

**SATURNA ISLAND FIRE PROTECTION SOCIETY
ANNUAL GENERAL MEETING (“AGM”) MINUTES
September 6, 2009 at 10 a.m. at the Recreation Centre**

DIRECTORS

Lorne Bolton-President, John Money-Vice-President, John Savage-Secretary, Michael Taylor-Treasurer, Jim Bavis, Tom Koochin, Bernhard Ziegler, Hugh Grasswick

FIRE CHIEF- John Wiznuk

There were 49 people in attendance when the meeting started.

1. CALL TO ORDER

President Lorne Bolton called the meeting to order at 10:05 a.m. and introduced the members of the Board.

2. DETERMINATION OF A QUORUM

Lorne Bolton determined there was a quorum present, as only three persons in attendance would meet the requirement in the bylaws.

3. APPROVAL OF THE MINUTES OF THE ANNUAL GENERAL MEETING OF June 21, 2008

The minutes of the June 21, 2008 AGM were presented for approval by John Savage.

David ReeseThomas asked if the item number 8 on Page 3 was correct. Lorne Bolton replied that at that time it was thought to be correct and since then legal advice was received that this was not the case and a more formal process is now in place.

Motion:Moved by John Savage and seconded by John Money that the minutes of the June 21, 2008 AGM be adopted. **CARRIED**

4. BUSINESS ARISING FROM THE MINUTES

Lorne Bolton determined that there was no business arising from the minutes and none was forthcoming from the floor.

5. PRESIDENT’S REPORT

Lorne Bolton presented his President’s Report (report attached) covering the past 15 months, which included:

- The delay in holding the AGM because of the Grant application
- The process and work involved with the Grant application
- The negotiations and ultimate signing of the Memorandum of Understanding with the Saturna Community Club
- The volunteer firefighter activity for the period which showed that the majority of call outs were for assistance to Saturna Island Rescue
- The dedication and service to the community by the firefighters, including giving up significant personal time to upgrade their skills was recognized and they should be proud of their achievements
- The ongoing commitment by the Board to the health and safety of the firefighters
- Retired firefighters, Jon Guy, Graeme Bregani and Greg Robertson received special thanks for many years of excellent service
- Recognition of retiring Board members:

- Jim Bavis and his very successful sign campaign, Jim will continue to run this campaign for another year
- Recognition of the 12 years of service that Michael Taylor dedicated to the Board as treasurer

Special thank you to both Jim and Michael for outstanding service to the Board and the Community.

- a thank you to the remaining 6 Directors for their exemplary levels of participation on Board Committees
- Lorne Bolton announced he will be stepping down from the President position but would remain on the Board during the upcoming crucial year of construction.

Motion: Moved by Lorne Bolton for the acceptance of the President's Report. Seconded by Susie Washington-Smyth.

Bill Schermbrucker asked for correction in the second paragraph of the report to show that a joint committee of members consisted of the Board and the Community Club. The amendment was noted for inclusion.

6. REPORT OF THE DIRECTORS

Lorne Bolton presented the Directors' Report which covered the past 15 months (report attached), the highlights were as follows;

- The New Main Emergency Services Building
- The New Auxiliary services Building
- Rezoning of the East Point property, the old fire hall and the change in land use bylaw for the new hall site
- Government Grant application
- Property valuations on all three properties
- Saturna Island Rescue negotiations and the signed Memorandum of Understanding which covers three specific phases
- The property signage project spearheaded by Jim Bavis
- Parks Canada lease negotiations
- Southern Gulf Islands Emergency Management Commission lease- update that the lease has now been signed and received by SIFPS

Questions from the floor were solicited. John Money stated that in the event the Grant is not received, there is a 'Plan B' in place in order to take out a long-term loan. Three banking institutions are currently interested in offering long term-loans. John Savage gave a synopsis of the various banking institutions that had been approached and their respective responses. He also stated that if the grant is not received and long term loans are required then a special general meeting must be held and the members present would have to be in 75% agreement to proceed.

A question from the floor asked where the other 1/3 of the funds come from if 1/3 is from Provincial and 1/3 is from Federal funding. Lorne Bolton explained that the 1/3 would be the Society's money.

Priscilla Ewbank then asked whether expenses incurred prior to the grant, such as site excavation, were covered by the grant. Lorne Bolton explained that site preparation is not covered, as well as some other items; however, the East Point site preparation is fairly nominal has not been done and it may actually be able to be covered under the grant.

John Gaines asked if long-term financing was required, would it require increasing the property assessment rate? Lorne Bolton explained that the maximum assessment rate is \$0.85 per \$1000

of assessed value, which would equate to approximately \$206,000 per year. At the current assessment rate receipts for 2009 are approximately \$176,000, plus PILT money and an additional small amount from the Capital Regional District. Therefore, there is an increased amount in 2010 available, if the maximum assessments are required, but at this time it is not intended. It was explained that using the \$206,000, and the current operational budget of \$80-90,000, that leaves \$100,000 plus for capital expenditures and to service the debt. Without raising the maximum assessment rate, this could be divided into approximately \$40,000 for capital expenditures and \$65,000 to service the debt; based on \$650,000 of debt at 6% interest, with a 20 year amortization.

Geri Crooks asked if the 75% of agreement for a loan are members of SIFPS or taxpayers. John Savage stated that it is the members of SIFPS in attendance at the meeting, but if we were to have to increase the tax maximum tax rate roll then it would be up to the taxpayers.

Bill Douglas asked how many members of SIFPS there are. John Savage confirmed there are currently 99. Bill Douglas then asked if that included firefighters and Lorne Bolton confirmed that yes anyone may become a member. John Savage addressed the legal opinion that was received which caused the Board to pass a resolution that all permanent residents, upon their application being received by the Board, can automatically become a member. In addition, any property elector can also become a member automatically upon their application being received by the Board. It was explained that there is also a third category of members, those who are not property electors or residents; in this case they must apply to the Board and the Board reviews these applications and decides if they can become members. Bev Neff asked to confirm that all property electors and residents automatically become members as long as they apply and the Board receives that application; John Savage confirmed it.

A question was raised as to how off island owners will be notified and able to vote if there is a 75% vote required for a Special Resolution to enable the Board to incur long-term debt. John Savage responded that the process has as yet not been looked at as the grant is still anticipated. Andrew Money asked whether the 75% vote is of members present at the meeting or 75% of members in total. John Savage responded that it is 75% of members present at the meeting. Lorne Bolton clarified that under the current bylaws, no proxy votes are allowed. He went on to explain that if SIR becomes a part of SIFPS then bylaws and constitution may have to be revised and this could be changed at that time.

Priscilla Ewbank asked if the constitution and bylaws are boilerplate and apply to all fire protection societies. Lorne Bolton replied that the SIFPS By-Laws and Constitution is based on the Standards Societies Act with some changes that pertain only to SIFPS under the Societies Act of 1994 and it does not reflect the changes to the Societies Act since then and that these updates could also be made at that time.

Bev Neff asked if members have approval rights over changes to the bylaws. Lorne Bolton confirmed that yes they do and appropriate notice of proposed changes would go out to the members prior to the meeting to implement the changes.

7. FINANCIAL REPORT

Michael Taylor reviewed the financial reports for the one year period ending December 31, 2008 and the financial report for the seven month period ending July 31, 2009. The latter financial report was necessary due to the requirement that any Financial Statements presented to an AGM may not be older than six months.

For the period ending December 31, 2008

Net Assets \$353,790

Revenue	\$162,042
Expenditures	\$89,083
Surplus for the period	\$72,959

It was explained that approximately \$11,000 was spent on firefighter training.

The explanatory notes on Page 5 were reviewed and there were no questions from the floor.

Motion: Moved by Michael Taylor to adopt the financial statements for the period ending December 31, 2008. Seconded by Pam Janszen.

For the period ending July 31, 2009

Net Assets	\$584,400
Revenue	\$185,103
Expenditures	\$37,853
Surplus for the 7 month period	\$147,250

It was explained that approximately \$12,500 has been spent on training expenses.

The explanatory notes on page 5 were identical to the previous statements' up to item 6; Michael Taylor reviewed the costs and funding of the two fire halls. The handling of the monies received from the Saturna Recreation Centre Society was also reviewed.

Motion: Moved by Michael Taylor to adopt the Interim Financial Statements for the period ending July 31, 2009. Seconded by Jim Bavis

There was a question from the floor asking about the length of the various leases. John Savage stated that the Southern Gulf Islands Emergency Management Commission lease is for 20-25 years and the Parks Canada lease is not yet finalized. He further explained that Parks Canada's proposal on the table at this time is for 49 years and SIFPS has countered at 20-25 years. A further question from the floor was asked; if we purchase the property from the Recreation Centre Society, will there still be a \$5000 annual payment made to the Recreation Centre. Lorne Bolton confirmed that this payment would still be made because of the services such as sewage, heating and other amenities that would still be used by the new building. John Money stated that the purchase price for the building would be \$10 which makes up for this lease costs.

Another question from the floor was raised as to what happens to the \$80,000 if SIR does not become part of SIFPS. Lorne Bolton stated that the building will still be built and the money used for the building. John Savage replied that the MOU was very explicit as to how the funds are to be used and will first be used to accommodate SIR in the building.

Geri Crooks asked where the Project Manager's wages were accounted for in explanation 7. Lorne Bolton advised that they would be part of the construction budget.

Tony Simmonds asked how complete the building plans are. Lorne Bolton stated that Building #2 is as close as it can be, but that the Main Emergency Services Building is still not quite finalized. John Savage advised that at least three or four renditions of drawings have been done for the new Main Emergency Services Building, with the last dated August 9, 2009, after a meeting with all the stakeholders; he further advised that conceptually minor changes may still be made. Savage advised that there is hesitancy to finalize anything until the grant is received, due to the eligibility for payment issue, and that once the grant decision is received there will be a need to move quite rapidly. Tony Simmonds then asked if there was going to be a professional hired to design the building. John Savage replied that the building will be pre-engineered steel with the

contractor supplying the building package and design expertise to fine tune the building. He also advised that the Recreation Centre Society has final design approval, to ensure that the building fits in the landscape. The East Point Building has had neighbourhood involvement in its design. Tony Simmonds then asked if the pre-engineered building will satisfy disaster code requirements; Savage replied that it did.

Tony Simmonds asked whether the construction budget is finalized, if the building is not finalized. John Savage replied that it is basically finalized and we are as close as can be at this point. Lorne Bolton added that because of the construction market changes this year, we are hopeful there may yet be a further decrease in the costs.

Charles Reif asked what role the members will have in the decision on the design. Lorne Bolton replied that there are still design elements needing to be finalized before coming forward with something for the community to see as a package for input by the community. It was explained that there have been meetings with the various stakeholder groups, to ensure their needs have been included.

Richard Blagborne stated that the purpose of his drawings were for the purposes of the grant application and made to look like a disaster mitigation building and was not a design; that it was more of a program document to meet the requirements in the grant application, not a design for a building. He explained this building will be a central piece in the community, as it will stand in the heart of the island, and is important to its rhythm. He questioned the ability of a steel fabricator to be able to add design elements. His experience with this type of building is when adding all the elements then the costs are the same as if you designed the building. He went on to say that he hopes the Board takes the initiative with the Recreation Centre Society to sort out the area around the building and look at changing the surrounding buildings like the pumping system and changing the road alignment.

Tony Simmonds added that at the time the package will be looked at by the community the design will be finalized and what input could the community then provide and that on such an important building it seems the wrong time for input. Lorne Bolton stated that focus on things like windows, doors, size of the building and rooms within it will all change if no grant is received. If we get the grant then the finalization of the layout can proceed.

Priscilla Ewbank expressed appreciation that things seem to be pointed in the right direction with the MOU between the SCC and SIFPS regarding the SIR. She questioned that the MOU currently provides that Phase 3 is only dealt with after Phases 1 and 2 and that this should be reconsidered, as the governance issue is important. John Savage explained that the MOU is specific and phase 3 will be addressed upon the substantial completion of Phases 1 & 2. He explained that the reason for that is that both Phases 1 & 2 deal with emergency services and SIR and that these issues required that they be dealt with in the near-term, while Phase 3 deals with the governance of and provision of broader community health services on Saturna and deal with longer-term issues.

Susie Washington-Smyth suggested we close the financial reports. A typo on page 6 note 7 under donated funds was identified, that it should read that the donated funds were \$80,503 not \$80,205.

Bill Douglas asked if an auditor has been established. Lorne Bolton advised that to date an Auditor has not been utilized, as they cost approximately \$5,000; he went on to explain that if the grant is approved, an auditor is required

Motion: moved again by Michael Taylor to adopt both sets of financial statements.

CARRIED

John Money explained, regarding the building design, there has been a hard struggle, appearance versus function. He advised that Mayne Island is holding a referendum for a new hall, believed to be approximately the same size as our two proposed buildings, and that the referendum amount that their taxpayers are voting on is approximately \$4million. It was explained that while we want the building to look good, it must be affordable.

9. APPROVAL OF THE ACTS OF DIRECTORS FOR THE PERIOD June 21, 2008, to September 6, 2009

Motion: Moved by Lorne Bolton that the Acts of Directors for the period June 21, 2008, to September 6, 2009 be approved. Seconded by Pam Janszen.

CARRIED

10 REPORT OF THE NOMINATION COMMITTEE

Lorne Bolton stated that the maximum number of Board Directors is set at 11 and 7 of the current Directors have indicated they are willing to remain on the Board, therefore 4 additional new Directors are required. He explained that there are needs to fill on the Board with the retirement of two of the Directors and the individuals being nominated by the Nomination Committee were being nominated as they are able to provide the necessary skills and expertise to be of service to the Board. Bolton then requested John Money to present the report of the Nomination Committee.

Motion: Moved by John Money that the nominees for election are as follows:

John Savage	Lorne Bolton	Hugh Grasswick
Bernie Ziegler	Tom Koochin	Wayne Quinn
Brian Haley	Ron Hall	Teresa Howard
John Money	Marlies Petura	

Seconded by Sue Syverson.

John Gaines stated a concern about one of the nominees; that Wayne Quinn would be both a Director on the Board while being paid by the Board for his construction management services. Gaines recalled that when he and Don Piper were in a similar situation, with the Recreation Centre, they had to resign from the Board in order to avoid any conflict of interest. John Savage explained that the preset payments in the contract between SIFPS and Quinn are based on achievement of milestones and are set amounts and therefore no decision-making on Quinn's part would change the amount of payment to him. After discussion it was determined that even if there is no actual conflict it is the perception of a conflict that is the issue.

Motion: Moved by Jeanne Crerar to amend the slate to remove Wayne Quinn.
Seconded by John Gaines. **CARRIED**

John Money read the list of nominees again with Mr. Quinn's name removed.

Motion: Moved by John Money that the revised list of nominees for election are accepted. Seconded by Pam Janszen.

Lorne Bolton called for nominations from the floor, Bill Douglas nominated Greg Robertson; however as Mr. Robertson was not present to accept or reject the nomination, it could not stand. Mr. Douglas then nominated Graeme Bregani, who declined the nomination. After calling for nominations from the floor for a third time Lorne Bolton closed nominations.

11 ELECTION OF DIRECTORS

Based on their having been no further nomination, Lorne Bolton declared those nominated as elected by acclamation and the 10 nominees to be the new Directors of SIFPS.

12 RESIGNATION OF DIRECTORS

Lorne Bolton stated that the present Board Directors automatically must resign and hereby do so.

13. THANK YOU TO RETIRING DIRECTORS

Lorne thanked the retiring Directors, Michael Taylor and Jim Bavis, for their long service to the community.

14. ADJOURNEMENT

The meeting was adjourned at 11:45 a.m.

Motion: Moved by Lorne Bolton that the meeting be adjourned.

CARRIED

John Savage, President

Marlies Petura, Secretary

Appended to the Minutes:

President's Report
Directors' Report
Financial Statements for the period Jan.1 to Dec. 31, 2008
and financial statements for the period Jan.1,2009 to July 31, 2009
Report of the Nominating Committee

SATURNA ISLAND FIRE PROTECTION SOCIETY

PRESIDENT'S REPORT

SEPTEMBER 6, 2009

It is now almost 15 months since our last Annual General Meeting held June 21, 2008. There are many reasons for the delay, which is permitted under the Society's Act, which requires that financial statements be presented to the AGM that are not more than 6 months old. This we will do later in the meeting.

As you will see from the Directors Report, one of the most potentially important initiatives of the Board was the development and submission of a Grant Application for \$636,740 to assist with the construction of the two new buildings. This involved two Directors doing a huge amount of work in two weeks to get it submitted by the deadline. Another important initiative undertaken by a Committee of 4 Directors was negotiating the MOU with 4 Directors of the Saturna Community Club (SCC). The latter was approved by the Board on June 22, 2009 and the Grant Application approval was expected at the end of June. While awaiting the Grant approval, the

Board decided to take the summer finalizing financing for the new Emergency Services Buildings, and finishing up the business of the previous 15 months. The financing arrangements are ongoing and should be finalized shortly - we are still waiting for the decision on the Grant. It is important that we do not spend any money on either building until we have heard about the grant one way or the other. Any money spent prior to the awarding of the grant would be ineligible for the 2/3 reimbursement from grant funds.

The Volunteer Firefighters under the command of our fire chief John Wiznuk, continue to provide a very valuable service to the Saturna Community. Their commitment to training and practice is indicated by their attendance at 23 practice nights in the last 8 months, 19 page outs for emergencies in 2009 ranging from fires to motor vehicle incidents to broken hydro wires across East Point Road. However, the majority of page outs were for assistance to Saturna Island Rescue (SIR) to help with medical emergencies. In addition, Command Vehicle Rapid 1 was on loan to SIR when their vehicle was out of service until a new vehicle was secured, representing the continued cooperation between the two organizations when it comes to taking care of medical emergencies on the Island. Additional training was taken by four fighters giving up their Saturdays for months to take National Fire Protection Association fire fighting training (the standard for North America) with Pender Fire/Rescue, and six members of our rope rescue team giving up an extended weekend on Pender to take professional level training in that specialty. We thank you and congratulate you for taking time out to update your skills enabling you to better serve our community.

Fire Prevention has also been on our volunteer's agenda including articles in the Scribbler, an information table at the Saturday market, visit to our school and the fire extinguisher clinic last October as part of National Fire Prevention Week. Our ongoing commitment to Firefighter health and safety is of prime importance to the SIFPS Board and SIVD Officers and is illustrated by the budgeting for timely replacement of Personal Protective equipment and the provision of specialized cleaning facilities in the new Emergency Services Building as well as equipment to refill Self-Contained Breathing Apparatus air bottles in the new building. Currently these two services are provided off-island at great inconvenience to the Volunteers.

Mention should also be made of the extra time and effort needed by our Fire Chief and his crew to get our new water tender into service last fall. Even though it came with lots of extras, a number of adjustments were required to meet our standards and to be compatible with our equipment. Due to the economic downturn we were able to purchase this desperately needed piece of equipment at a heavily discounted price. We are truly proud of the achievement and commitment of our Volunteers and we thank you for keeping our firefighting ability in *response ready condition*.

During the year three of our long serving volunteer firefighters retired from active duty. Jon Guy, Graeme Bregani and Greg Robertson have handed in their pagers and deserve our special thanks for many years of excellent service to the Community..

Two of our Directors retired during the year for personal reasons and two additional Directors will retire at the end of this meeting. Over his years on the Board Jim Bavis has done an outstanding job, and most importantly by persuading 103 property owners to purchase reflective numbering signs to identify their property. This is about 20% of all residential properties on the Island and added to those that are already signed, adds considerable assistance to our volunteer fire and medical personnel when responding to an emergency. Although Jim will not be continuing on the Board, he has agreed to continue for one more year with this project and see if he can improve on his success of last year. Michael Taylor is our longest serving Board member and has held the position of Treasurer for 12 years. Michael deserves a break from this demanding position that requires efficient handling of our banking, cash management, bill payment and accounting. He has responded without complaint to my constant requests for financial updates and new reports. Michael and Jim we thank you both for outstanding service to the Board and our Community.

The remaining six Directors who are running for re-election have performed at exemplary levels in their participation on Board Committees. The following Directors Report is testament to their energy, commitment and most importantly, their ability to obtain results and provide leadership in the successful operation of

Emergency Services on Saturna. I thank each of them personally for their effort and for making the past two years so enjoyable for myself, your President.

As a final note, I shall be retiring as your President, but I hope to remain on the Board during this crucial year of Construction of the new facilities. The past two years has been challenging, but enjoyable as the Board has worked as a team and accomplished much.

Lorne R. Bolton, President

SATURNA ISLAND FIRE PROTECTION SOCIETY (“SIFPS”)

DIRECTORS’ REPORT TO THE ANNUAL GENERAL MEETING

SEPTEMBER 6, 2009

The past 15 months has been a period of intense activity by your Board. The following are the Board’s activities and achievements over and above the regular ongoing operational issues normally faced by the Board:

Summer/Fall/Winter – 2008

New Main Emergency Services Building

- After extensive discussions, SIFPS signed an agreement on September 8, 2008 with the Saturna Recreation Centre Society to lease a portion of their land at the junction of Harris and Narvaez Bay Roads. The agreement contains an option to purchase the land for a nominal fee, once the building occupancy permit is received.
- Wayne Quinn was retained to act as the Project Manager for the new main building project.
- As soon as the site was acquired, it was excavated, drained, filled with shale and compacted to engineering requirements, ahead of the rainy season. Basically only minor work remains, this can be accomplished at any time prior to actual building construction.

New Auxiliary Emergency Services Building

- The search for the site of the new East Point Auxiliary Emergency Services Building lasted in excess of a year. It including advertising for potential sites, analysis of the suitability of each potential site, and extensive discussions with many potential donors and/or sellers of property. At the end of the process, SIFPS finally secured an excellent site located at 646 Tumbo Channel Road; this site was purchased at an effective price significantly less than market value.

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Summer/Fall/Winter – 2008

continued

Rezoning

- SIFPS then applied to the Islands Trust for the appropriate rezoning of all three pieces of land, the two sites for the new buildings, as well as the site of the existing building. After the conclusion of the proper community consultation and presentation process, the Island Trust rezoned the East Point Property from Rural General to Community Service and the existing Fire Hall on East Point Road from Community service to Rural General; it also instituted a change in the Saturna Land Use By-law to allow the Site at the corner of Harris and Narvaez Bay Roads to be subdivided from the SRCS property.

Spring/Summer – 2009

Government Grant

- Extensive investigation of many different government grant programs was conducted by one of the Directors. It was discovered that the construction of the planned two new Emergency Service Buildings may reasonably be eligible for a particular Government Infrastructure grant.
- Upon further investigation it was immediately identified that the closing date for this grant application was only two weeks hence. Therefore, for the two weeks ending April 23, 2009, two SIFPS Directors, worked more than full-time, initially seeking the required approval to apply, which was granted, and then developing and submitting a comprehensive proposal for a grant. The grant application amounts to \$636,740.
- In addition to developing and submitting the extensive grant application proposal document, letters supporting SIFPS's grant application were obtained from our Member of Parliament, Member of the Legislative Assembly, Parks Canada, the Emergency and Health Services Commission, the Saturna Island Trustees of the Islands Trust, the Capital Regional District Director for Saturna, and the Saturna Island Property Owners' Association; these were included with the grant application.

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Spring/Summer – 2009

Government Grant continued

- This grant is jointly funded by the Government of Canada and the Province of British Columbia and represents 2/3 of the budgeted cost of construction of the two new Emergency Services Buildings, based on those costs eligible for grant reimbursement. Not all expenses are eligible for reimbursement. For example, only budgeted funds spent after the grant is approved are eligible for reimbursement consideration, monies spent before approval of the grant are ineligible. Accordingly, substantial planning and construction are at a standstill awaiting notification of the decision regarding our grant proposal.

Property Valuations

- Appraisals of all three properties and improvements, current or projected, were conducted. This was done to assist in SIFPS's arranging financing for the two buildings, as well as to establish a guidance

value for the eventual sale of the existing fire hall.

Saturna Island Rescue Services (“SIR”)

- Over the past year or more, intermittent discussions have been held at various levels between the SIFPS and the Saturna Community Club (“SCC”) regarding inclusion, within SIFPS’s new Main Emergency Services Building, of an adequate facility to meet the needs of SIR’s operations.
- April 11, 2009 these discussions took a strongly positive turn when SIFPS received a request from the President of the SCC for a meeting to discuss “the amalgamation of health services, fire protection and suppression and emergency response services”.
- A joint committee was formed comprised of four SIFPS Directors and four SCC representatives. There was an excellent problem-solving approach brought by all parties to the discussions; this resulted in the formulation of a Memorandum of Understanding (MOU). This MOU provides for the parties working together cooperatively to “pool their efforts in the delivery of emergency response services as well as to erect a new building that will accommodate the particular needs of all emergency response delivery personnel, including both Saturna Island volunteer fire department services and SIR services, under the authority of the SIFPS”. Specific activities are focused into three Phases, as generally outlined following:

Spring/Summer – 2009

Saturna Island Rescue Services (“SIR”), continued

Phase 1

“The funding and construction of a new main Emergency Services Building to be owned by SIFPS;” The approximate \$80,000 in donations held by the Saturna Recreation Society for the building of an emergency health vehicle building were transferred to SIFPS to cover the partial cost of the SIR portion of the new building.

Phase 2

“Upon attainment of sufficient funding, and the refusal of the Emergency and Health Services Commission to proclaim SIR a satellite station of its Mayne Island operation, the SCC ceding its function, responsibilities and oversight of SIR services and associated assets...SIR shall then be an integral part of the SIFPS...” This phase has been awaiting the result of discussions between SCC and the Emergency and Health Services Commission regarding SIR potentially becoming part of the BC Ambulance Service Mayne Island operation.

Phase 3

“the SCC and the SIFPS jointly investigating the maintenance of community health services on Saturna Island, with the intent of identifying a model that will support the infrastructure better, with financial stability, at minimal cost to the local community”

SIFPS has determined it is not able to fund provision of emergency health services with monies it raises by taxation through the current CRD bylaw. SIFPS’ utilization of these funds is limited to provision of “fire prevention and suppression and emergency response services”. At the same time, it is recognized that the current provision of community health services on Saturna Island unreasonably stresses the local community, in both resources and funding. Therefore, SIFPS is

committed to working with the SCC to identify a more effective delivery model with better infrastructure support and stable funding based on minimal cost to the local community. This initiative is focused on services that are the responsibility of the Ministry of Health; therefore discussions will include the Vancouver Island Health Authority and the Emergency and Health Services Commission, amongst others. As these activities are aimed at bringing resolve to structural issues of longer term, they are intended to commence upon the substantial completion of Phases 1 and 2.

Spring/Summer – 2009 continued

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Property Signage

- One of the SIFPS Directors spearheaded a successful program to encourage property owners to buy reflective number signs, identifying the location of the property for emergency response purposes. This resulted in 103 new reflective signs being sold, approximately 20% of the total number of residential properties on Saturna.

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Parks Canada

- A committee of SIFPS Directors have been in the process of conducting continuing talks with Parks Canada regarding their leasing a portion of the new Main Emergency Services Building. These discussions are very active and are expected to be finalized this fall. There appears to be agreement in principle on a pre-paid lease with a value of \$110,000, payable to SIFPS upon Parks Canada's occupying space in the new building upon its completion. Other lease details are still being finalized.
- Discussions are currently being held with Parks Canada to develop an agreement formalizing the terms in which SIFPS provides emergency rescue services within Parks Canada lands on Saturna Island. Provisions of the agreement will provide the details on operational management and payment to the SIFPS for the use of its equipment, infrastructure and personnel.

Southern Gulf Islands Emergency Management Commission (SGIEMC) - CRD

- A committee of SIFPS Directors have successfully completed ongoing discussions with SGIEMC representatives, resulting in the drawing up of a Memorandum of Understanding (MOU) containing provision of a total of \$30,000 in payments from SGIEMC to SIFPS for its provision, in the new Emergency Service Buildings, of storage space, and disaster operational facilities in times of need. The MOU provides that these monies are payable upon commencement of construction; this agreement is currently in the signing process.

The Board looks forward to starting and finishing the construction of both new Emergency Services Buildings over the next year and expects that its report to the next Annual General Meeting will focus on those accomplishments.