

**DIAMOND IMPROVEMENT DISTRICT  
MINUTES - AGM**

**Wednesday, July 14, 2021**

**Present:** Stephanie Irvine, Perry Daly, Pete Mottishaw, Christine Godlonton, Dave Shortill

**Absent:**

**AGM**

**Introductions:**

Chair, Stephanie Irvine introduced all of the Trustees and staff present and thanked all for attending our second outdoor AGM. There were 21 residents in attendance.

**Minutes of previous AGM:**

Moved: Dan Judson

Seconded: Brian Doherty

That the 2020 AGM minutes be adopted as typed.

Carried

**Chairman's report:**

Stephanie Irvine gave her report which is attached to these minutes. Stephanie addressed questions from the audience.

**Maintenance report:**

Christine Godlonton gave the maintenance report. She explained that a few years ago the government brought in conflict of interest regulations. This means that the Trustees are to govern and the staff are to do the work. Trustees are NOT to be involved in the day-to-day business of the District.

She explained that we have hired Kevin Massingham as a maintenance man. He is a ticketed water operator. He also does the meter readings which enables him to see problems within the District and we are able to do some preventative maintenance.

We are looking for someone to weed eat in the District. If anyone knows of someone who is interested, we provide the equipment. The Diamond pays \$25.00 per hour for short term labour.

### **Upgrade to system**

Pete Mottishaw explained the proposed upgrade to Grouhel and Pictou. We have engaged Cascadia to look after the bid process. The proponents will be asked to give two quotes, one for 6 inch pipe and one for 8 inch pipe. We will use this first project as a guide for future projects in the District.

### **Financial report:**

Stephanie read the financial report.

### **Budget:**

Moved: April Robinson

Seconded: Dan Judson

That the budget be approved.

Carried.

### **Elections:**

Stephanie Irvine called for nominations. Stephanie Irvine was nominated by Dan Judson. Stephanie accepted the nomination.

Chair, Stephanie Irvine called for nominations for the second time.

Administrator reminded everyone that if we do not fill all of the chairs and someone becomes ill and we do not have a quorum, there could be dire consequences for the Diamond which could be that the District fails.

Dan Judson nominated Orval Delcourt. Orval accepted.

Chair, Stephanie Irvine called for nominations for the third time. No further nominations.

Orval Delcourt and Stephanie Irvine elected by acclamation.

**Trustees Honouraria:**

Moved: April Robinson

Seconded: Santo Sorgiovanns

That the annual dinner for Trustees, their spouses and staff and their spouses be held at a reasonable cost to the District.

Carried.

**Appointment of Auditor:**

Moved: Heather Shortill

Seconded: Melanie Olynyk

That Church Pickard be appointed as auditors for the Diamond Improvement District.

Carried.

**Casual Labour rate:**

Moved: Wade Lahaise

Seconded: Don Egli

That the casual labour rate be set at \$25.00.

Carried

Residents asked if the date due on the water bills could be moved back a week.

**Old business:**

Administrator advised that due to the cost we would not be able to accept e-transfers.

**New business:**

Don Egli – doesn't think that he should be paying the water bill because there has been no usage. Mr. Egli was asked if he wants it removed. Mr. Egli says that the line is getting plugged up. He had to get new water tank because of sediment. He asked to have the meter taken out. We will ask Kevin to talk to Mr. Egli about removing the connection.

April Robinson – spoke about the 250-300 homes that are proposed for the old Ivy Green Marina. There are 5-7 condo towers proposed which are to be 6 stories high. There are residential and commercial buildings proposed.

Cynthia spoke on fireworks. She wanted to know who to contact. She has horses and doesn't want them set off. Advised that this is a CVRD bylaw.

Resident asked about slash burning and what the dates were. Dates are on the CVRD website.

Adjournment: Wade Lahaise

**Meeting after AGM:**

Trustees decided that they would elect Stephanie Irvine as chair of the Trustees.

**Bills:**

Moved: Pete Mottishaw

Seconded: Christine Godlonton

That we pay the bills if found to be correct.

Carried.

Next meeting: August 17, 2021 at 7 p.m.

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Stephanie Irvine, Chair

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Debby Baker, Administrator

he Diamond, 2020-21

Welcome everyone.

It's been quite the year when it comes to Covid and thank goodness the restrictions have eased up enough now to allow us to be with our families & friends again.

I would like to thank you for coming out tonight our AGM. I feel it is so important for us to stay together to keep our little District away from the higher tax centres. Even though our water rates have gone up by quite a bit over the years since I have been involved with the District, at least we do not have the higher property taxes that our neighbours to the south have.

Through 2020, the board continued to meet each month, via Zoom, & when it was safe to do so, we went back to meeting at the hall once a month. Over the last few years, the Trustee role has changed somewhat & when a Trustee comes on board now, it's as a governing role only. We direct staff to handle the day to day administration of our District & the Trustees meet once a month for an hour or two to go over everything that needs direction. Of course, every year, we need new blood, so in saying this, we do have two positions available tonight for board members. My term and that of Perry's term is expiring. Perry, it's been great working alongside you on district matters & I thank you for taking on that position as you did. Personally, I would like to continue on with the board, but we will see how it goes when we call for nominations.

2020 was a relatively quiet year for us, mainly because of Covid, but also because our water system has been behaving itself and we haven't had any major breaks or leaks.

Upgrades to our system is unavoidable though and we know they will be costly, so we have been working hard to save our extra funds for repairing and upgrading our system in the future. We are still working on a small section of the system that we want to upgrade down on Grouhel Road that Pete Mottishaw will be updating us on, but we know as time passes, we will have to look at doing other sections as well.

**The Hall:** Last year, I reported that we had updated the interior of the hall with fresh paint & replacement carpet on the walls. With the public health shut downs however, we haven't had our hall rented out like the way it used to be. I am hoping now that as we move forward, this changes and we can move back to more the way things used to be. We did repair a small section of floor in the men's washroom last month & this week we had to have someone spray for carpenter ants that infiltrated the hall during the heat wave.

I would like to perhaps look into having the outside of the building pressure washed at some point as it's really looking like it needs some TLC, so perhaps that is something we can do as the water restrictions lift in the fall.

**Parcel Taxes:** The parcel taxes did go up a little this year, the increase was kept at only the cost of living. We do have different rates for parcel taxes, based on how many residences are on the property. If you are interested in knowing those rates, you can take a look at Bylaw 208 on the website.

**Rates & other information:** All information for our district is posted on the Diamond website for everyone to view. This includes monthly meeting minutes, copies of bylaws, our contact information, hall rental information, & the applications for subdivision & water connections.

**Water Contract:** Our contract for water was up for renewal this year and we were presented in the spring with what the Town wanted to charge us for water now. It was quite the informative presentation, showing that we would be charged the same as the town residents & that there was no way around that because the Town will not sell water to the Diamond for cheaper than it sells it to their own people. Other than that, I am happy to report that the contract is basically the same as it was before, with only the expected increase in water rates. So in saying that, the per cubic meter rate as of July 1, 2021 will go to \$1.11/m<sup>3</sup>. Each year after that, the rate increases gradually up to \$1.20/m<sup>3</sup> by 2025.

The old rate was 0.62/m<sup>3</sup>, so this would be an increase as of this quarter of .49/m<sup>3</sup>. We haven't set our billing rate from this yet, but I can't see it being much more than the \$1.11.

I know that 0.49 cents seems like quite the jump, but keep in mind that is per cubic meter, which is 220 gallons, so it's an extra 49 cents per 220 gallons.

For example: Let's say an average user used 6000 gallons for a quarter. That's 27.27 m<sup>3</sup>.

Under the old rate, that equates to \$16.91

Under the new rate, it equates to \$30.27. Under this example, it means an increase of \$13.36 for three months water.

I realize that the contracts with the Town have changed drastically from what they used to be, but I look at it as we pay a little more in water, but we keep our independence & by keeping our independence, our taxes will not go sky high as they would if we were brought into the Town of Ladysmith.

**In closing**, I would like to thank all the board members for their continued commitment and dedication over their terms as Trustee. We have a good group of people and I ask that you search deep & think about joining us in keeping our small district the way it is and ultimately out of the higher tax centres. It takes us all to make this work, so please think hard about stepping up to the plate.

This concludes my Chairman's report. Does anyone have any questions or thoughts?

### **The financials:**

- The accounting firm of Church Pickard performed the 2020 Audit and their report has been handed out for you to review.



- Overall, the year was better than 2019 and we were able to put \$91,086.00 into the CEC fund for repairs and upgrades to our water system. The CEC fund (Capital Expenditure Charge) is a reserve bank account that is used entirely for new capital cost burdens within the District. You can find more of an explanation of the CEC fund within note 4 of the financials.
- Page 6 of the report will show us the Income Statement for the year, but it also shows us how we compared with our budget and how we compared with the prior year.
- As we look thorough the Revenues & Expenses, everything pretty well came in on or under budget, except a few items. We had fewer connections in 2020 & the water supply access charges noted gets paid directly to the Town for new water services coming on board, our water tolls came in above budget, and of course, our hall rentals income dropped drastically.
- Other items to note would be the amount of cash held in the bank account. At the end of 2020, it shows we had \$287k, but a portion of that was transferred to the CEC fund & the remaining was kept available for unexpected Repairs & maintenance. Our district is self-financing, which means that there are no government programs to help us out like there is with municipalities like the Town or CVRD. Ultimately, this means that any excess funds are saved for keeping our water system up & running.
- Once the new board is up and running, I would expect us to also be looking into cashable term deposits for any excess amounts that may be sitting in the bank account at present day.

- On the bottom of page 6, the annual surplus noted is the district's net income, which will be the amount that has been transferred to the CEC fund already noted.
- Does anyone have any questions around the 2020 financials?

### **The 2021 Budget:**

- We kept the 2021 budget pretty well in line with the 2019 budget, allotting an increase in water revenue & water expenses in anticipation of the new contract.
- We kept the general repairs & maintenance for the system quite high in the budget only because if we have an incident, it can become very expensive, very fast, so we like to keep that budgeted quite high.
- The accounting & legal covers both our yearly audit & the lawyer fees in regards to the new water contract. At the time of doing up the budget, we didn't know what our lawyer fees would look like, so we budgeted high. I expect we will come in quite a bit under budget for this.
- Down where it say Water Loss/Breaks, that would be the cost of the lost water from the break. An amount that would be paid to the Town if a break happened & water was wasted.
- Everything else had only nominal increases within the budget because as we know, costs are always increasing & there's no way around it.

- Our employees include an administrator, an assistant to look after the daily tasks, A water tester that is required by VIHA, our meter reader, then our custodians for the hall.
- I am going to just throw it out there as well for anyone who would like to be paid for some casual work, we always seem to need someone to go around and weed-eat around the hydrants & it would be some extra pocket money for a younger teen or even someone who is retired/semi-retired. If interested, just get in touch with Debby. Her contact information is on our website.