

Fletcher Creek Improvement District

RR2, Site 3, Comp 38

Kaslo BC V0G 1M0

Agenda

Annual General Meeting Wednesday April 9th, 7-9 pm Seniors Centre, Kaslo BC

1. Report on the condition of the Improvement District's works: Highlights from Updates
2. Presentation of the annual financial statement;
3. Current years' budget and Capital Asset Forecast
4. Decision about Trustees' honorarium;
 - a. Current level:
 - i. Chair (vacant) receives a \$500/year honorarium
 - ii. Trustees receive a \$150/year honorarium
 - b. Decision
5. Election of Trustees
 - a. Pat Gibbings and Carlene Command end 3 year terms
 - b. Lance McLaren and Gillian Froese continue for 2 more years
 - c. Laurie Hartland continues for 1 more years
 - d. Two vacancies, each for 3 year term.
 - e. Call for Nominations
 - f. Election
6. Volunteer positions: Budget projections reflect an ongoing ability to keep some costs down through volunteer effort.
 - a. Water testing (need to be available during day)
 - b. Technical Advisory (reduce **consulting** expense by understanding project, researching estimates, presenting to Board)
 - c. Accounting Advisory (reduce **accounting and consultant** expense by developing asset management budget, depreciation, assist Secretary Treasurer)
 - d. Maintenance Volunteers: Available for labour tasks – digging, framing, concrete/grout help, testing
7. New Member, Alan Davidson, Hydrologist, addresses risk level of Fletcher Creek
8. Adjournment

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March 16, 2014

FCID activities which were not reported in previous news updates

New Trustee:

Lance McLaren has been declared, by acclamation, a Trustee on the Board. He fills the position left vacant when Elle Anderwert resigned. That term expires in two years.

Tank repair:

Arcright Plumbing & Heating Ltd. (Nelson) provided a quote of \$21,800 (includes PST, materials, labour, shipping and travel) to fabricate stainless steel tanks and a new stainless steel trough. On February 22, 2014, the FCID Board passed a motion to accept the quote. The tanks will be made in sections in the shop before delivery. Marianne Crowe, Interior Health Engineer informed Arcright that the drawings will require an Engineer's stamp (\$500). Those drawings were received on March 10, 2014 and the IHA construction permit application was submitted that same day.

Once the tanks and new trough are in place, a flow meter can be installed to begin gathering usage data. Marianne Crowe recommends that water usage data be collected for at least one year before the treatment system is designed.

Interior Health:

The FCID must accomplish certain tasks by certain target dates, as conditions for continuing to have an active operating permit, which is issued yearly by Interior Health. Condition 2: *Identify Funding Plans or Mechanisms for Treatment*. This includes providing Interior Health with a copy of the master financial plan including both capital and life cycle funding, and outlining how the FCID will pay for the cost of treatment. This condition had a completion date of November 30, 2013. Elle Anderwert completed a preliminary financial plan but the final financial plan cannot be completed until detailed centralized treatment costs are received from Ian Bourne. For this reason, an extension was requested from Cory Chisham, the acting Environmental Health Officer. This extension was approved and a new target completion date set for March 15, 2015.

Emergency Water Supply from Don and Elizabeth Scarlett:

Don and Elizabeth Scarlett have offered the FCID an emergency water supply from their micro-hydroelectric water pipe. The pipe is located across the creek and somewhat north of the intake building. At present the FCID has hose available to run a temporary water line to a valve on Don Scarlett's penstock. To obtain a legal easement which would be binding on future owners of Scarlett's property, the line running from Don's penstock to the intake building would have to be made permanent in some way – by a legal survey detailing where the hose would be or by running a line underground. Because Don and Elizabeth are in agreement with allowing the FCID to access this emergency water without a legal easement, the Board has taken no further action due to concerns about costs during a time when the FCID has a number of pressing expenses.

This emergency water supply will be very useful at times but cannot entirely replace the emergency lake pump. For example, this spring's torrent of rocks and debris destroyed Don's intake so the lake pump and manually operated gas pump had to be used. The same situation would occur if creek levels became very low, as can happen in late summer before fall rains begin.

Logging in Fletcher Creek Watershed:

This summer, Brad Hartland and Elle Anderwert met on site with representatives from Blue Ridge Land and Timber Management, who have been conducting clear-cut logging within the watershed. The concern was that logging equipment was being run directly through a small creek compromising the water quality downstream but no satisfactory answers were obtained. Later, Alan Davidson, Hydrologist with the Ministry of Forests, Lands and Natural Resource Operations, viewed the logging site and indicated that running logging machinery through this small creek was inappropriate and not in the interests of protecting the watershed. Alan ensured that concerns about this matter were documented on the Blue Ridge Land and Timber Management's provincial file and sent an email to Brent Petrick, the Forester managing the logging in the watershed, outlining concerns and giving a list of strategies to follow to support the protection of the watershed during logging.

Turbidity Testing:

As of July 2013, the FCID completed one year of turbidity testing of water from Fletcher Creek as well as from four homes in the Improvement District . The results have been favourable, with most readings being well under 1 NTU (nephelometric turbidity units). Turbidity test results have periodically been sent to Interior Health and have been provided to Ian Bourne. The FCID has now changed to testing the turbidity at the Fletcher Creek intake and only one residence in the district. Graham Gilbert has been responsible for doing the testing but has requested that another member volunteer to take over this duty. **Please consider volunteering at the upcoming AGM.** It should be noted that the turbidity equipment is worth approximately \$1500 and needs to be well cared for.

Watering Restrictions – revised March, 2014

Watering restrictions were first introduced in 2009 because during heavy irrigation in summer, the distribution system is unable to keep up with demand. When too many homeowners use large amounts of water all at the same time, some homeowners experience a drastic drop in pressure or even no water at all. All households have been assigned a #1 or a #2. Those assigned numbers still stand but the watering days have changed. #1 households may sprinkle on odd days (1st, 3rd, 5th, etc.) of the month. #2 households may sprinkle on even days (2nd, 4th, 6th, etc.) of the month. Sprinkling is restricted to before 9:00 am and after 6:00 pm. Exceptions are made for newly seeded lawns and hand watering may be done on any day.

Thank You:

- A special thanks is extended to a number of volunteers who assisted the FCID this year - especially to Don Scarlett who helped out in many ways and continues to do so. Thanks to Brad Hartland who worked tirelessly during this spring's flooding. Other volunteers who assisted the FCID include Graham Gilbert, Stu Gibbings, Jorg Schreiber, and Johnny Command.
- Tom Humphries was considerate in providing reduced legal rates for work he completed on the FCID's behalf.
- Andy Shadrack is appreciated for all of his support this year, especially relative to the flood crisis and remedial work.

Need for More Volunteers:

- In order to reduce labour costs, volunteers will be needed during the next stages of improvements to the system. Please contact the Board if you can be called upon to be of some assistance.

AGM 2014:

- We look forward to seeing you on April 9, 2014 at 7:00 pm, Senior's Hall, Kaslo.

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Statement of Financial Position
December 31, 2013
Unaudited

	2013	2012
Assets		
Current Assets		
Cash	\$ 117,335	\$ 118,056
Accounts Receivable	2,154	1,053
	<u>119,489</u>	<u>119,109</u>
Capital Assets		
Property, Plant and Equipment	<u>71,023</u>	<u>73,823</u>
Total Assets	<u>190,512</u>	<u>192,932</u>
Liabilities and Members Equity		
Current Liabilities		
Accounts Payable	(983)	47
Deferred Revenue	367	219
Unearned Revenue	15,000	(adjust*) 15,000
	<u>14,384</u>	<u>15,266</u>
Member's equity, opening	(adjust**) 177,451	(adjust*) 172,043
Net income	<u>(1,322)</u>	<u>5,623</u>
Member's equity, closing	176,129	(adjust*) 177,666
Total Liabilities and Members Equity	<u>\$ 190,512</u>	<u>\$ 192,932</u>

* Noted \$15,000 revenue attributable to RDCK grant as Unearned Revenue as per accountant's advice in 2013, increases Liabilities and reduces Members Equity.

**Adjusted accounts payable and deferred revenue opening balances to reflect evidence available.

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Statement of Revenue and Expenses December 31, 2013 Unaudited

	2013	2012
Revenue		
Water tax payments	\$ 21,084	\$ 17,293
Water tax penalties	266	400
Prepaid taxes	93	0
Connection fees	0	15
Grants	10,570	0
Interest	875	897
Other	0	200
Total Revenue	<u>32,888</u>	<u>18,805</u>
Expenses		
Maintenance: Regular	3,681	6,168
Flood Related Construction	11,560	
Upgrade Expenses	9,689	
Subtotal Water System Expenses	<u>24,930</u>	<u>6,168</u>
Administration and Payroll Expense	4,132	4,775
Advertising	219	31
Office and Postage	961	1,045
Legal and Accounting	380	638
License, Fees and Dues	603	525
Amortization Expense	2,800	
Subtotal Administration Expense	<u>9,095</u>	<u>7,014</u>
Total Expenses	<u>34,025</u>	<u>13,182</u>
Net income (loss) from operations	<u>\$ (1,322)</u>	<u>\$ 5,623</u>

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Budget 2014 Prepared for AGM April 2014

	2013 Projected	2013 Actual	2014 Budget
Revenue			
Water tax payments	\$ 20,701	\$ 21,084	\$ 26,317
Water tax penalties	0	266	0
Prepaid taxes	0	93	0
Connection fees	15	0	15
Grants	0	10,570	30,000
Interest	900	875	875
Other	343	0	200
Total Revenue	21,959	32,888	58,369
Expenses			
Maintenance: Regular	2,500	3,681	3,500
Flood Related Construction		11,560	
Upgrade Expenses		9,689	8,000
Subtotal Water System Expenses	2,500	24,930	11,500
Administration and Payroll Expense	3,525	4,132	5,906
Advertising	125	219	195
Office and Postage	350	961	650
License, Fees and Dues	250	603	630
Legal and Accounting	0	380	0
Amortization Expense		2,800	2,700
Subtotal Administration Expense	4,250	9,095	10,081
Total Expenses	6,750	34,025	21,581
Net income (loss) from operations	\$ 15,209	\$ (1,322)	\$ 36,810
Capital Asset Budget			
Transfer to Capital Reserves	3,000	0	10,000
Transfer to Capital Asset		0	25,000
Net increase (reduction) in cash balance	\$ 12,209	\$ (1,322)	\$ 1,810

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Budget and Balance Projection: Capital Expenditures

Prepared for AGM April 2014

	2013	2014	2015	2016	2017	2018	2019
Operating and Interest Expenditures							
Maint and Repairs	24,930	36,500	5,400	5,000	5,000	5,000	5,000
Operation			-	8,400	8,400	8,400	8,400
System Design			13,100				
Loan Projection*			5,500	11,343	11,343	11,343	11,343
Subtotal	24,930	36,500	24,000	24,743	24,743	24,743	24,743
Administration	6,295	11,000	11,000	11,000	11,000	11,000	11,000
Subtotal	31,225	47,500	35,000	35,743	35,743	35,743	35,743
Less Grant	10,570	30,000					
Total	20,655	17,500	35,000	35,743	35,743	35,743	35,743
<i>Per tax unit</i>	347.79	294.66	589.32	601.84	601.84	601.84	601.84
Current Assets							
<i>Tax Rate Assumption</i>	343	446	528	607	607	607	607
Revenue	32,888	58,369	31,752	36,325	36,325	36,325	36,325
Expense	31,225	47,500	35,000	35,743	35,743	35,743	35,743
Cash Assets Open	192,932	190,512	176,381	148,133	148,715	149,297	149,878
Cash Increase	1,663	10,869	(3,248)	582	582	582	582
Capital Expenditure	-	25,000	25,000				
Cash Balance	194,595	176,381	148,133	148,715	149,297	149,878	150,460
Capital Assets							
Capital Asset Balance	73,823	71,023	93,323	130,523	261,608	253,759	246,147
Plus Investment	-	25,000	40,000	135,000	-	-	-
Less Depreciation	2,800	2,700	2,800	3,916	7,848	7,613	7,384
Capital Asset Close	71,023	93,323	130,523	261,608	253,759	246,147	238,762
Total Assets	265,618	269,704	278,656	410,322	403,056	396,025	389,222
Total Liabilities	-	-	15,000	150,000	143,974	137,616	130,909
Members equity	265,618	269,704	263,656	260,322	259,082	258,409	258,313

