



Mayne Island
Improvement District
61st Annual General Meeting



Saturday, June 7, 2025

10:00 am

Mayne Island Fire Hall

Agenda

1. Call to Order
 2. Request for additions and motion to approve agenda
 3. Approval of minutes of previous AGM – June 22nd, 2024
 4. Annual report from the Corporate Administrative Officer
 5. Annual report from the Fire Chief
 6. Annual report from the Deputy Fire Chief
 7. Annual report from the Auditor & presentation of 2024 financial statements
 8. Appointment of the Auditor for 2025
 9. Election of Trustees by Acclamation
 10. Other Business / Town Hall
 11. Adjournment
-



Mayne Island Improvement District

60th Annual General Meeting

Meeting Minutes

Date: Saturday, June 22, 2024 @ 1:00 pm
Location: Meeting Room, Fire Hall, 520 Felix Jack Rd

Present: Trustees Doug Hill (via Zoom), Debra Milne, Wayne Peace & Bob McKinnon
Katherine Somerville, Corporate Administrative Officer
Kyle Stobart, Fire Chief
Eric Walker, Deputy Fire Chief
Janelle Lawson, Administrative Assistant
Absent with Notice: Trustee Brian Dearden

Guests: Rob McFarlane, representative of Mayne Island Health Centre Association,
Bill Jamieson, representative of MIVFA, and Joey Hartman.

1. CALL TO ORDER

The meeting was called to order at 1:04 pm by Chairperson, Bob McKinnon. Trustee McKinnon acknowledged that the meeting was taking place on the unceded territory of the Coast Salish People.

2. REQUEST FOR ADDITIONS AND MOTION TO APPROVE AGENDA

Addition to agenda item 7- note from auditor

MOTION: Trustee Peace moved and Trustee Milne seconded the motion to approve the agenda as circulated.

CARRIED

3. APPROVAL OF MINUTES¹ OF PREVIOUS AGM

MOTION: Trustee Peace moved and Trustee Milne seconded the motion to approve the minutes from the Annual General Meeting held on June 17th, 2023.

CARRIED

The CAO reminded Trustees that at an AGM the public is invited to participate in the meeting and can vote and make motions.

4. ANNUAL REPORT² FROM THE CORPORATE ADMINISTRATIVE OFFICER

MOTION: Trustee Milne moved and Trustee Peace seconded the motion to accept the annual report from the Corporate Administrative Officer.

CARRIED

¹ AGM Meeting Minutes – June 17, 2023

² Corporate Administrative Officer's Annual Report 2023

5. ANNUAL REPORT³ FROM THE FIRE CHIEF

MOTION: Trustee Peace moved and Trustee Milne seconded the motion to accept the annual report from the Fire Chief.

CARRIED

6. ANNUAL REPORT⁴ FROM DEPUTY CHIEF

Trustee Milne inquired about the frequency of use of the Forcible Entry prop and how often it is used in practice. Trustee Milne asked whether firefighters need to be re-certified for those skills. Deputy Chief Walker explained that training with the prop is a popular exercise within the department but does not require certification.

MOTION: Trustee Peace moved and Trustee Milne seconded the motion to accept the Deputy Chief's report.

CARRIED

7. ANNUAL REPORT⁵ FROM THE AUDITOR & 2023 FINANCIAL STATEMENTS

Sheila Henn, CPA, CA, submitted her Auditor's Summary Report in lieu of her attendance to the meeting in person. Sheila Henn informed the District that she will be available as the auditor for the 2024 year end, but is unlikely to be available for following years, due to staffing issues. The District will need to engage a new auditor for the 2025 year end.

MOTION: Trustee Milne moved and Trustee Peace seconded the motion to accept the auditor's report and 2023 financial statements as submitted.

CARRIED

8. APPOINTMENT OF THE AUDITOR FOR 2024

Trustee Peace made a recommendation to appoint the current accounting firm, SC Henn CPA, as Auditor for 2024.

MOTION: Trustee Peace moved and Trustee Milne seconded the motion that SC Henn CPA be appointed as auditor for 2024.

CARRIED

9. OTHER BUSINESS / TOWN HALL

Bill Jamieson thanked the Trustees for the work they do for the community.

10. TRUSTEE ELECTION

As Trustee Peace is not running for another term, Chair McKinnon thanked him for the work he has done serving as a Trustee.

One nomination for Trustee was received. Chair McKinnon declared that Joey Hartman has been elected to the Board of Trustees by acclamation.

A Board reorganization meeting was scheduled for July 11th at 1pm.

³ Fire Chief's Annual Report 2023

⁴ Deputy Chief's Annual Report

⁵ Auditor's Annual Report & Audited Financial Statements

11. ADJOURNMENT

There being no further business, the Chair asked for a motion to adjourn. The Annual General Meeting was adjourned at 1:13pm by motion made by Trustee Peace.

Approved:

Bob McKinnon, Chair

Date:

Katherine Somerville, CAO
Recorded and Transcribed by J. Lawson

Date:

DRAFT

Mayne Island Improvement District

61ST ANNUAL GENERAL MEETING

We respectfully acknowledge the Coast Salish people's on whose traditional territories we live, work and gather.

The Mayne Island Improvement District (MIID) is governed by a Board of Trustees, composed entirely of elected volunteers from the community. These Trustees are independent of MIID management and are not employees of the District. Their primary responsibility is to oversee the organization, ensuring sound governance, particularly in supervising the Fire Chief and the Corporate Officer. This includes reviewing financial reporting and ensuring strategic direction aligns with the community's needs.

On behalf of the Board of Trustees, I am pleased to present our 2024 Annual General Meeting information package, which includes the audited financial statements for the year ended.

MIID Mandate and Historical Background

In 1964, the Lieutenant Governor in Council incorporated the whole of Mayne Island into an Improvement District with a mandate to provide essential services to the community, including fire protection, garbage collection, and the acquisition, maintenance, and operation of infrastructure related to these services.

In 1984, the mandate was expanded through amendments to the Letters Patent, adding the operation and maintenance of the Mayne Island Health Centre.

Clarification on Garbage Collection and Health Centre Services

Garbage Collection:

To clarify some of the ongoing discussion about the MIID's role in garbage collection:

- The MIID has never collected taxes for garbage collection. Although the MIID's mandate, as outlined in the original Letters Patent of 1964, allows for the imposition of taxes to fund garbage collection, this authority has never been exercised.
- Currently, garbage collection and removal services are managed by independent operators, who are not affiliated with the MIID. These services are paid for on a fee-per-bag basis by residents.

Mission Statement:

"To provide responsible stewardship for fire protection, health centre facilities, and garbage service to the community of Mayne Island."

Mayne Island Health Centre:

The MIID also holds the mandate for the operation and maintenance of the Mayne Island Health Centre (under the 1983 Letters Patent).

While the MIID provides and maintains the building and facilities for the Health Centre, it is not responsible for staffing, employees, or healthcare services. For more information regarding healthcare services at the Health Centre, residents are encouraged to visit the Mayne Island Health Centre Association website.

Financial Oversight and Accountability

Responsibility for the integrity and fairness of the financial statements rests with corporate administration. Administration ensures that the accounting systems and internal controls in place provide reasonable assurance that transactions are properly authorized, assets are adequately safeguarded, and financial records are accurately maintained to support sound financial reporting and transparency to the taxpayer.

Acknowledgements

I would like to take this opportunity to acknowledge the exceptional contributions of our administrative assistant, whose dedication and professionalism have been invaluable throughout the year. I also extend my heartfelt appreciation to our volunteer Board of Trustees. Their unwavering commitment and forward-thinking vision continue to guide the success of the MIID.

Finally, I wish to express my deepest gratitude to our firefighters, first responders, and all other essential personnel. Their efforts consistently go above and beyond, and it is through their hard work that we not only meet our goals but exceed them, strengthening the fabric of our community.

If you have any questions or would like more detailed information about our operations and services, please do not hesitate to reach out to the MIID. We are always here to provide clarity and support.

Respectfully submitted,

Katherine Somerville,
Corporate Administrative Officer,
Mayne Island Improvement District



Mayne Island Fire Rescue 2024 Annual Report

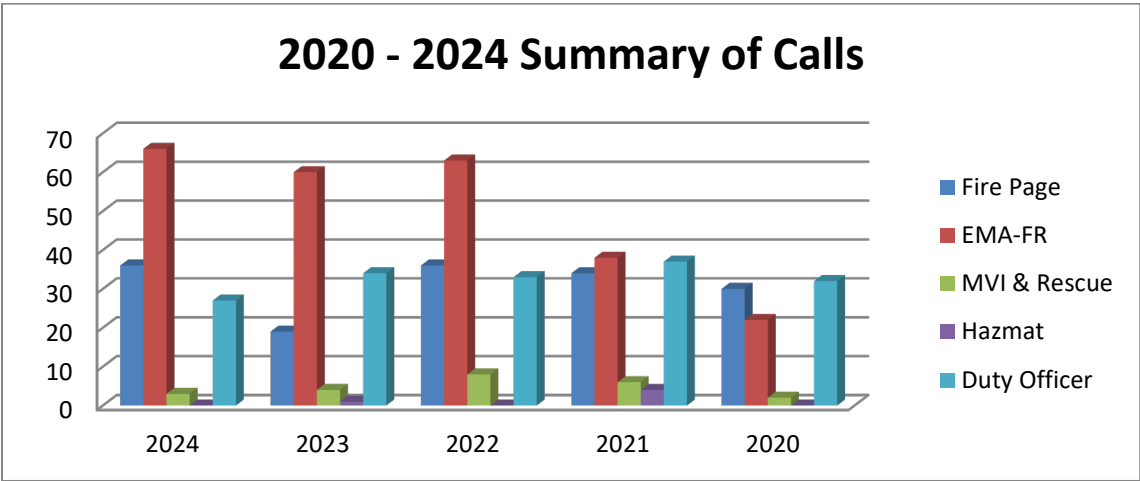


Response Analysis

While most pager responses are typically medical calls, MIFR also responds to Duty Officer pages, rescues, motor vehicle incidents, downed hydro lines, brush and grass fires, chimney fires and structure

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fires. Average response time to scene is 10 to 20 minutes and the average call duration was 60 minutes. The following chart details an analysis of call comparisons for the past five years:



The majority of calls responded to by MIFR in 2024 were First Response medical calls. Second after FR were page all Fire Responses which can include hydro incidents, RCMP assists, alarm activations, structural and wildland fire calls. Third after Fire were Duty Pages, these are usually for open burn or equipment restriction complaints but also for general public assistance. There were 3 motor vehicle incidents and 1 animal rescue 2024. MIFR responded in 15 minutes or less for 65% of calls. Call duration varied in length from a few minutes to over 4.5 hours. MIFR responded to 132 calls in 2024, up from 118 in 2023, we logged 1,490 response hours in 2024, up from 932 response hours in 2023.

Service Level

The Office of the Fire Commissioner has defined 3 service levels for fire departments in British Columbia: Exterior, Interior and Full Service. Mayne Island Fire Rescue’s service level as established by bylaw is defined as Full Service. A Full-Service fire department has the training and equipment to perform a full spectrum of fire services, such as performing an offensive (interior) attack on a structure fire in a more complex structure than a single-family dwelling (ie: school/hardware), hazmat, MVI etc.

Membership

2024 saw the loss of 2 firefighters. This brought our numbers to 24 members. MIFR also has 4 fully trained work experience volunteers. Fire underwriters state that our minimum number of firefighters for

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our local insurance grading is 15. We are planning a recruit campaign in 2025 as we have sufficient spots in our ready room to allow for an adequate recruit class. MIFR logged 1,879 hours of regular practice time in 2024 and 1,034 hrs of special training/event participation.

See chart below for membership details:

<1 year members	0	Exterior	5
1-10 year members	17	FF2	18
10-20 year members	3	Fire Officer 1	3
20-30 year members	3	Fire Officer 2	1 in 2025

Apparatus 2024

Mayne Island Fire Rescue's fleet currently consists of 6 apparatus. A primary attack engine, a secondary engine/tender (tanker), 2 dedicated tenders and 2 standard pick-up trucks equipped with emergency lights and sirens.

Engine 2 is our primary pumper. It is a 2012 Spartan Legend series with 6 seats, a 1000-gallon water tank and a 1,500 GPM. Pump. The addition of Engine 2 in 2013 provided the capacity to action a fire with a complete attack crew out of one apparatus.

Engine 1 is our secondary pumper truck/tender. It is a 1996 Freightliner with 3 seats, a 1000-gallon water tank and a 1,050 GPM. Pump. Engine 1 is used for relay pumping to Engine 2 and as a Rapid Intervention Team (firefighter rescue) water supply. Engine 1 will also respond as a primary pumper to a second alarm. As Engine 1 nears the end of its service life (30 years) Deputy Fire Chief Walker and myself are exploring options for Engine 3.

Tender 3 is a 2010 Freightliner with a 1,500-gallon water tank. In 2018 Tender 3 underwent a retrofit to install a rated 250 GPM pump and is now our primary responding tender (tanker). The new pump enables the unit to be filled by a single firefighter, freeing up personnel for other duties.

Tender 1 is a 2000 Freightliner carrying 1,700-gallon and a 500 GPM pump. It is usually last truck out the door on a fire call.

Rescue 1 is a 2018 Chevrolet Silverado pick up truck with a commercial canopy and a 1500 lb bed slide. It is our first truck out on medical, rope rescue incidents and search and rescue.

Utility 1 is a 2012 Ford F250 basic pickup truck mainly used for Duty Officer responses, on island runabouts, and off island training. During the summer months we mount a skid unit in the bed which has a 100-foot hose reel, pump and 200-gallon water tank. This is great for small grass or brush fires.

As Engine 1 ages out of service we are acquiring proposals from several apparatus suppliers for Engine 3. It is expected to arrive in early 2025.

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2025

Moving forward, in 2025 we are continuing efforts with increased public engagement with respect to fire prevention, FireSmart inspections, public first aid courses, training events with the SGI emergency program, attendance at community events and hosting chipping days and other activities at the fire hall. The firehall is open to public tours, so feel free to come in and learn how well equipped and trained we are to serve the community. Bring the kids and we will make the visit fun and informative.

As always, MIFR is here to serve the needs of the community with pride, dedication and excellence.

Personally, I would like to thank the MIID board of trustees, and the firefighters for continued support as we strive to always improve our team.

Kyle Stobart,
Fire Chief.

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Mayne Island Fire Rescue 2024 ANNUAL DEPUTY CHIEF'S REPORT



Message from the Deputy Chief

I would like to extend my gratitude to the Mayne Island Improvement District Board of Trustees for their continued support of Mayne Island Fire Rescue over the past year. The fire department truly values the dedication and effort of the board members in serving our community.

I want to take a moment to express my sincere gratitude to our courageous firefighters and first responders for their incredible dedication and hard work throughout 2024. Your relentless commitment to everyone's safety, often under challenging conditions, is truly inspiring. Your efforts make a significant difference, and you are deeply appreciated.

Thank you to the families of our members for their unwavering support throughout 2024. Your encouragement, understanding, and patience have been invaluable, and it's essential to recognize that you play a crucial role in our success.

Training

In 2024, a dedicated group of members successfully completed their rigorous training program, ultimately achieving the prestigious status of *Full Service Firefighter*. This accomplishment did not come easily; it was the culmination of countless hours spent in intensive preparation, commitment, and a relentless pursuit of excellence. Each member faced a unique set of challenges and obstacles throughout their journey, but their determination and teamwork enabled them to persevere. They participated in various drills, learned essential life-saving techniques, and developed a deep understanding of fire safety.



Respectfully Submitted

A handwritten signature in blue ink, appearing to read "Eric Walker".

Eric Walker – Deputy Fire Chief & Training Officer



In the early months of 2024, our dedicated instructors delivered an extensive Red Cross First Responder course to our members. This program not only focused on imparting critical medical knowledge and skills but also emphasized the importance of an efficient and effective response in emergency situations. As a result of this rigorous training, we are proud to announce that nine of our members successfully achieved certification as qualified medical first responders. Their newfound expertise will undoubtedly enhance our overall preparedness and ability to respond to emergencies, ultimately contributing to the safety and well-being of everyone in the community.

Summary

In summary, 2024 was a significant year for our department, focused on completing our training initiatives and fostering growth. This commitment to training improved individual capabilities and strengthened team collaboration and efficiency. Overall, 2024 laid a strong foundation for our continued success and development as a department.



Respectfully Submitted

Eric Walker – Deputy Fire Chief & Training Officer

MAYNE ISLAND IMPROVEMENT DISTRICT
Financial Statements
Year Ended December 31, 2024

MAYNE ISLAND IMPROVEMENT DISTRICT
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Year Ended December 31, 2024

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MAYNE ISLAND IMPROVEMENT DISTRICT

December 31, 2024

Management's Responsibility for Financial Reporting

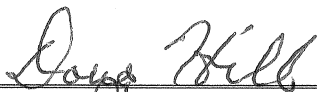
The financial statements of Mayne Island Improvement District (the "Improvement District") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS). These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

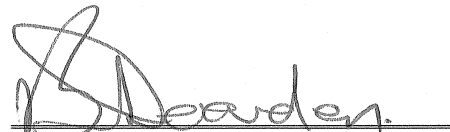
The Improvement District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, and reliable information is available on a timely basis for preparation of these financial statements.

The Board of Trustees (the "Board") is responsible for ensuring that management fulfills its responsibility for financial reporting and internal controls and exercises this responsibility through the Board. The Board reviews internal financial statements on a regular basis and is responsible for reviewing and approving the external Audited financial statements.

The financial statements have been audited by SC Henn CPA Chartered Professional Accountant. The external auditor conducts an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Improvement District's internal controls and appropriate tests and procedures to provide reasonable assurance that financial statements are presented fairly. The external auditor have full and free access to financial management of the Mayne Island Improvement District and meet when required.

On behalf of the Mayne Island Improvement District



Trustee

Trustee

Mayne Island, BC
April 10, 2025



CHARTERED PROFESSIONAL ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Mayne Island Improvement District

Report on the Financial Statements

Opinion

I have audited the financial statements of Mayne Island Improvement District (the "Improvement District"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in accumulated surplus, changes in net financial debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Improvement District as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Improvement District in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Improvement District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Improvement District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Improvement District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

(continues)

Independent Auditor's Report to the Trustees of Mayne Island Improvement District (*continued*)

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Improvement District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Improvement District's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Improvement District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Sidney, British Columbia
April 10, 2025


SC Henn CPA

Chartered Professional Accountant


MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Financial Position
December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash	\$ 313,006	\$ 313,209
Renewal reserve funds (Note 6)	836,059	741,785
Accounts receivable	16,307	17,573
	<u>1,165,372</u>	<u>1,072,567</u>
LIABILITIES		
Accounts payable and accrued liabilities	59,508	55,348
Long term debt (Note 5)	1,497,891	1,611,374
	<u>1,557,399</u>	<u>1,666,722</u>
NET FINANCIAL DEBT	<u>(392,027)</u>	<u>(594,155)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 3)	2,702,709	2,873,620
Prepaid expenses	94,334	27,731
	<u>2,797,043</u>	<u>2,901,351</u>
ACCUMULATED SURPLUS (Schedule 6)	<u>\$ 2,405,016</u>	<u>\$ 2,307,196</u>

APPROVED BY THE TRUSTEES



Trustee



Trustee

MAYNE ISLAND IMPROVEMENT DISTRICT

Statement of Operations

Year Ended December 31, 2024

	Budget 2024	Total 2024	Total 2023
REVENUES			
Fire Protection Tax Levies	\$ 769,035	\$ 769,035	\$ 752,452
Capital Tax Advance Levies	-	159,606	159,606
Health Centre Tax Levies	107,894	107,849	104,295
Health Centre Rental Revenue	37,728	38,930	38,450
Penalties & Interest on Tax Levies	1,500	3,707	3,673
Grants and other contributions (<i>Note 7</i>)	-	-	23,560
Burn Permit Sales	5,500	5,560	6,110
Operating interest and other revenue	15,000	16,749	19,252
Interest Revenue on Reserve Funds	28,000	39,717	29,848
	964,657	1,141,153	1,137,246
EXPENSES			
Fire Protection Expenditures (<i>Schedule 1</i>)	705,535	743,340	725,984
Health Centre Expenditures (<i>Schedule 2</i>)	138,922	129,083	129,315
	844,457	872,423	855,299
SURPLUS FROM OPERATIONS	120,200	268,730	281,947
OTHER EXPENSES			
Amortization	-	170,910	173,570
Budgeted transfer to Fire Protection reserve	107,000	-	-
Budgeted transfer to Health Centre reserve	13,200	-	-
	120,200	170,910	173,570
ANNUAL SURPLUS	\$ -	\$ 97,820	\$ 108,377

MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Changes in Accumulated Surplus
Year Ended December 31, 2024

	Budget 2024	Total 2024	Total 2023
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$ 2,075,486	\$ 2,307,196	\$ 2,198,819
ANNUAL SURPLUS	-	97,820	108,377
ACCUMULATED SURPLUS - END OF YEAR	\$ 2,075,486	\$ 2,405,016	\$ 2,307,196

MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Changes in Net Financial Debt
Year Ended December 31, 2024

	Budget 2024	2024	2023
ANNUAL SURPLUS	\$ -	\$ 97,820	\$ 108,377
Amortization of tangible capital assets	-	170,910	173,570
Purchase of tangible capital assets	(120,200)	-	-
Decrease (increase) in prepaid expenses	-	(66,602)	(1,818)
	(120,200)	104,308	171,752
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(120,200)	202,128	280,129
NET FINANCIAL DEBT - BEGINNING OF YEAR	(1,897,296)	(594,155)	(874,284)
NET FINANCIAL DEBT - END OF YEAR	\$ (2,017,496)	\$ (392,027)	\$ (594,155)

MAYNE ISLAND IMPROVEMENT DISTRICT**Statement of Cash Flows****Year Ended December 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Annual surplus	\$ 97,820	\$ 108,377
Item not affecting cash:		
Amortization of tangible capital assets	170,910	173,570
	<u>268,730</u>	<u>281,947</u>
Changes in non-cash working capital:		
Accounts receivable	1,266	(3,800)
Accounts payable and accrued liabilities	4,161	3,866
Prepaid expenses	(66,603)	(1,817)
Interest accrued on long term debt	(1,539)	(1,616)
	<u>(62,715)</u>	<u>(3,367)</u>
Cash flow from operating activities	<u>206,015</u>	<u>278,580</u>
FINANCING ACTIVITY		
Repayment of long term debt	<u>(111,944)</u>	<u>(108,684)</u>
INVESTING TRANSACTIONS		
Increase (decrease) in renewal reserve funds	<u>(94,274)</u>	<u>(187,510)</u>
DECREASE IN CASH FLOW	<u>(203)</u>	<u>(17,614)</u>
Cash - beginning of year	<u>313,209</u>	<u>330,823</u>
CASH - END OF YEAR	<u>\$ 313,006</u>	<u>\$ 313,209</u>

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

1. NATURE OF OPERATIONS

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

The Improvement District is empowered to levy taxes to support the provisions of fire protection, the operation of the Mayne Island Health Centre and the provision of garbage collection and disposal services to the community of Mayne Island. Fire protection consists of prevention services, fire control, medical first response and public education. The Health Centre facility and heliport are maintained by the Improvement District while the operations are carried out by other parties, including Mayne Island Health Centre Association (MIHCA). Garbage collection and disposal, as included in the original mandate, is not provided by the Improvement District and is provided by independent operator(s). The Improvement District does not collect taxes for the provision of garbage collection and disposal services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada.

Basis of accounting

Operating Funds - Fire Protection and Health Centre

The Operating Fund reports the revenues and expenses related to fire protection, administration and the Health Centre (including heliport). The operating fund also accounts for the net bank debt and long term debt and the associated costs for these, unless considered construction costs. Costs specific to one function only are charged to the specific cost centre. When costs relate to the entire Improvement District, the expenses are allocated 65% to fire department administration expenditures and 35% to the Health Centre.

Previously the expenses were allocated 35% to Fire Protection, 30% to Governance of the Fire Protection operations, and 35% to the Health Centre. Comparative amounts have been reclassified to conform to the current year's presentation. Expenditures relating to both Fire Protection and Governance have been combined and reclassified to Administration Expenditures.

Tangible Capital Assets Fund

The Tangible Capital Assets Fund reports the assets, liabilities, revenues, and expenses related to Mayne Island Improvement District's capital assets for fire protection and the Health Centre. Bank debt and long term debt relating to the fire hall building are considered part of the applicable operating fund.

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 held in separate interest earning cash or cash equivalent accounts. Expenditures may only be made from these funds after a bylaw is approved by the trustees of the Improvement District.

(continues)

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

The Improvement District collects taxes for Fire Protection and the Mayne Island Health Centre. The provincial government distributes the taxes collected for fire protection as an annual statutory advance in July. In addition, the provincial government collects taxes for the capital advance tax levy which is distributed directly to offset the long term debt held with the provincial government. Other revenues, including tax 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.

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.

Budget

The budget reflects the Statutory Annual Budget as adopted by the Improvement District and is not subject to review or audit.

Financial instruments

The Improvement District's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, and long term debt. The carrying amounts of these financial instruments approximates their fair value. The Improvement District records accrued interest on the long term debt to reflect the balance as at year end.

Unless otherwise noted, it is management's opinion that the Improvement District is not exposed to significant interest, liquidity or credit risk arising from these financial instruments.

(continues)

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods, with one-half amortization charged in the year of acquisition.

Buildings - Health Centre	4%	declining balance method
Building - Fire hall	40 years	straight-line method
Computer equipment	2 years	straight-line method
Equipment and furniture	5 years	straight-line method
Fire fighting clothing	10 years	straight-line method
Fire fighting equipment	10 years	straight-line method
Generator	20 years	straight-line method
Heliport	20 years	straight-line method
Paving	20 years	straight-line method
Radios and pagers	5 years	straight-line method
Vehicles	10 years and 20 years	straight-line method
Water access and equipment	10 years	straight-line method
Water storage	20 years	straight-line method

The Improvement District regularly reviews its tangible capital assets to eliminate obsolete items. The tangible capital assets are considered for their fair value and any impairments are expensed. There were no impairments during the year.

Tangible capital assets acquired or constructed during the year but not placed into use are not amortized. There are currently no assets under construction.

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

3. TANGIBLE CAPITAL ASSETS

	2024 Cost	Accumulated amortization	2024 Net book value	2023 Net book value
<u>Fire Protection</u>				
Land	\$ 4,690	\$ -	\$ 4,690	\$ 4,690
Building - fire hall	2,581,764	578,086	2,003,678	2,068,222
Computer equipment	51,893	51,787	106	211
Equipment and furniture	22,677	22,677	-	-
Fire fighting clothing	56,010	56,010	-	-
Fire fighting equipment	399,097	387,784	11,313	51,223
Generator	108,072	93,000	15,072	20,476
Paving	151,500	51,638	99,862	107,437
Radios and pagers	15,587	15,587	-	-
Vehicles	1,101,483	835,535	265,948	303,699
Water access and equipment	56,770	56,770	-	-
Water storage	55,197	55,197	-	-
	4,604,740	2,204,071	2,400,669	2,555,958
<u>Health Centre</u>				
Building	612,433	322,529	289,904	301,983
Computer equipment	23,627	23,627	-	-
Equipment	595	595	-	-
Heliport	60,173	52,284	7,889	10,898
Water system	10,682	6,435	4,247	4,781
	\$ 5,312,250	\$ 2,609,541	\$ 2,702,709	\$ 2,873,620

There were no additions or disposals during the year. See Note 4.

4. SUBSEQUENT CAPITAL ASSET PURCHASE - BYLAW NO. 222

The Improvement District entered into an agreement and paid a deposit towards the purchase of a Fire Engine. Bylaw No. 222 was passed on November 19, 2024, cited as "Authorization to Execute Agreements to complete purchase of and insure Fire Apparatus Maximetal Paragon Fire Engine - Stock Truck INC4594 to be known as "Engine 3". This purchase was deemed necessary to meet the service delivery mandate of Mayne Island Volunteer Fire Department. The total cost of \$656,432 (including taxes) was invoiced in January 2025 and Engine 3 was delivered February 2025. The amounts have been paid subsequent to the year end using Fire Department renewal reserve funds (Bylaw No. 221). See Note 6.

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

5. LONG TERM DEBT

	2024	2023
Bylaw 167 - Capital Tax Advance issued, for the purpose of financing the construction of the new fire hall, in the amount of \$2,400,000, requiring annual payments of loan bearing interest at 3% per annum, repayable in annual blended payments of \$159,606, beginning in 2016 through 2035.	\$ 1,476,771	\$ 1,588,715
Accrued interest	21,120	22,659
	\$ 1,497,891	\$ 1,611,374

Principal repayment terms for the next five years are approximately:

2025	\$ 115,302
2026	118,762
2027	122,324
2028	125,994
2029	129,774
	\$ 612,156

Tax levies are collected by the BC provincial government and applied directly each July to the debt held with the provincial government.

Interest on long term debt is not budgeted and the annual payment has not changed.

6. RENEWAL RESERVE FUNDS

Changes to renewal reserve funds for the year, are as follows:

	Fire Protection Renewal Reserve	Health Centre Renewal Reserve	2024
Budget transfer - as per approved budget	\$ 107,000	\$ 13,200	\$ 120,200
Revenue - Interest earned on renewal accounts	34,964	4,753	39,717
Bylaw 221 - Fire Engine 3 deposit (see note below)	(65,643)	-	(65,643)
	76,321	17,953	94,274
FUND SURPLUS, BEGINNING OF YEAR	651,254	90,531	741,785
FUND SURPLUS, DECEMBER 31, 2024	\$ 727,575	\$ 108,484	\$ 836,059

Renewal reserve funds are held in separate interest earning cash or cash equivalent accounts in accordance to the the Improvement District's policies.

Bylaws where all funds have not been spent or the work not yet completed, may not yet be finalized by the year end. The expenditures included are actual expenditures incurred.

Bylaw No. 221 - "2024 Capital Works Reserve Fund Disbursement Bylaw (Engine 3)" was passed November 2024 to appropriate \$656,432 from the Renewal Reserve Funds. The deposit of \$65,643 was paid in the current year and the remainder was paid in the subsequent year. See Note 4.

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

7. GRANTS RECEIVED

In the prior year, a grant was received from the Union of BC Municipalities from the Community Emergency Preparedness Fund. The funds were based on eligible expenditures related to equipment and training under the "Forcible Entry Training Program".

8. LEASE COMMITMENTS

The Improvement District holds a lease as landlord for the portion of the Health Centre premises leased to Vancouver Island Health Authority ("VIHA" - also known as Island Health). The lease is for the period of five (5) years from April 1, 2022, expiring on March 31, 2027. The lease has a first and a second renewal terms of an additional five (5) year renewal period each, with the same terms and conditions except for the rates which are to be updated to the then-fair market rent. The lease provides a base rent and an additional rent of the tenant's proportionate share of expenses, as set out by the lease agreement.

The Improvement District entered into a lease as the lessor with the Mayne Island Volunteer Firefighters' Association in December 2023 commencing January 1, 2024 for the period of ten (10) years ending on January 1, 2034. The lease included an additional portion of land but in all other aspects is the same terms as the prior lease entered into in 2014. Water and sewer is supplied by the Improvement District and all other expenses, costs and improvements relating to this land and building are to be borne by the tenant.

9. OTHER COMMITMENTS

The Improvement District has entered into various contracts and agreements with individuals, companies and other organizations for maintenance, cleaning, gardening and general care of the facilities as well as general operating matters for the Improvement District. These agreements are under normal operations and have been approved by the trustees of the Improvement District.

The Improvement District has a signed Facility Access Agreement with the Capital Regional District ("CRD"). The purpose of this agreement is for the CRD to gain access to Improvement District property for the purpose of operating an ongoing communications centre, or in an event of an emergency, an operations centre. The Access Agreement signed in 2017 is for 40 years, with the revenue received in the year signed for the entire period.

MAYNE ISLAND IMPROVEMENT DISTRICT

Fire Protection Expenditures

(Schedule 1)

Year Ended December 31, 2024

	Budget 2024	2024	Total 2023
FIRE PROTECTION EXPENDITURES			
Administration Expenditures			
Audit fees	\$ 7,963	\$ 8,319	\$ 7,863
Bank charges	1,900	2,035	2,155
Insurance	1,040	1,211	1,018
IT maintenance, security, hardware and software	21,125	31,603	28,335
Legal	2,000	3,876	-
Newsletters and bulletins	500	145	500
Office supplies and equipment	3,580	3,331	2,811
Public meetings, freedom of information, misc	400	250	157
Telecommunications	1,780	7,440	6,585
Training and continuing education	1,200	1,914	364
Travel	200	-	34
Wages and benefits - administration	98,868	75,654	86,105
	140,556	135,778	135,927
Building Expenditures			
Building repairs and maintenance	27,895	31,893	37,399
Insurance	19,610	20,456	18,849
Interest on long term debt (Note 5)	-	46,123	49,306
Utilities	7,500	7,807	7,923
	55,005	106,279	113,477
Fire Department			
Appreciation and awards	4,500	3,638	5,189
Education and training	43,100	51,405	38,431
Equipment maintenance and supplies	66,112	42,130	71,135
Firefighter clothing	4,020	1,569	4,793
Fire prevention education	2,500	1,434	3,102
Subscriptions and dues	1,575	397	706
Travel	500	252	50
Vehicle fuel and insurance	10,500	8,798	8,403
Vehicle repairs and maintenance	15,000	17,699	12,085
Wages and benefits - firefighters	362,167	373,961	332,686
	509,974	501,283	476,580
Total Fire Protection Expenditures	\$ 705,535	\$ 743,340	\$ 725,984

MAYNE ISLAND IMPROVEMENT DISTRICT

Health Centre Expenditures

(Schedule 2)

Year Ended December 31, 2024

	Budget 2024	2024	Total 2023
HEALTH CENTRE EXPENDITURES			
Audit fees	\$ 3,849	\$ 4,480	\$ 4,235
Bank charges	1,900	2,142	2,182
Building repairs and maintenance	37,685	35,493	35,929
Heliport operations and insurance	3,700	3,271	3,083
IT maintenance, security, hardware and software	11,375	16,567	13,107
Insurance	9,600	9,546	8,948
Legal	1,000	-	-
Maintenance contract	5,340	4,431	5,382
Office supplies	5,077	4,558	4,796
Telecommunications	959	1,028	832
Utilities	4,200	3,864	4,187
Wages and benefits - administration	53,237	43,466	46,623
Water system	1,000	237	11
Total Health Centre Expenditures	\$ 138,922	\$ 129,083	\$ 129,315

MAYNE ISLAND IMPROVEMENT DISTRICT

Statement of Fire Protection Operations

(Schedule 3)

Year Ended December 31, 2024

	Budget 2024	Total 2024	Total 2023
REVENUES			
Fire Protection Tax Levies	\$ 769,035	\$ 769,035	\$ 752,452
Capital Tax Advance Levies	-	159,606	159,606
Grants and other contributions (Note 7)	-	-	23,560
Burn Permit Sales	5,500	5,560	6,110
Operating interest and other revenue	13,000	14,258	16,204
Interest Revenue on Reserve Funds	25,000	34,964	26,405
	812,535	983,423	984,337
EXPENSES			
Fire Protection Expenditures (Schedule 1)	705,535	743,340	725,984
Amortization	-	155,288	157,445
	705,535	898,628	883,429
SURPLUS FROM OPERATIONS PRIOR TO TRANSFERS			
	\$ 107,000	\$ 84,795	\$ 100,908

MAYNE ISLAND IMPROVEMENT DISTRICT

Statement of Health Centre Operations

(Schedule 4)

Year Ended December 31, 2024

	Budget 2024	Total 2024	Total 2023
REVENUES			
Health Centre Tax Levies	\$ 107,894	\$ 107,849	\$ 104,295
Rental Revenue	37,728	38,930	38,450
Penalties & Interest on Tax Levies	1,500	3,707	3,673
Operating interest and other revenue	2,000	2,490	3,048
Interest Revenue on Reserve Funds	3,000	4,753	3,443
	<hr/> 152,122	<hr/> 157,729	<hr/> 152,909
EXPENSES			
Health Centre Expenditures (Schedule 2)	138,922	129,083	129,315
Amortization	-	15,622	16,125
	<hr/> 138,922	<hr/> 144,705	<hr/> 145,440
SURPLUS (DEFICIT) PRIOR TO TRANSFERS	<hr/> \$ 13,200	<hr/> \$ 13,024	<hr/> \$ 7,469

MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Changes in Annual Surplus (Deficit)
Year Ended December 31, 2024

(Schedule 5)

	Fire Protection 2024	Health Centre 2024	Tangible Capital Assets 2024	Renewal Reserve Funds 2024	Total 2024	Total 2023
ACCUMULATED SURPLUS (DEFICIT)						
BEGINNING OF YEAR	\$ (1,310,576)	\$ 2,366	\$ 2,873,621	\$ 741,785	\$ 2,307,196	\$ 2,198,819
Annual Surplus (Deficit)	84,795	13,025	-	-	97,820	108,377
	(1,225,781)	15,391	2,873,621	741,785	2,405,016	2,307,196
Amortization of tangible capital assets	155,288	15,622	(170,910)	-	-	-
Transfers to renewal reserve funds	(76,321)	(17,953)	-	94,274	-	-
	78,967	(2,331)	(170,910)	(94,274)	-	-
ACCUMULATED SURPLUS (DEFICIT) END OF YEAR	\$ (1,146,814)	\$ 13,060	\$ 2,702,711	\$ 836,059	\$ 2,405,016	\$ 2,307,196

(Note 6)