Tax Levies:

Thank you to all property owners who pay their Health Centre and Heliport tax levy on time; thus reducing the billing costs for all of the Tax payers. A policy of monthly Statements and diligent follow-up for collection of taxes was followed and we are pleased to report that no tax sales were required in 2012. At present however we do have 9 properties which will be eligible for Tax Sale if taxes are not paid by July 31, 2013. Also, thirty-six (36) property holders have still not paid their 2012 Taxes.


Freedom of Information & Protection of Privacy (FOIPP):


MIID holds a significant amount of your personal and confidential information and it is imperative that information released does not in any way contravene your rights under the Acts. It is the policy of the MIID Board that these requests and the answers are posted on the MIID Website. Please check there before requesting information.

The **MIID Website** at www.miidonline.com is maintained and updated by our staff and contains a great deal of information. Please visit the site for notices of meetings, monthly minutes and reports and for information on several subjects of interest to you regarding the operation of your Improvement District.

We look forward to 2013, working with the MIID Board of Trustees, the Fire Chief, Officers, and all the volunteer Fire Fighters. Thank you for another safe year!

Respectfully submitted,


Katherine Somerville,
Finance Officer


Gerrie Wise,
Administrator

MAYNE ISLAND IMPROVEMENT DISTRICT
FINANCIAL STATEMENTS
DECEMBER 31, 2012

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INDEPENDENT AUDITORS' REPORT

**TO: The Board of Trustees
MAYNE ISLAND IMPROVEMENT DISTRICT**

I have audited the accompanying financial statements of Mayne Island Improvement District, which comprise the statement of financial position as at December 31, 2012 and the statements of operations and cash flows for the year then, as well as a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for local governments and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mayne Island Improvement District as at December 31, 2012 and the results of its operations and its cash flows for the year then ended, in accordance with the Canadian Institute of Chartered Accountants' Public Sector Accounting Board's recommended accounting principles for local Governments.

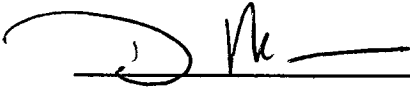
**April 8, 2013
Vancouver, Canada**

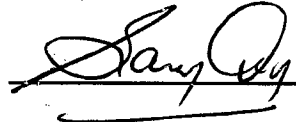

Chartered Accountant

**MAYNE ISLAND IMPROVEMENT DISTRICT
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2012**

	December 31 2012	December 31 2011
FINANCIAL ASSETS		
Cash	\$ 382,089	\$ 316,730
Bank term deposits for renewal reserve funds - below & Note 1	436,259	335,877
Accounts receivable	12,711	10,941
	831,059	663,548
 LIABILITIES		
Accounts payable and accrued liabilities	24,576	33,559
Bank borrowings - Note 2		10,229
	24,576	43,788
 NET FINANCIAL ASSETS	 806,483	 619,760
 NON-FINANCIAL ASSETS		
Tangible capital assets - Notes 1 & 3	863,443	902,283
Prepaid expenses	17,580	17,434
	881,023	919,717
 ACCUMULATED SURPLUS	 \$ 1,687,506	 \$ 1,539,477
 ACCUMULATED SURPLUS REPRESENTED BY:		
Tangible capital assets - above & Note 3	\$ 863,443	\$ 902,283
Renewal reserve funds - above, Note 1 and Schedule 3 (Page 10)	436,259	335,877
Operating surplus - Schedule 4 (Page 11)	387,804	301,317
	\$ 1,687,506	\$ 1,539,477

APPROVED BY THE TRUSTEES:





**MAYNE ISLAND IMPROVEMENT DISTRICT
STATEMENT OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>Budget 2012</u>	<u>Actual, by fund</u>		<u>Total Actual 2012</u>	<u>Total Actual 2011</u>
		<u>Fire Protection</u>	<u>Health Centre</u>		
REVENUES					
Fire Protection and Governance					
Schedule 1 (Page 8)	\$ 577,843	\$ 582,271		\$ 582,271	\$ 602,557
Health Centre - Schedule 2 (Page 9)	113,302		\$ 116,088	116,088	117,161
	<u>691,145</u>	<u>582,271</u>	<u>116,088</u>	<u>698,359</u>	<u>719,718</u>
EXPENSES					
Fire Protection - Schedule 1 (Page 8)	393,453	336,778		336,778	363,593
Governance - Schedule 1 (Page 8)	58,680	42,676		42,676	59,424
Health Centre - Schedule 2 (Page 9)	90,243		72,091	72,091	81,725
	<u>542,376</u>	<u>379,454</u>	<u>72,091</u>	<u>451,545</u>	<u>504,742</u>
NET SURPLUS BEFORE OTHER ITEMS	<u>\$ 148,769</u>	202,817	43,997	246,814	214,976
Amortization of Capital Assets		(86,804)	(11,981)	(98,785)	(92,809)
Failed referendum new fire hall expenditures					(3,746)
ANNUAL SURPLUS (DEFICIT)		<u>\$ 116,013</u>	<u>\$ 32,016</u>	148,029	118,421
ACCUMULATED SURPLUS, BEGINNING OF YEAR				<u>1,539,477</u>	<u>1,421,056</u>
ACCUMULATED SURPLUS, END OF YEAR (The composition of the surplus is presented on the Statement of Financial Position Page 2)				<u>\$1,687,506</u>	<u>\$1,539,477</u>

**MAYNE ISLAND IMPROVEMENT DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 148,029	\$ 118,421
Add back amortization, an expense not requiring the use of cash	98,785	92,809
(Increase)/Decrease of accounts receivable	(1,770)	9,156
(Increase)/Decrease in prepaid expenses	(146)	2,956
Deferred revenue of 2010 taken into income in 2011		(1,200)
Increase/(decrease) in accounts payable and accruals	<u>(8,983)</u>	<u>9,515</u>
Cash provided by operating transactions	<u>235,915</u>	<u>231,657</u>
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	<u>(59,945)</u>	<u>(17,089)</u>
INVESTING TRANSACTIONS		
(Increase) decrease in bank term deposits	<u>(100,382)</u>	<u>(161,072)</u>
FINANCING TRANSACTIONS - Note 2		
Heliport principle loan payments	(5,000)	(15,000)
Equipment principle loan payments	(1,167)	(3,500)
Generator loan payments	<u>(4,062)</u>	<u>(16,250)</u>
Cash used to pay down bank debt	<u>(10,229)</u>	<u>(34,750)</u>
NET INCREASE IN CASH DURING THE YEAR	65,359	18,746
CASH , BEGINNING OF YEAR	<u>316,730</u>	<u>297,984</u>
CASH (as shown on Statement of Financial Position), END OF YEAR	<u>\$ 382,089</u>	<u>\$ 316,730</u>

**MAYNE ISLAND IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Purpose of the organization

The Mayne Island Improvement District (MIID) is an Improvement District in British Columbia, Canada, governed by the Local Government Act, Community Charter, Letters Patent and its own bylaws. It is tax-exempt pursuant to the Canadian Income Tax Act.

The objects of the Improvement District are the provision of fire protection, the provision of garbage collection and disposal, the operation and maintenance of the Mayne Island Health Centre, and the acquisition, maintenance and operation of works, buildings and equipment for these purposes and all matters incidental thereto. While the Improvement District operates the fire department and maintains the Health Centre building, it relies on the Mayne Island Health Centre Association to operate the Health Centre and it delegates the garbage collection operation to independent Mayne Island residents.

Accounting principles for Local Government

The financial statements of the Improvement District have been prepared using the Canadian Public Sector Accounting Board (PSAB) pronouncements relating to local government entities. Additionally, the format conforms with published model financial statements issued by the Local Government Division of the Ministry of Community, Sports, and Cultural Development of the Province of British Columbia.

Renewal Reserve Funds

The Renewal Reserve Funds are funds established through bylaw for the upgrading, replacement or renewal of existing works. The funds, as well as interest earned on the funds, are invested in bank term deposits. Expenditures may only be made from these funds after a bylaw is approved by the trustees of the Improvement District and submitted for review to the Inspector of Municipalities.

Basis of Presentation of Schedules

As the Improvement District's objects are to provide more than one activity, the statements and schedules segregate the activities into the following funds:

- The Fire Protection Operating Fund reports the revenue and expenses for fire protection, and is further divided into actual Fire protection and Governance.
- The Health Centre Operating Fund reports the revenue and expenses for the operation and maintenance of the Mayne Island Health Centre, including the heliport.

When costs relate to one function only, the costs are charged against that specific cost centre. When costs relate to the entire Improvement District, they are consistently allocated 35% to Fire Protection, 30% to Governance of the Fire Protection operations, and 35% to the Health Centre.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for Government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from Management's best estimates as additional information becomes available in the future.

**MAYNE ISLAND IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The Guaranteed Investment certificates (the Royal Bank of Canada term deposits) are recorded at cost. If the maturity date of the term deposit is more than one year, interest is accrued annually. All other financial instruments (if any) are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

Capital Assets

Capital Assets are recorded at cost and are amortized over their estimated useful lives at the following annual rates:

Buildings	4% declining balance
Computer equipment	2 years straight line
Equipment – other	10 years straight line
Fire fighting clothing	10 years straight line
Fire fighting equipment	10 years straight line
Generator	20 years straight line
Heliport	20 years straight line
Paving	20 years straight line
Radios and pagers	5 years straight line
Software	2 years straight line
Trailers	10 years straight line
Vehicles	20 years straight line
Water storage	20 years straight line
Water access and related equipment	10 years straight line

Amortization is charged at one-half of the above rates for acquisitions during the fiscal year.

Revenue Recognition

Restricted contributions (if any) are recognized as revenue in the year in which the related expenses are incurred. When the related expenses have not been incurred, the restricted contribution is recognized as deferred revenue on the statement of financial position.

Other revenues are recorded in the period in which the transaction or events that gave rise to the revenues occurred. Expenditures are recorded in the period that the goods and services are acquired and a liability is incurred.

**MAYNE ISLAND IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011**

NOTE 2 - BANK BORROWINGS

	<u>2012</u>	<u>2011</u>
Bank loan for the Heliport pursuant to by-law #82, repayable \$1,250 monthly plus interest.		\$ 5,000
Bank loan for Wildfire Fire Fighting Equipment pursuant to by-law #83, repayable \$292 monthly plus interest.		1,167
Bank demand loan for a generator pursuant to by-law #85, repayable \$1,354 monthly plus interest.		<u>4,062</u>
	<u>\$ NIL</u>	<u>\$ 10,229</u>

NOTE 3 - CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2012</u>	<u>2011</u>
Fire Protection				
Land	\$ 3,650	\$ -	\$ 3,650	\$ 3,650
Building – fire hall	159,402	67,559	95,669	95,669
Computer equipment	15,730	10,153	5,577	3,654
Equipment - other	10,337	7,917	2,420	3,453
Fire fighting clothing	56,010	36,938	19,072	24,673
Fire fighting equipment	147,291	81,986	65,304	69,616
Generator	104,278	28,442	75,836	81,050
Paving	43,667	32,750	10,917	13,100
Radios and pagers	15,587	13,183	2,404	5,521
Vehicles	849,878	529,432	320,446	319,263
Water storage	55,197	33,441	21,756	24,516
Water access and related equipment	<u>19,177</u>	<u>12,257</u>	<u>6,920</u>	<u>8,838</u>
	<u>1,480,202</u>	<u>854,059</u>	<u>626,143</u>	<u>653,003</u>
Health Centre				
Building	353,890	156,472	197,418	206,436
Equipment	595	268	327	387
Heliport	55,673	17,868	37,805	40,589
Water system	<u>2,397</u>	<u>647</u>	<u>1,750</u>	<u>1,869</u>
	<u>412,555</u>	<u>175,255</u>	<u>237,300</u>	<u>249,281</u>
Total tangible capital assets	<u>\$ 1,892,757</u>	<u>\$ 1,029,314</u>	<u>\$ 863,443</u>	<u>\$ 902,283</u>

NOTE 4 - COMPARITIVE FIGURES

Some comparative figures have been re-grouped to be comparable to the presentation adopted in the current fiscal year.

MAYNE ISLAND IMPROVEMENT DISTRICT
SCHEDULE 1 - FIRE PROTECTION AND GOVERNANCE REVENUES AND EXPENDITURES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>Budget 2012</u>	<u>Actual 2012</u>	<u>Actual 2011</u>
REVENUES FOR FIRE PROTECTION AND GOVERNANCE			
Fire Protection and Governance tax levies	\$ 572,843	\$ 572,843	\$ 592,842
Donations received		650	
Burn permits	2,500	3,125	3,320
Investment income earned on "Reserves" funds		2,837	1,625
Various other revenues	2,500	2,816	4,770
	<u>\$ 577,843</u>	<u>\$ 582,271</u>	<u>\$ 602,557</u>
EXPENSES FOR FIRE PROTECTION			
Audit fees	\$ 4,200	\$ 2,975	\$ 3,440
Appreciation and awards	1,500	1,495	1,428
Asset and inventory management	1,000	69	413
Building repairs and maintenance	6,100	6,549	4,228
Record keeping for volunteer firefighters	3,000	869	3,100
Education and training	33,500	21,519	27,817
Equipment maintenance and supplies	24,905	23,601	5,832
Fire prevention education	3,000	2,874	2,036
Insurance	8,800	8,224	13,913
Interest	50	17	286
Office supplies in firehall	4,000	3,811	2,321
Software Fire Department annual maintenance fees	1,200	1,138	1,110
Subscriptions and dues	2,000	2,957	1,782
Telecommunications	8,500	7,854	5,282
Travel	1,000	492	1,016
Firefighter clothing	2,500	1,978	1,643
Utilities	6,000	5,767	5,517
Vehicle fuel and insurance	6,000	6,703	6,333
Vehicle repairs and maintenance	16,000	14,008	9,653
Wages and payroll taxes of MIID office staff	19,753	16,984	22,856
Wages and payroll costs of full-time and volunteer firefighters	240,445	206,894	243,587
	<u>\$ 393,453</u>	<u>\$ 336,778</u>	<u>\$ 363,593</u>
EXPENSES FOR GOVERNANCE			
Audit fees	\$ 3,600	\$ 2,550	\$ 3,011
Bank charges	650	1,157	975
Consulting fees	2,500	822	8,344
Building and grounds maintenance	1,200	999	5,210
Insurance	1,100	878	1,012
Legal	1,000	1,151	1,450
Newsletters and bulletins	3,000	950	1,784
Office supplies and equipment	8,000	7,352	4,769
Public meetings, freedom of information, etc.	1,900	1,057	1,653
Telecommunications	3,800	2,396	3,826
Travel expense	1,000	8	432
Wages and payroll taxes of MIID office staff	24,430	18,756	20,858
Website related costs	6,500	4,600	6,100
	<u>\$ 58,680</u>	<u>\$ 42,676</u>	<u>\$ 59,424</u>

**MAYNE ISLAND IMPROVEMENT DISTRICT
SCHEDULE 2 - HEALTH CENTRE REVENUES AND EXPENDITURES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>Budget 2012</u>	<u>Actual 2012</u>	<u>Actual 2011</u>
REVENUES			
Health Centre tax levies	\$ 101,302	\$ 101,265	\$ 101,411
Rent	12,000	12,000	12,000
Contributions and donations - Note 2			1,200
Investment income earned on "Reserves" funds		173	114
Penalties and Interest on tax levy		2,650	2,436
	<u>\$ 113,302</u>	<u>\$ 116,088</u>	<u>\$ 117,161</u>
EXPENSES			
Audit fees	\$ 4,200	\$ 2,975	\$ 2,150
Billing costs	10,450	7,842	8,984
Building repairs and maintenance	23,925	20,840	18,051
Building roof replacement			9,985
Heliport operation	2,000	26	152
Insurance	7,900	8,988	7,749
Interest	440	41	587
Legal	3,000	205	1,651
Operations manager	11,000	6,394	9,060
Telecommunications (grouped with Fire Dept in 2011)	1,925	2,354	
Travel	150		75
Utilities	4,500	4,009	4,333
Wages and payroll taxes of MIID office staff	19,753	17,437	17,805
Water testing	1,000	980	1,143
	<u>\$ 90,243</u>	<u>\$ 72,091</u>	<u>\$ 81,725</u>

**MAYNE ISLAND IMPROVEMENT DISTRICT
SCHEDULE 3 - CONTINUITY OF RESERVES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2012**

	<u>Fire Protection Reserves</u>			<u>Health Centre Building</u>	<u>Total</u>
	<u>Equipment</u>	<u>Vehicles</u>	<u>Building</u>		
Balance of reserves, Dec. 31, 2010	\$ 10,105	\$ 55,000	\$ 115,113	\$ 11,375	\$ 191,593
Transactions in 2011					
Budgeted transfers to increase reserves	5,000	60,000	50,000	10,000	125,000
Interest income	92	550	983	114	1,739
Transfer, back to reserves, of unused funds previously withdrawn for the "Control Cost Estimate" for the proposed new fire hall			17,545		17,545
Change in reserves during 2011	5,092	60,550	68,528	10,114	144,284
Balance of reserves, Dec. 31, 2011	15,197	115,550	183,641	21,489	335,877
Transactions in 2012					
Budgeted transfers to increase reserves	5,000	60,000	50,000	10,000	125,000
Interest income	180	1,040	1,616	173	3,009
Transfer to reserves the 2011 health Centre surplus				25,322	25,322
Donations received towards new firehall			650		650
Acquisition of "Utility 1" pick-up truck		(43,677)			(43,677)
Acquisition of transferrable forest fire skid unit equipment for "Utility 1"	(9,922)				(9,922)
Change in reserves during 2012	(4,742)	17,363	52,266	35,495	100,382
Balance of reserves, Dec. 31, 2012	\$ 10,455	\$ 132,913	\$ 235,907	\$ 56,984	\$ 436,259

**MAYNE ISLAND IMPROVEMENT DISTRICT
SCHEDULE 4 - CONTINUITY OF SURPLUS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2012**

	<u>Operating surplus</u>					<u>Total</u>
	<u>Protection</u>	<u>Health Centre</u>	<u>Operating Surplus</u>	<u>Capital Assets Surplus</u>	<u>Reserves Surplus</u>	
Accumulated Surplus, Dec 31, 2010	\$ 246,189	\$ 5,271	\$ 251,460	\$ 978,003	\$ 191,593	<u>\$ 1,421,056</u>
Transactions in 2011						
Net 2011 surplus - from Statement of Operations (Page X)	94,966	23,455	118,421			118,421
Net Capital asset changes						
amortization of cost of Capital Assets	80,828	11,981	92,809	(92,809)		
Capital Asset acquisitions in year	(17,089)		(17,089)	17,089		
Net changes to reserves - see schedule 3	(134,170)	(10,114)	(144,284)		144,284	
Change in surplus in year	24,535	25,322	49,857	(75,720)	144,284	<u>118,421</u>
Accumulated surplus, Dec 31, 2011	<u>270,724</u>	<u>30,593</u>	<u>301,317</u>	<u>902,283</u>	<u>335,877</u>	<u>1,539,477</u>
Transactions in 2012						
Net 2012 surplus - from Statement of Operations (Page X)	116,013	32,016	148,029			148,029
Net Capital asset changes						
amortization of cost of Capital Assets	86,804	11,981	98,785	(98,785)		
Capital Asset acquisitions in year	(59,945)		(59,945)	59,945		
Net changes to reserves - see schedule 3	(64,887)	(35,495)	(100,382)		100,382	
Change in surplus in year	77,985	8,502	86,487	(38,840)	100,382	<u>148,029</u>
Accumulated surplus, Dec 31, 2012	<u>\$ 348,709</u>	<u>\$ 39,095</u>	<u>\$ 387,804</u>	<u>\$ 863,443</u>	<u>\$ 436,259</u>	<u>\$ 1,687,506</u>

Mayne Island Improvement District
Report to AGM, April 20, 2013
Health Centre Report

A continued strong working relationship exists between Mayne Island Improvement District (MIID) and Mayne Island Health Centre Association (MIHCA) which is fostered in the best interest for providing health care for the residents and visitors of Mayne Island.

Under a memo of understanding with MIHCA, it is the responsibility of MIID to provide the building, grounds, and heliport for our health services. To that end this is a brief overview of some of the major upgrades to the facility paid for by your Health Centre taxes during the recent years.

- Replacing the plumbing system, including toilets and the hot water heater.
- Upgrading the well pump, and water treatment system to ensure that potable water will be supplied at all times meeting VIHA Public Drinking Water Standards.
- Downstairs area renovated to provide two new offices.
- Inside of the facility has been completely repainted.
- Garden areas established.
- Renovated room for the nurse practitioner.
- Complete new roof to the structure.
- Dedicated space for the deceased.
- New signage.
- Weatherproofing and double-glazing for heat and Air conditioning efficiency, and sound-proofing of all windows.
- Generator for uninterrupted electrical power to the entire building during power outages.
- Heliport upgraded to Transport Canada regulations for air ambulance services, including night flights.
- Installation of the new monitored alarm system.
- The addition completed in 2013 required changes to the roof drainage, parking, sidewalks, and other items.

Recently with the construction of the extension for the new treatment room and the requirement for additional heat, the existing furnace was found to be only 75% operational and was consuming large amounts of electricity by today's standards for the heat produced. The decision was made to install a combination furnace and heat pump system to provide HVAC to the treatment area for better patient comfort as well as that of our health care workers. It is expected that we will see savings on the hydro consumption to help offset the initial costs.

We would like to extend our thanks to the contractors who made every effort to minimize any disruption for those using the Health Centre during the past few months.

Health Centre taxes also fund the following ongoing Operational Costs:

- Cleaning to meet stringent VIHA and Medical requirements
- Certified Water Systems Operator to meet VIHA permit requirements for Drinking Water
- Utilities such as Heating & Lighting

In conclusion, the MIID Board extends a special thank you to MIHCA for all its work.

MAYNE ISLAND HEALTH CENTRE ASSOCIATION

REPORT TO MIID AGM

April 20th 2013

It has been another positive year in the relationship between the MIID and MIHCA.

In 2011, when it became obvious that there was an urgent need to enlarge the emergency room in the Health Centre for efficiency, safety and infection control reasons it was agreed that MIHCA undertake to fund raise for this project in order to expedite it.

Fund raising began in September 2011 and concluded in September 2012. The building of the extension began in November 2012 and is substantially completed at the time of this report.

The MIID has been responsible for the installation of a new electric furnace and heat exchanger, ditching for drainage and plumbing, upgrading of the parking lot, sidewalks and new signage. MIHCA funds have paid for all building costs plus inside fixtures and new medical equipment.

In the last five years the Health Centre has been extensively upgraded and renovated to meet industry standards and to allow for increased space requirements. The costs of all of these upgrades have been shared by the MIID and MIHCA and at this time it is safe to say that most of our goals have been met and the building(s) should provide a safe setting in which to meet the health needs of the community for many years to come.

It is expected that future construction, renovation and maintenance, of the Health Centre buildings and environs will solely be responsibility of the MIID as per their Memorandum of Understanding with MIHCA.

Respectfully submitted,

Dr. Cilla Brooke,
Chair, MIHCA