



Making a difference...together

**CEDARS OF TUAM WATER SERVICE COMMISSION
ANNUAL GENERAL MEETING**

Notice of Meeting on MONDAY, October 20, 2014 at 1:00 PM
Salt Spring Public Library, 129 McPhillips Ave, Salt Spring Island, BC

Wayne McIntyre Mary Gillies Ron Bain

(Amended) AGENDA

- 1. Call to Order**
- 2. Approval of Agenda**
- 3. Adoption of Minutes of the 2013 Annual General Meeting held on February 28, 2014
(previously distributed)**
- 4. Chair's Report**
- 5. Operations Report**
 - 5.1 2014 Annual Report-Cedars of Tuam**
- 6. Election of Officers**
- 7. New Business**
- 8. Adjournment**

To ensure quorum, advise Tracey Shaver 250 537 4448 if you cannot attend.



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**Minutes of the Annual General Meeting of the Cedars of Tuam Water Service Commission
Held February 28, 2014 in the Fulford Hall OAP, Salt Spring Island, BC**

DRAFT

Present: **CRD Director:** Wayne McIntyre
Commission Members: Ron Bain, Chair; Mary Gillies
Staff: Dan Robson, Saanich Peninsula and Gulf Islands Operations; Brian MacDonald, Finance; Peter Sparanese, Senior Manager, Infrastructure Operations, Integrated Water Services; Karla Campbell, EA Senior Manager; Michele Akerman, Recording Secretary; Keith Wahlstrom, Contract Engineer

The Chair called the meeting to order at 8:13 am.

1. Approval of Agenda

MOVED by Director McIntyre, **SECONDED** by Commissioner Gillies,
That the agenda be approved as presented

2. Adoption of December 3, 2012 Minutes

MOVED by Commissioner Gillies, **SECONDED** by Director McIntyre,
That the December 3, 2012 Minutes be approved with the following amendment on page 3 item 5.1, third bullet: Presently, eleven years later Cedars of Tuam is in need of support, the Commission is unclear where it stands in terms of capital projects.

3. Chair Report

The Chair gave a verbal report with the following highlights:

- Need to have a plan for the future, and also preserve historical information so new Commissioners know the history.
- Set out some kind of plan that we can look at over the next year inform residents.
- Need to send out agenda packages in a more timely manner so commission is prepared for the meetings. Establish lines of communication and be aware of who is responsible.

4. 2012 Annual Report

The Chair explained that at this time of year we have approximately 7 out of 16 residents are part-time, if you look at the trend of consumption you will see the peaks are due to the people being away. Occupancy is also changing with three to four home sales in past year and the number of users are increasing with longer term residents. It is important to educate new users on the history of the system, role of the commission and community capacity.

2012 Operating Expenses Pie Chart

The Commission would prefer the categories showing a historical trend over the past five years.

There was a concern with administrative costs being very difficult to understand and to get a handle on how to reduce costs. The only control the users have is to reduce consumption.

MOVED by Commissioner Bain, **SECONDED** by Commissioner Gillies,
That at the Annual General Meeting the five year trend report of operating expenses and revenue funds be presented.

CARRIED

5. Election of Officers

Nominations were called for the Chair. Commissioner Gillies nominated Commissioner Bain. Director McIntyre seconded the nomination. Commissioner Bain accepted the nomination. There were no further nominations heard. Commissioner Bain was elected for Chair of Commission for a two year term.

6. New Business

The Chair asked what the expectations are for what can be achieved in 2014. Looking for a time frame on work that needs to be done and a decision made on future capital costs.

Director McIntyre outlined what is happening in the province with the small water systems group. The group was designed to look at the challenges facing small water systems in the province. The Union of Municipalities identified that with 1500 individual water systems throughout the province that are 150 connections. In collaboration with Regional Districts, Ministry of Health, Ministry of Natural Resources, and Ministry of Community Sport and Culture. Identified the commonalities between us and other communities and what can we put in place for best practices. A report with recommendations to the Ministry which will eventually go to the Minister. We now have the Financial Best Practices which have been published:

- a. Create a basic asset inventory
- b. Build an asset management plan
- c. Create a five year operative plan
- d. Establish a long term financial plan
- e. Determine sustainable water rates and charges
- f. Develop a communications plan

There was a general discussion on whether it would be possible to transfer all services to Salt Spring to reduce the Administrative portion on the budgets. The Chair asked about turning services over to CRD Salt Spring in terms of the management functions.

The Chair commented that since 2002 the commission had two choices regarding the well, one was to re-work the well or to find a different source of water. In 2010 a well was drilled as a second source and nothing has been done since to secure right of way.

MOVED by Commissioner Gillies, **SECONDED** by Director McIntyre,
That securing the rights to the well site be a priority and placed on the agenda.

CARRIED

General discussion regarding the need to get a right of way signed by the School District.

Staff to send the commission a list of issues and actions requested to secure the well statutory right of way.

7. Adjournment

The meeting was adjourned at 9:27am

CHAIR

SENIOR MANAGER

A large, light-colored, stylized letter 'R' watermark is positioned diagonally across the lower half of the page. The 'R' is composed of a dense pattern of small dots or a halftone effect, giving it a textured appearance. It is tilted slightly to the right.



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**CEDARS OF TUAM WATER SERVICE
2014 ANNUAL REPORT
MONDAY, OCTOBER 20, 2014**

Purpose of the Annual General Meeting

The agenda for the Annual General Meeting (AGM) is approved by the members of the Committee. The purposes (and hence the agenda items) of the meeting are:

- To have the last year's AGM minutes approved (by Committee members), and to present reports on the work of the Committee on, the past year's operation, maintenance, capital upgrades and financial information of the service to the service residents and owners,
- To nominate members for appointment to the Committee, and
- To enable the public to share comments on subjects which relate to the work of the Committee. The Committee can identify (under "new business") issues on which it wants feedback at the meeting. Motions raised by the public at the AGM will be considered by the committee at a subsequent regular meeting.

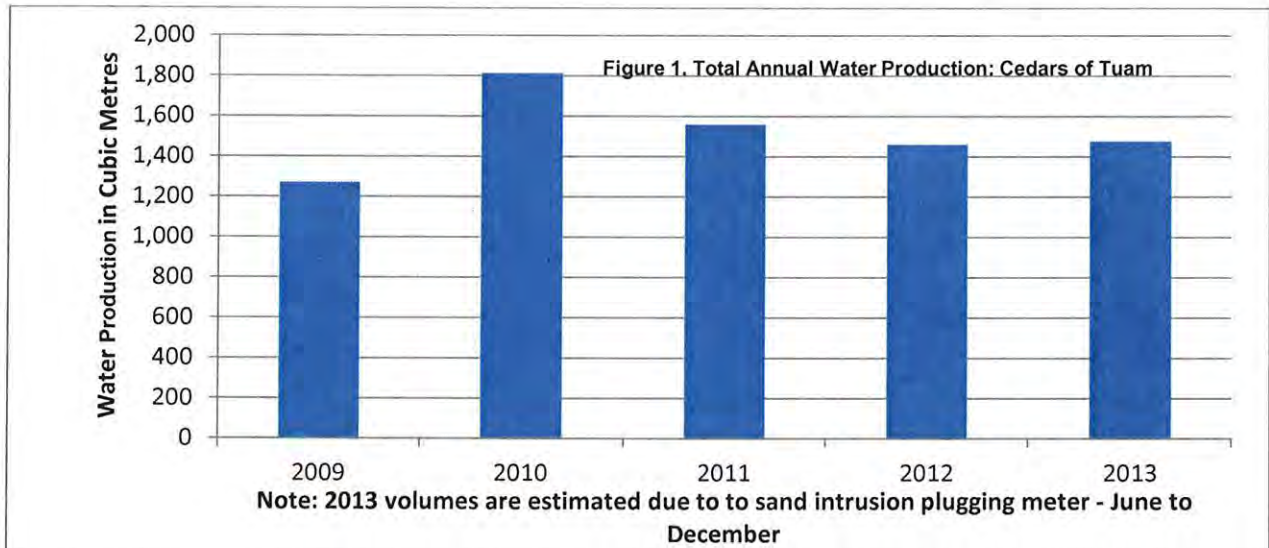
The Annual General Meeting is for the 2013 fiscal year.

DRINKING WATER SYSTEM

Water Supply and Demand

The total amount of water produced into the Cedars of Tuam water distribution system in 2013 is estimated at 1,478 cubic metres (m³), approximately equal to than that produced in 2012. Annual production is shown in Figure 1 with 2013 volume estimated due to erroneous meter readings caused through intrusion of sand during the dry summer months. The problem rectifies itself when the well levels recharge early in the year.

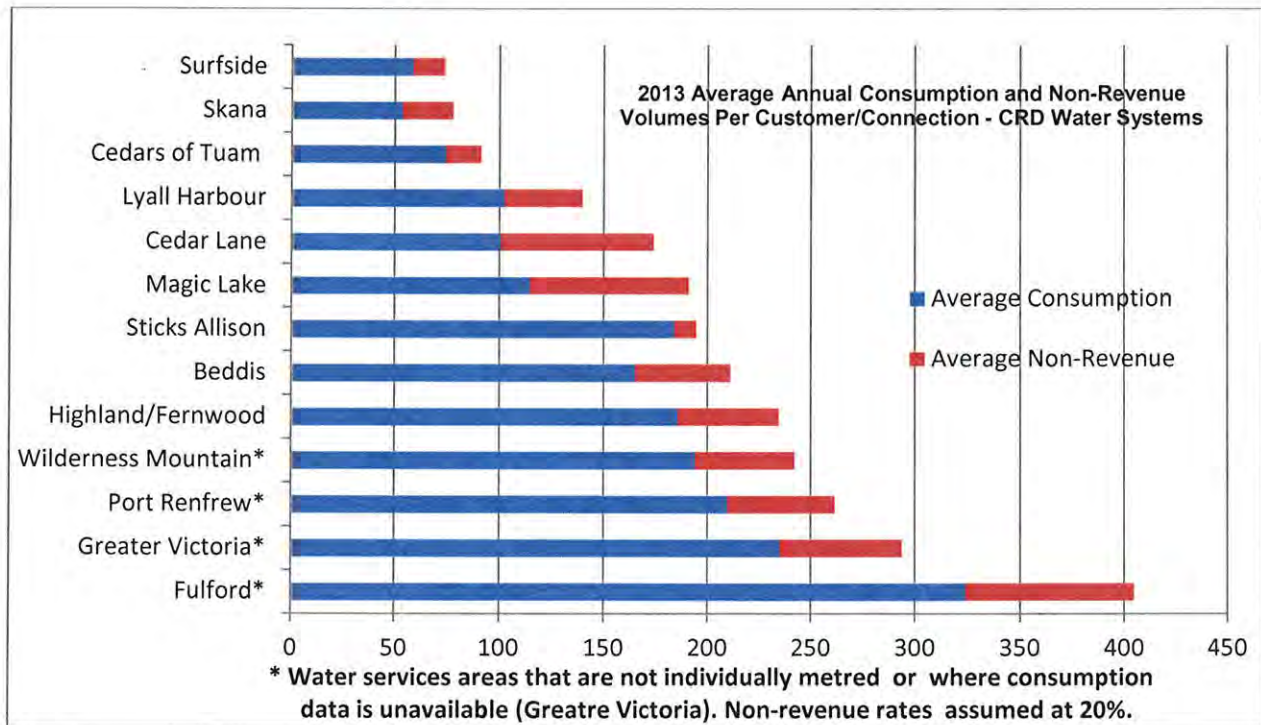
The total draw from the drinking water source since 2009 is shown in **Figure 1** below:



Total consumption measured through individual customer meters in 2013 was 1,192 m³ approximately 16% less than the previous year's 1,424 m³. The difference in the volume of raw water extracted from the well and the volume of treated water consumed is considered non-revenue water, estimated at approximately 17 m³ per service connection per year, or 18% of the total water produced in 2013; considered low in comparison to other CRD water systems. This water is typically used for operational and treatment process purposes such as water main flushing, reservoir cleaning and treatment plant filter backwashing. Non-revenue water also includes water lost to leakage in the distribution system, including private side connections and fire-fighting activities.

The average Cedars of Tuam account used 75 m³ of water in 2013, a 15% decrease in consumption over the previous year's 89 m³. A 2013 comparison of average annual water consumption per residential service connection for other CRD water distribution systems is provided in Figure 2 following.

Figure 2.



Operations

The Cedars of Tuam water system operated reliably in 2013.

There are no significant operational activities to report for the service area.

Capital Plan

A well and distribution system upgrade feasibility study for the Cedars of Tuam system is planned, to determine the quantity, age, condition and approximate life expectancy of the water mains and other system infrastructure and establish a plan to develop and connect the new well. The plan will include a long-term financial plan to fund system operation and maintenance,

infrastructure renewal and development of new works, in order to maintain an acceptable level of service and provide future annual cost of service projections.

Water Quality

The analytical results of water samples collected in 2013 from the Cedars of Tuam Water System showed that the drinking water was of good bacteriological and chemical quality and well within Guideline for Canadian Drinking Water health-related regulatory and aesthetic limits, including disinfection by-products.

ANNUAL BUDGET AND FINANCIAL REPORT FOR 2013

Attached are copies of the *Statements of Operations (Unaudited)* for Cedars of Tuam services as prepared by CRD Finance and Corporate Services for the year 2013. The statements provide an overview of the revenues and expenditures for the year.

Revenue includes user fees (*Sale of services*), sales revenue (water consumption) and small amounts for interest on savings and miscellaneous revenue such as late payment charges (*Other revenue*). *Expenses* include all costs of providing the service. *General government services* include budget preparation, financial management, utility billing, and risk management services. *Other expenses* includes all other costs to administer and operate the water system, and the principal and interest payments on borrowing to finance capital projects. *Other fiscal services* includes administration costs for loans.

The difference between *revenue* and *expenses* is reported as *Net revenue (expenses)*. Any transfers to or from capital or reserve accounts for the service (*Transfers to own funds*) are deducted from this amount and the result is then added to any surplus or deficit carry forward from the prior year, yielding an *Accumulated surplus* (or deficit) that is carried forward to the following year.

The Cedars of Tuam Water 2013 revenue of \$23,564 includes \$21,978 of User Fees, \$1,542 of Sales Revenue, \$6 of interest earned and \$38 of late payment charges collected. The total expenses of \$23,634 includes \$1,790 for administration, \$19,867 for operating expenses and \$1,977 for debt servicing cost. The difference between revenue and expenses in 2013 amounted to a net deficit of \$70.

With \$1,032 transferred to Reserve Funds, the 2013 net deficit of \$1,102 was added to the 2012 carry forward balance of \$2,647 creating a 2013 year end surplus of \$1,545, carried forward to 2014.

As of December 31, 2013 the Cedars of Tuam Capital Reserve Fund balance was \$10,067 and there was \$29,707 in unspent Gas Tax Funds in a General Capital Fund to be spend on improvements in access and reliability of the water system.

Water System Problems - Who to Call:

To report any event or to leave a message regarding the Cedars of Tuam water system, call:

CRD water system emergency call centre: 1-250-474-9630

CRD local operator (Ganges Wastewater Treatment Plant): 250-537-4314

CRD water system general enquiries (toll free): 1-800-663-4425

Dan Robson, A.Sc.T
Manager, Saanich Peninsula and Gulf
Islands Operations
Infrastructure Engineering & Operations

Karla Campbell
Senior Manager, Salt Spring Island Electoral
Area

Peter Sparanese, P.Eng.
Senior Manager, Infrastructure
Engineering and Operations
Concurrence

Ted Robbins, BSc., C Tech.
General Manager, Integrated Water Services
Concurrence

KW:ts/lb
Attachment: 1

CAPITAL REGIONAL DISTRICT

**WATER REVENUE FUND
Statement of Operations (Unaudited)
For the Year Ended December 31, 2013**

	Cedars of Tuam Water Supply
Revenue	
Transfers from government	\$ -
Sale of services	23,520
Other revenue from own sources:	
Interest earnings	6
Other revenue	38
Total revenue	23,564
Expenses	
General government services	1,790
Grants in aid	-
Other expenses	21,869
Salaries and wages	-
Fiscal services	(25)
Recovery	-
Total expenses	23,634
Net revenue (expenses)	(70)
Transfers to own funds:	
Capital Funds	-
Reserve Funds	1,032
Equipment Replacement Fund	-
Transfers from own funds:	
Reserve Funds	-
Annual surplus	(1,102)
Accumulated surplus (deficit), beginning of year \$	2,647
Accumulated surplus (deficit), end of year	\$ 1,545