

**SATURNA ISLAND FIRE PROTECTION SOCIETY  
ANNUAL GENERAL MEETING (“AGM”) MINUTES  
June 18, 2011 at 2:35 pm. at Emergency Services Building #1**

**DIRECTORS:** John Savage – President, John Money - Vice President, Tom Johnstone – Secretary, Ron Hall – Treasurer, Theresa Howard – Controller, Bernie Ziegler, Brian Haley, Ted Syverson, Tom Koochin, Eva Hage, Lorne Bolton

**Fire Chief:** John Wiznuk

**SIR Chief:** David Rees-Thomas

**Recording Secretary:** Bev Lowsley

There were 64 people present when the meeting started.

**1. CALL TO ORDER**

President John Savage called the meeting to order at 2:35 pm and introduced the members of the board.

**2. DETERMINATION OF A QUORUM**

John Savage determined that there was a quorum present, as only three persons in attendance would meet the requirement in the bylaws.

At this point, Sue Syverson requested that the agenda be reordered to move up the accounting review as a number of members have to catch the afternoon ferry. President John Savage expressed a preference to move through the first few items of business then to consider a change in order if it appeared that time was an issue.

**3. APPROVAL OF THE MINUTES OF THE ANNUAL GENERAL MEETING OF  
June 27, 2010**

The minutes of the June 27, 2010 AGM, included in the information package for this meeting, were presented for approval by John Savage.

**Motion:** Moved by Ted Syverson, seconded by Keith Howard  
that the minutes of the June 27, 2010 AGM be adopted.

**CARRIED**

#### 4. BUSINESS ARISING FROM THE MINUTES

There was no business arising from the previous minutes and none was presented from the floor.

#### 5. PRESIDENT'S REPORT

President John Savage presented his report, (attached) which was also part of the information package to all members present. The most significant achievement this year was completion of both Emergency Services Buildings on time and on budget with occupancy approved for February 15, 2011. Much of this was addressed in more detail at the official opening earlier today. Other important issues highlighted include:

- acknowledgement of the commitment of the Saturna Island volunteer firefighters and SIR volunteers;
- inclusion of the Nominating Committee as a standing committee of the Board as requested at last year's AGM;
- acknowledgement of the work of SIFPS Board members who have devoted a great deal of their time and energy to successful completion of the construction project for ESB #1 and #2 while still dealing with usual operational issues;
- recognition of those Board members who will not be standing for re-election, Lorne Bolton, Brian Haley and Tom Koochin, as well as Hugh Grasswick who left the board Dec. 31, 2010.

**Motion:** Moved by Sue Syverson, Seconded by Theresa Howard, that the President's report be accepted. **CARRIED**

#### 6. STANDING COMMITTEE REPORTS

The Chair of each standing committee delivered his/her report, all of which were included in the information package and are attached with these minutes.

With their work completed the following committees will now stand down - Building Committee, Finance relating to the Construction, Sale of the Old Fire Hall Committee, and the Standing Committee for Memorandum of Understanding between SIFPS and Saturna Community Club.

**Motion:** Moved by Carol Money, seconded by Lorna Archer Quinn to accept the Standing Committee Reports. **CARRIED**

## 7. QUESTION & ANSWER PERIOD

Susie Washington-Smyth requested to move directly to New Business so those needing to catch the afternoon ferry will have the opportunity to vote on the desired level of accounting review. There was no objection to this suggestion.

## 8. NEW BUSINESS

As background for the discussion, Treasurer Ron Hall presented details of current internal financial controls in place within SIFPS (attached, and was also part of the information package provided to all members present). Regular monthly reports are posted on the SIFPS website. Additional internal financial controls and accounting systems established and implemented for the term of the building project were also detailed.

A letter from chartered accountant firm Field and Company was also introduced, attached and part of the members information package. The various levels of engagement and costs of service described in the letter were as follows:

*Notice to Reader* - financial statements are compiled using standard accounting practices, based on the information provided by the client. The balance sheet compiled shows statements of income, retained earnings and cash flows for the year. The cost for this level varies between \$1,700 to \$2,500, depending on complexity of the file.

*Review Engagement Report* - involves review of the balance sheet and statements of income, retained earnings and cash flows for the year and consists primarily of inquiry, analytical procedures and discussion related to information supplied by the client. The cost of preparing a review engagement generally varies between \$2,500 to \$3,500, depending on the complexity of the file.

*Audit* - as well as the procedures required in a *review engagement*, more detailed work on accounts, such as recalculation and detailed review of transactions are performed to obtain audit evidence about the amounts and disclosures in the financial statements. It also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by management as the overall presentation of the financial statements. The cost of performing an audit would exceed \$5,000 and would depend on the level of professional risk involved.

*Forensic Audit* – generally only occur in circumstances regarding theft or fraud and incurs a cost of over \$250 per hour. Because of its complexity it could cost over \$20,000 in accounting fees alone.

**Motion:** Ron Hall moved that SIFPS continue with the Notice to Reader level of financial statements. Seconded by Ted Syverson.

**Discussion:** Amanda Pearson requested clarification regarding whether it is possible to make a motion to *not* reconsider the level of review in the future? We had this discussion last year and it seems to come up each year. John Savage noted that the Notice of Reader level of financial review has been done each year for the last several years and is more than that required for SIFPS. He went on to explain that if this motion passes, future Boards could not simply decide to not have such a review in the future, that it would require an approved motion of the membership to change the level of accounting review, that they will be bound to continue with a Notice of Reader review unless otherwise decided at a future meeting of the membership.

A member spoke in favour of the motion noting that SIFPS has demonstrated that there are appropriate checks and balances in place and now that the construction has been completed the Board will be moving into a more standard operational mode. He expressed comfort with this particular motion. "If at the end of next year the members are not happy, fine, but for now I speak in favour of the motion".

Wayne Quinn spoke in support of the motion based on the principle of trust and integrity of those handling our finances. "I believe our finances are in great shape and can see no reason to advance our accounting review beyond this level".

Sam Peramaki noted that even though we have trust in the people on the Board, she is also glad to see the figures that back up the details of the money spent. We can go to the books and see the details and an audit of some sort is important. John Savage pointed out that each member of the society can take an in-depth look at the books if they so desire. They simply need to notify the Controller and make an appointment.

Paul White requested clarification regarding a document on SIFPS letterhead, dated May 3, 2010 and posted on the SIFPS website, which contained a motion that the chair can approve a contract up to \$10,000. This is twice the \$5,000 amount noted today. John Savage confirmed that the established standard is that any contract over \$5,000 must go through a formal bidding process and full contract to be signed. Below the \$5,000 a purchase order could be used.

Jim Campbell commented that this motion, if passed, would virtually cut off further discussion of two formal notices of motion which were put forward in

advance of the meeting. He expressed interest in hearing potential discussion of those other motions. John Savage stated that this motion is not intended to abort discussion of those proposed motions but to include those discussions in the consideration of this motion.

**Motion:** Jim Campbell moved that this motion under discussion be deferred until later in the meeting so the more complex issues being brought forward in member proposed resolutions could be more fully discussed.

Keith Howard pointed out that there is a motion on the floor which has been seconded and it is currently open for discussion and at some point it must be voted on.

Bernie Ziegler pointed out that this is the time for those issues to be discussed.

Tom Johnstone noted that a motion to table is not open to discussion and this motion has not yet been seconded.

Paul Brent seconded Jim Campbell's motion and the question was called.

Those *in favour* of Jim Campbell's motion to table the original motion until later in the meeting – 5 members voted in support of the motion.

The remainder present were against this motion.

**DEFEATED**

Tom Hawker, of Field & Company, offered information based on his experience working on the SIFPS accounts for the past two or more years. He stated that this society has consistently given more disclosure than is legally required and has adequate checks and balances built into their practices, including the right of others to access the information. In his judgement the Notice of Reader level of engagement is adequate.

Joan Combs stated that as a small business owner for 12 years she was required to have Right of Engagement accounting as Notice of Reader was considered inadequate. She suggested that the Board should request a Review Engagement level at least for this year to provide greater assurance to taxpayers.

Bill Sheffield stated that trust is not the issue. He questioned if we waive the appointment of an auditor, do we have to spend the money to do an audit at all? If the general ledger is available and posted on the website, then anyone with concerns could spend as much time as they desire doing whatever level of review is necessary to satisfy themselves. This might encourage unanimity rather than divisiveness within the community over these matters. If we have

the option to not have a professional audit the money could be better spent in support of our fire fighters.

Tom Johnstone stated that no level of audit or accounting review is required. However, we are dealing with the CRD who oversees the collection of tax funds which support SIFPS. There is a fiduciary responsibility to make those elected officials feel comfortable with the way our funds are handled. So SIFPS provides them with our financial statements along with a 5 year budget projection to demonstrate our oversight in compliance with the CRD bylaws. For this reason he spoke in favour of the motion.

Susie Washington-Smyth added that as a taxpayer she thinks it is prudent to have an objective third party take a look at the books. She also commented that although she is not sure if it's possible to have the general ledger posted to the website she supports the idea.

John Savage stated that he will take the suggestion to the new Board as he has no idea what would be involved in putting the general ledger on the website. At the present time the monthly financial statements are posted as well as the budget with comparison of budget to actual expenditures. Also, as previously stated, anyone can request to see the ledger and supporting invoices upon request.

The question was called on Ron Hall's motion that SIFPS  
continue with the Notice to Reader level of financial statements  
**CARRIED**

[Please note, subsequent numbering reflects the order of issues as addressed, not as ordered on the agenda]

## **9. NOMINATIONS COMMITTEE**

Brian Haley listed the following nominees, alphabetically. New nominees to the Board have an asterisk (\*) by their name.

Eva Hage	Ron Hall
Theresa Howard	Tom Johnstone
*Lee Middleton	John Money
*Wayne Quinn	John Savage
*Robert Stuart	Ted Syverson
*Dan Thachuk	Bernhard ZieZiegler

**Motion:** Brian Haley moved that the listed candidates be elected as members of the SIFPS Board of Directors for 2011 – 2012.  
Seconded by Lorne Bolton.

John Savage then called three times for further nominations from the floor. When there were no further nominations, he declared the above slate of nominees elected by acclamation.

## 10. FINANCIAL REPORT

John Savage presented the financial report for the one year period ending December 31, 2010 (attached and included in the member information package). He pointed out that it is a Notice to Reader statement. The Financial Position shows net assets at year end 2009 of \$533,918 and 2010 year end net assets of \$1,156,776. This increase relates to the buildings under construction and project loans. Savage reviewed the highlights of each of the reporting pages.

Net Assets: end of year	\$695,761
Restricted Capital Assets	80,503
Total Revenues	269,020
Total Expenses	106,943
Cash & Term Deposits at year end	94,276

Notes to Financial Statements were reviewed specifically and discussed.

### Discussion

Susie Washington Smyth noted that she did not see proceeds from sale of the old firehall reflected anywhere. John Savage confirmed that these statements do not include those monies, other than the deposit amount. Although the auction took place in 2010 the sale was not finalized until February 15, 2011 so that will be reflected in the 2011 statements.

Bill Sheffield questioned the notation on depreciation of the buildings and land at 30% while that on vehicles is 10% (noted on page 6, Notes to Financial Statements, item 2). Tom Hawker confirmed that is an error. Depreciation on the buildings should be rated at 10% and depreciation on fire and support vehicles should be at 30% not the other way round as shown. This amendment is noted.

Regarding item 5, page 7, John Savage explained that because VIHA has different dates for their fiscal year, as compared to SIFPS' fiscal year, part of the \$10,000 grant they provide to help support Saturna Island Rescue is deferred and held over to our next year's budget.

Dawn Wood questioned the valuing of the Emergency Transport Vehicle at only \$4000 when it was transferred from the Saturna Community Club to SIFPS. John Savage explained that this was a non-cash transaction in accordance with the MOU between SCC and SIFPS and it was his

understanding that this value had been agreed upon between both organizations. He also noted that it saved on tax at the time of transfer of the vehicle.

**Motion:** Linda Cunningham moved and Carol Money seconded that the amended financial statement be accepted. **CARRIED**

## 11. APPROVAL OF ACTS OF THE DIRECTORS

**Motion:** Carol Money moved and Murray Rankin seconded that the acts of SIFPS Directors for the period from June 27, 2010 to June 18, 2011 be approved. **CARRIED**

## 12. ADDITIONAL NEW BUSINESS, QUESTIONS & ANSWERS

Joan Combs expressed concern regarding water running across the road from the wetlands behind ESB#2. She is concerned that the wetlands may have been breached. John Savage stated he was unaware of this and that it will be taken to the Board for investigation and consideration at their next meeting.

Jim Campbell asked for the annual ongoing costs of amortizing the borrowed monies. The mortgage is on a 10 year amortization. Ron Hall responded that the annual payment on the \$250,000 mortgage is \$32,059 which includes principal and interest. Tom Johnstone also mentioned that all of these payments can be supported within the current level of taxation.

Tom Johnstone stated that two members have submitted notices of motion who have not brought them forward. He committed to make a motion at the next Director's meeting to invite them to come to a meeting to be heard, to discuss their concerns, and to have them addressed.

Paul White spoke to represent his notice of motion, noting that this is not to cast any aspersions upon any island organizations or on this board.

**Motion:** Be it resolved that the SIFPS amend the bylaws of it's constitution by appointing a chartered accountant auditor, at arms length, to perform a full audit of all business conducted by SIFPS (not forensic audit but a full audit), to provide all details of it's business to members of SIFPS and to the Capital Regional District administration when requested to do so and for SIFPS to provide such information to the public record in a timely manner.

Moved by Paul White, seconded by Len Horne.



## Discussion

A member from the floor spoke against the motion and questioned whether this motion was even in order under parliamentary rules of order. Mr. White stated that a notice of intent to introduce this motion was sent to the Board of Directors by registered mail several days prior to the meeting.

Bill Sheffield noted reluctance to pay for such an audit and would not support it. If the Board makes its ledgers available to members this should not be necessary.

Tom Johnstone stated that the banks who provided our mortgage and the tax administrators both expressed satisfaction with the level of our accounting.

Bernie Ziegler stood on point of order: this motion is out of order as the issue has already been dealt with and voted on with ample opportunity for this discussion to be introduced at that time.

John Money stated that the accounting company doing our reviews is at arms length from the board and also expressed reluctance to spend the extra money on higher levels of accounting when it could be used on firefighting.

Jim Campbell expressed confidence that there are no members on Saturna who would swindle us. He had expected that the choice of an audit would have received positive support as a way of showing proper practice. He also expressed concern that many objections seem to relate to not wanting to spend the money.

Another member reiterated that it isn't a matter of money, that there are already adequate checks and balances, with opportunities for anyone to have access to the books. He still questions whether this motion is in order.

The question was called at which point John Savage explained that we have already heard, discussed and voted on a previous motion (establishing a 'Notice to Reader' level of accounting review) which would be in conflict with this later motion. He acknowledged that the Board was aware of the notice that this motion would be put forward. He stated that there was no intention to do "an end run" around the expressed notice of motion; that there had been full opportunity provided earlier in the meeting to debate and potentially amend the first motion. Since this did not happen at the time, and many of the members who had been in attendance earlier in the meeting had now left the meeting (as they had previously explained a need to do) and they would now not be able to participate in the present discussion, *the motion was declared out of order.*

Len Horne, having also presented advance notice of motion, requested that his motion be heard at this time. He read the preamble which deals specifically with Section 788 of the Municipal Act terms of the Contribution Services Agreement which he feels are anomalous and unbalanced against the CRD

**Motion:** Be it resolved, therefore: The Board of Directors initiate forthwith, a means of rescinding and voiding the existing Contribution Service Agreement, and replacing it with an agreement approved by the members of the society at a meeting convened for that purpose. Moved by Len Horne, seconded by Joan Combs.

### **Discussion**

John Wiznuk pointed out that the decision to take this option of no CRD involvement was made by referendum within the community.

John Money stated further that the referendum vote of the day, to have the CRD provide Fire Protection, was resoundingly defeated. This current motion is asking the SIFPS Board to change something that was approved by referendum. Money said that the Board does not have the legal authority to change that and that a change would have to come through another referendum.

Tom Johnstone stated that such a change would pass control of Saturna assets to CRD control under a single director; that Mr. Horne's list of pros and cons clearly outline rationale for keeping this Contribution Service Agreement so we have local control and can deal directly on island issues with those involved. Johnstone said he does not support this motion.

Joan Combs asked for clarification of wording "total local control". Tom Johnstone stated that the Board has looked at other small communities, such as Shirley, where they have lost local control and all their dealings must go through their Regional Director. Joan noted that the local operational control of the service but the ownership is with CRD. Right now the ownership is with SIFPS.

Several others questioned whether SIFPS doesn't in fact represent community ownership since all community members are eligible to be members.

Paul White pointed out that the Pros and Cons of Mr. Horne's Appendix to the motion were in fact CRD wording from a June 30, 1993 document.

Jim Campbell spoke in support of his past dealings with the CRD as responsible and respectful administrators of the tax dollars.

Wayne Quinn expressed frustration that the Saturna community does not seem to be able to enjoy its successes; that there is always an individual or individuals that seem to need to decry accomplishments or achievements of others.

Dan Thachuk noted that the people of this island, resident and property owners, are welcome to be members of the society and are welcome to participate in the decisions being made. This is an opportunity for all, whether or not in agreement, to come forward and share their views.

Dwight Carson spoke against the motion because he liked the hands-on connection and the local involvement.

Joan Combs clarified “ownership of all previously owned assets up to the point at which you would choose to go back to CRD would remain in local control. It would only be new assets that would be under CRD control. Everything that is here today would remain under island control”.

**Question:** All those in favour of Mr Horne’s motion to rescind the current arrangement with CRD under Section 788 of the Municipal Act and negotiate a new agreement?

4 members supported the motion.                      The motion was **Defeated**

There was no further new business.

### **13. RESIGNATION OF DIRECTORS**

John Savage stated that it is a requirement that all Directors for 2010 – 2011 resign at the end of this meeting and the new Board begins.

#### 14. THANKING THE RETIRING DIRECTORS

John Savage again thanked retiring Directors Lorne Bolton, Brian Haley and Tom Koochin for their service. Each retiring director was presented with a plaque of appreciation.

#### 15. ADJOURNMENT

**Motion:** Linda Cunningham moved the meeting be adjourned.  
**CARRIED UNANIMOUSLY**

\_\_\_\_\_  
John Savage, President

\_\_\_\_\_  
Tom Johnstone, Secretary

\_\_\_\_\_  
Bev Lowsley, Recording Secretary

**Attachments:**

President's Report  
Standing Committee Reports  
Internal Financial Controls

Financial Statement

**ATTACHMENTS TO ANNUAL GENERAL MEETING MINUTES  
SATURNA ISLAND FIRE PROTECTION SOCIETY (“SIFPS”)  
JUNE 18, 2011**

**PRESIDENT’S REPORT**

Presented at Annual General Meeting – June 18, 2011

Again this year, SIFPS has been very busy since our last Annual General Meeting, held in June 2010. A number of items that the Board has been working on for the last four years have now been completed, or are very close to completion.

At our last Annual General Meeting, the construction of the two new Emergency Services Buildings (ESBs) was underway. On behalf of the SIFPS Board, I am happy to announce that they were completed ‘on time and on budget’, with occupancy February 15, 2011.

The Official Opening of both ESBs was held today – the equipment and gear for the Saturna Island Volunteer Fire Department, Saturna Island Rescue, Parks Canada Wildfire resources, and Saturna Emergency Preparedness is all stowed and ready for use. In my last report, I said “*We look forward to reporting to you at the next Annual General Meeting that the Building Project is finished, and that it was successful.*” – with a few minor exceptions, it is finished, and it was successful!

At long last we have established the desired integrated approach to emergency services on Saturna – now comes the fine tuning. This major milestone was achieved while other parts of the SIFPS Board of Directors put their attention to other important issues including:

- finalizing the long-term mortgage financing, ensuring it allows for pre-payment
- renewing insurances at favourable rates
- obtaining the lease payment from Southern Gulf Islands Emergency Management Commission (CRD)
- finalizing the lease with Parks Canada and obtaining the payment
- selling the ‘old Fire Hall’
- preparing for the Official Opening of the ESBs
- ensuring current communications regarding the status of SIFPS

These were all in addition to the SIFPS’ regular function – to support and guide the Fire Department, and the SIR in the planning, and execution of their functions – in their provision of emergency services to Saturna.

As I said at this time last year, “*It is important that we stop and think about that – the true reason we are here today, is not because of all of the excitement about constructing new buildings – it is that we have a lot of volunteers who live beside us and are ready to come and help us when we need it most – they spend many hours over the year training and preparing for that one short time when they can make all the difference in the world to us – it is important that we remember that is really why we are here.*” – there is no change to this – this is ‘where the rubber hits the road’!

The workload of those who volunteer as SIFPS Board members has continued to increase substantially each year, for the last 4 years – frankly I am hoping and expecting that the workload will begin to lessen somewhat now. Over the last year, the SIFPS Board ‘Standing Committees’ – Operations, Building Project, Corporate & Administration, Finance (for the project), Financial Reporting, Current Hall – Sale, Communications, and Nominations committees have continued to work very well for the society. Each Director is a member of one or more of these committees. Each committee has a specific mandate and responsibilities and one of the committee members is

the Head of the committee. This has given the Board clarity of direction – we all know what we are responsible for and who is part of it with us. The full Board usually only meets once each month for 3-4 hours, but the committees meet as frequently as required – over the last year the Building Project committee has met very frequently, and you have seen the results. Each committee reports back to the full Board at the monthly meeting, or earlier if necessary. A number of these committees will stand down after this meeting, as they have done their work (e.g. Building Project Committee, Financing Committee, Current Hall – Sale Committee), but will be replaced by some new committees (e.g. Asset Management Committee, Human Resources Committee) as the focus of the Board changes from the construction of buildings, establishment of financing and leases, etc, to ensuring the proper maintenance of the assets (e.g. buildings, vehicles, equipment), as well as providing support to the volunteers in the various areas of human resources (e.g. consistent training methods and standards).

I want to take this opportunity to thank all members of the Board of Directors for their countless hours, in meetings, and for the many other times when they are conducting their duties (e.g. seeking and interacting with contractors to arrange to get the work done, talking with the bank, arranging insurance renewals...) – there has been a lot of that again this year.

Four of the Directors elected last year are not standing for re-election today:

**Lorne Bolton** – was on the SIFPS Board when it was first established in 1994 and then rejoined the Board as President in 2007, when after a period of retirement, he led a group of us to join the Board focused on the vision of establishing new Emergency Services Buildings

**Hugh Grasswick** – was on the SIFPS Board when it was first established in 1994 and then rejoined the Board in 2007, as part of the group focused on the vision of establishing the 2 new Emergency Services Buildings; during this last time on the Board, Hugh was Head of the Operations Committee.

**Brian Haley** – joined the SIFPS Board in 2009 and provided a strong focus on the planning for the construction of the new ESBs; Brian was the initial Head of the Building Committee and led it through the difficult period of getting the project started.

**Tom Koochin** – joined the SIFPS Board in 2007 and brought his strong construction background to greatly assist in the construction project, especially in its initial planning.

Frankly, I find it difficult to express the full appreciation that is due to these people from the community – *we thank you for your leadership, your time, and your unyielding commitment, to see this building project through to its completion!*

Again this year, I also take this opportunity to thank you, the members of SIFPS and citizens of Saturna – we all contribute in our own way – each of us pays taxes to support all of this activity – without the tax monies, this would not be happening – that's the bottom-line.

The Standing Committees' Reports will give a little more detail regarding the specific activities in their areas of responsibility.

John W. Savage, President – SIFPS

## **SIFPS – BOARD STANDING COMMITTEES** **2010 – 2011 – ACTIVITY REPORTS**

*Each of the following committees is responsible for its assigned area(s), ensuring its operation in an effective manner, within the established budget. Each committee reports to the full Board of Directors at the monthly meeting of the Board, or sooner if necessary, seeking full Board approval as warranted:*

\* denotes Committee Head

Although not necessarily named, the President and Vice President are de facto members of all committees.

### **OPERATIONS – STANDING COMMITTEE**

*Oversees all activities related to the operations of the Fire Department and Saturna Island Rescue Services (SIR). Coordinates with the Fire Chief and the SIR Head on the development and prudent application of the associated budgets, both operating and capital.*

\*Bernie Ziegler Theresa Howard Ted Syverson Eva Hage

#### **1. Operations Budget**

In coordination with the Fire Chief and SIR Chief, prepared budget items that pertain to the overall physical operation of the two departments, including equipment maintenance, purchase of new equipment and training.

#### **2. SIVFD & SIR**

- negotiated road access to GINPR with Parks Canada during emergencies
- completed tanker truck chassis sale
- completed sale of container at old fire hall for \$4,200 worth of road crush for ESB #1
- established joint Occupational Health and Safety Committee with two members from the volunteer fire department (Linda Cunningham and Bill Schermbrucker) and two from the board (Ted Syverson & Bernie Ziegler)
- negotiated cleaning contract for new ESB's
- finalized equipment purchases for the new ESB's, not part of the actual construction of the buildings, such as furniture, washers, dryers, uniform shirts, turn-out gear, etc
- continue to work closely with both Chiefs to ensure the operational status of all equipment is properly maintained and inspected
- continue working on a complete computerized equipment inventory

2010 Page-outs SIVFD: Medical Assists-11/Chimney Fire-1/Vessel sinking in Lyall Harbour-1/Downed/live Hydro wire-7/Motor Vehicle Incidents-1/Alarm/false alarm-1/ Fuel leak from vessel-1/Storm Damage-1/False report of oiler fuel spill-1 Total page-outs: 25

2010 Page-outs SIR: 34

## **BUILDING PROJECT – STANDING COMMITTEE**

*Oversees all activities related to the preparation for, and building of, the two new emergency service buildings. Supervises the Project Manager and construction supervision, ensuring all activities are conducted in an effective manner, within the established budget and approving payments for same.*

\*John Money, Tom Koochin, Brian Haley, Ted Syverson, Ron Hall, Bernie Ziegler, Theresa Howard

The building project is now basically complete, with a few remaining outstanding issues in the process of being finalized (e.g. landscaping & signs, water catchment, blinds, flooring & painting at ESB#2, and antenna tuning). Simply put, although the project had its challenges, as any large project does – it was finished ‘on time & on budget’ – occupancy was effective February 15, 2011 and it appears that the Net Cost will be approximately \$20,000 (or 1.5%) below Budget.

The Building Project Committee undertook the management of the project, with different committee members stepping up at different times to shoulder large workloads. In addition, all of the project’s contractors, suppliers and consultants deserve great thanks for their good quality work, at a fair competitive price, as well as their consistent support of the project – including some making large donations to assist with the project’s cost.

Based on their design and construction, Saturna now has two new Emergency Services Buildings of a quality and scope that should serve the community’s needs for decades to come.

Upon the completion of the few remaining outstanding issues, this SIFPS committee will stand down.

## **FINANCE – STANDING COMMITTEE**

*Arranges appropriate financing for the building of the two new emergency service buildings; coordinates with the Building Project Committee to optimize cash flow.*

\*John Savage Bernie Ziegler John Money Brian Haley Ron Hall

1. Maintained up-to-date effective communication with the TD regarding the status of the building project.
2. Submitted and received required and timely draws on established construction loan.
3. Ensured payment of the \$30,000 lease amount from the Southern Gulf Island Emergency Management Commission (CRD).
4. Ensured payment of the \$110,000 lease amount from Parks Canada.
5. Established a Long-Term Mortgage with the TD Bank, based on:  
5 Year Term – 10 year Amortization \$250,000 @ a fixed rate of 5.219% – annual 10% pre- payment allowed; \$ 50,000 @ ¾% over prime – allows full pre-payment at any time
6. Construction Loan to be fully repaid upon SIFPS’ receipt of HST rebate.  
With its work completed, this SIFPS committee will now stand down.



## **CORPORATE & ADMINISTRATION – STANDING COMMITTEE**

*Identifies issues requiring new or changed systems, procedures, and/or standards, developing and implementing solutions and/or recommendations for same. Conducts renewal of all Insurances.*

\*Tom Johnstone Eva Hage Ron Hall

1. All insurances were renewed, including the provision of fire, earthquake and other named coverages for all of SIFPS fixed assets, as well as provision of liability coverage for the operation of the fire department, rescue group, officers and directors; accidental death and dismemberment coverage for the volunteers was also renewed. It is noted that the fire and earthquake insurance rate for the new ESB #1 is 60% less than was the rate on the 'old firehall'.
2. An investigation was begun into obtaining a properly secured system for retention of SIFPS corporate records. It is expected this will be finalized during the 2011-2012 year.
3. Activity has commenced to finalize the transfer of ownership of the ESB #1 site to SIFPS. Associated discussions have been held with the Saturna Recreation Centre Society and steps taken in readiness to apply for appropriate regulatory approvals.
4. Discussions have been held regarding SIFPS' relationship with the Capital Regional District.
5. The lease with Parks Canada for a section of ESB #1 has been finalized and payment received.
6. SIFPS was represented at a meeting of various Saturna organizations, with the aim being to lessen the collective cost of various insurances; the group determined no further action was warranted.
7. Further research will be conducted regarding establishment of a First Responders Agreement with the Emergency & Health Services Commission.

## **CURRENT HALL – SALE – STANDING COMMITTEE**

*Develop a sale process and upon approval implement it (incl. preparation of comprehensive information package to bona fide potential purchasers).*

\*Bernie Ziegler Lorne Bolton John Savage

1. A sales process that was open to the public and transparent was developed – an auction of qualified bidders. The process required that to become qualified, a bidder had to initially present a certified deposit in the amount of \$10,000 with his/her initial bid. All qualified bidders would then be able to bid in the auction. The successful qualified bidder would then have to increase his/her deposit to \$25,000 and the unsuccessful bidders would receive their money back.
2. A comprehensive information package was developed, including relevant data about the Old Fire Hall, such as appraisals, surveys, property descriptions, photos, legal documents, as well

as information covering the bidding process, escrows, down payments, the closing and the auction itself.

3. The auction of the old Fire Hall was held on Saturday, August 14, 2010; it was attended by three qualified bidders and/or their representative, as well as some interested members of the community.

The auction resulted in the Old Fire Hall being sold to the highest bidder, Money Family Projects Ltd., with their bid of \$206,000, \$51,000 over the appraised value.

4. The legal transfer of the Old Fire Hall to its new owners was managed through SIFPS attorney; with the closing and transfer effective February 15, 2011, as planned.

With its work completed, this SIFPS committee will now stand down.

### **MEMORANDUM OF UNDERSTANDING WITH SCC – STANDING COMMITTEE**

*Continue implementation of MOU, including final determination of SIR status (part of BCAS or SIFPS), as well as completion of applicable activities in Phases 1 and 2, following which Phase 3 to be commenced.*

\*John Savage John Money Bernie Ziegler Tom Johnstone

Phases 1 and 2 are fully complete, with all assets and management transferred. Phase 3 has evolved into a broad based community committee established to identify and pursue support for improving the provision of community Health Services on Saturna.

With its work completed, this SIFPS committee will now stand down.

### **FINANCIAL REPORTING – STANDING COMMITTEE**

*Continue the finalizing of the Accounting System, developing and finalizing Financial Reporting, organizing material for Audit (if necessary), development and implementation of cost controls for Building Project, etc.*

\*Theresa Howard Ron Hall Lorne Bolton

#### **1. Accounting Systems and Procedures**

- incorporated SIR accounts into Quick Books
- with the Operations Committee and Fire Chief, set-up the Operations Budget for the Volunteer Firefighters
- with the Operations Committee and SIR Chief, set-up the Operations Budget for SIR
- worked with Tom Hawker of Field & Company to prepare 2010 Financial Statements
- filed 2009 Charities Return with a copy of SIFPS 2009 Financial Statements
- filed SIFPS 5-Year Budget with CRD
- filed for GST rebate – January 1, 2010 to June 30, 2010 reporting period
- filed for HST rebate – July 1, 2010 to December 31, 2010 reporting period
- filed annual Society Report
- Operations – generated 232 cheques in 2010

## 2. Workers Compensation Board

- submitted assessments for coverage for volunteer firefighters and SIR attendants, as well as casual labour on construction project

## 3. Building Project

- Contractor Contracts – generated a contract for each contractor
- Construction Loan Draws – provided a copy of all invoices and updated Budget/Actual for each draw
- developed and implemented a standardized procedure for receiving, vetting, and authorizing invoices for payment
- updated Budget Cost Control Spreadsheet with each invoice paid
- Cheques – generated 149 cheques for payment of approved invoices

## 4. SIFPS Website

- provided periodic updates

## **COMMUNICATIONS – STANDING COMMITTEE**

*The information conduit between SIFPS and the membership and the community-at-large. Monitors and identifies the community's need for information regarding SIFPS and its activities. The development and implementation arm of SIFPS for information processes designed to ensure that appropriate information regarding SIFPS is available and open to the community. The public contact point for SIFPS.*

\*Bernie Ziegler John Savage Tom Johnstone

## 1. Periodic Newsletters

- Published monthly newsletters in the *Scribbler*, on our website and at both stores regarding the progress and status of our two new Emergency Services Buildings throughout the construction phase, the sale of the Old Fire Hall, and our AGM, as well as other SIFPS matters over the past year.
- Ensured accurate information about the bidding process, the various construction contracts and financing was made available to the membership and the community-at-large.

## 2. SIFPS Website

- Made available to the membership and the public-at-large monthly Directors Meeting Minutes and financial statements, by-laws, surveys, photos, updates of the construction progress, covenants and agreements to ensure timely updated information is provided.

## 3. Emergency Services Personnel Questionnaire

- Developed and distributed a questionnaire to firefighters and rescue crew to obtain their perspective on what is good and what is not good about the operation of the SIVFD and SIR to get a better understanding on what, if any, changes need to be made.

## 4. Landscaping at ESB #2

- Arranged meeting with neighbors and our local trustees at ESB #2 to discuss landscaping plans for Islands Trust review/approval as per the restrictive covenant on the permit for ESB #2.

5. Grand Opening of ESB #1 & #2

- Ensured the details of today's Grand Opening Ceremony were disseminated to the membership and the community in a timely fashion to ensure a maximum turnout to this important event.

6. Communications Protocol

- Established a communications protocol on all matters within the board of directors and between the board and the Fire and SIR Chiefs.

**NOMINATION COMMITTEE – BOARD MEMBERS – STANDING COMMITTEE**

*Develop and maintain an up-to-date list of typical responsibilities of Boards of Directors of Non-Profit, community based, organizations, as well as the attributes needed across the Director group to enhance its effectiveness. Throughout the year, develop and maintain a list of potential nominees for SIFPS Director positions by receiving and assessing interested individuals, as well as proactively seeking out other identified individuals to determine their interest. Nominate those interested individuals who, in the opinion of the committee, will work together most effectively for the betterment of the SIFPS and its constituent community.*

\*John Savage Brian Haley Ron Hall

1. Hugh Grasswick resigned as a Director of SIFPS effective December 31, 2010. After some research, the Nomination Committee recommended Eva Hage be appointed by the Board of Directors for the remainder of Hugh's term; this was done.
2. Discussions were held with the current Directors to determine the number of new directors required for nomination at the next Annual General Meeting.
3. Request was made in SIFPS' *Scribbler* articles, asking any parties interested in being considered for a Director position to contact the Nomination Committee.
4. The Nomination Committee met and identified a number of potential candidates for the upcoming vacant Director positions. Potential candidates were then approached, with some of them agreeing to be nominated as a Director.
5. The Nomination Committee's slate of Directors will be presented at this meeting, for decision by the SIFPS membership.

# SATURNA ISLAND FIRE PROTECTION SOCIETY (SIFPS)

## - *Internal Financial Controls* -

The following internal financial controls are in place within SIFPS:

1. Annual Budgets, both Operating and Capital, are established and approved by the Board of Directors.
2. A Financial Report is prepared monthly by the Controller and reviewed in detail with the Board at its monthly meeting. This report includes Income and Expenses, by Budget line item – this information is presented in both ‘Month’ and ‘Year-to-Date’ amounts and shown in an Actual versus Budget format. Bank Balances are also included.
3. Cheques up to \$500 require the signature of the Treasurer or Controller. All cheques over \$500 require 2 signatures of Board Members. Cheques are not pre-signed. The amounts of all cheques are costed to a budget line item.
4. Invoices over \$500 for operations require the approval of the Fire Chief or SIR Chief, as the case may be, as well as the approval of the Operations Committee and require final approval of the full Board.
5. Bank Statements are reconciled monthly by the Controller and reported to the full Board monthly.
6. Information is provided to an independent accounting firm, which in turn prepares Annual Financial Statements for review and acceptance by the SIFPS Board and Membership.

The following additional internal financial controls and accounting systems were established and implemented for the term of the Building Project:

- a) The Building Project Budget was approved by the full Board and its status (Actual vs Budget) is reviewed at the monthly Board Meetings.
- b) Costs under \$5,000 are subject to a Purchase Order approved by the Building Project Committee (BPC). Subsequent invoices are matched to Purchase Orders and approved by the BPC prior to payment.
- c) Costs \$5,000 and over are approved by the BPC, if within budget – if over budget, full Board approval is required. All expenditures \$5,000 and over are subject to a bidding process and the signing of a formal contract, including WorkSafe BC and insurance requirements.
- d) All cheques are signed by the Treasurer or Controller and one other Board Member, normally a member of the BPC.
- e) Standard holdbacks are retained until payment is approved by the BPC.
- f) All payments made by the Controller are reconciled with the detailed construction records and Building Project Budget maintained by the Treasurer, including commitments and detailed payment information. These records are in turn reconciled with the Bank balances.