

BOWEN ISLAND MUNICIPALITY

Minutes of the Hood Point Water System Local Advisory Committee Meeting held on Friday, April 28, 2006 at 3:00 p.m. in the Council Chambers located at the Bowen Island Municipal Hall, 981 Artisan Lane, Bowen Island, British Columbia.

COMMITTEE IN ATTENDANCE

Steve Hoffer – Chair
Bob Sangster
Mike Shields
Mallory Smith
Gordon Lyall

REGRETS

Mike Corney
Tom Rafael

COUNCIL

Councillor Alison Morse

STAFF IN ATTENDANCE

Joanne Cunday – Director of Finance

OTHERS IN ATTENDANCE

Gayle Ferguson – Minute Taker

CALL TO ORDER

The Chair called the meeting to order at 3:04 p.m.

APPROVAL OF AGENDA

By unanimous consent the agenda for the April 28, 2006 Hood Point Water System Local Advisory Committee was approved.

Joanne Cunday, Director of Finance re: Budget

The Director of Finance reviewed the 2005 operating results as follows:

- Parcel Tax – under budgeted as overestimated number of lots subject to the new parcel tax;
- Operating result – surplus of \$1203;
- Three lots – paid out Special Assessments Levy and resulted in additional \$12,112 paid on loan principal;
- Some planned work was not completed in 2005 and re- budgeted in 2006
- Loan balance is \$155,569.92 as of December 31, 2005.

The Director of Finance reviewed the 2006 Proposed Five Year Financial Plan as follows:

- Parcel Tax – recommendation to increase by \$50 for connected lots and \$25 for unconnected lots;
- Administration clerical and Public Works salary has

- decreased from 2005 from \$15,267 to \$14,324;
- Reviewed insurance – liability and property costs. The Chair requested that there be two separate budget line items;
- License costs are increasing – if licenses were amalgamated it could reduce cost by \$100;
- Operations – contract has increased from \$26,021 in 2005 to \$29,648 in 2006. On the second year renewal it included task 1 rate increase and new tasks. The issue of competitive rates will be examined nearer to the time of the expiration of the contract this year;
- Purification and Treatment – Public Works requested an additional \$500;
- To fund modest transfer to Reserves a parcel tax increase is recommended and would bring in \$4700 annually;
- Capital Reserve in 2008 debt payments are dropping off. At \$27,284 working capital is at the minimum;
- Projected balance of Works Reserve currently at \$11,000. Have funded cleaning of reservoir from here. \$4,800 coming in only if we increase rates of parcel tax. In 2008 \$34,800 is being levied but will be paying out \$14,000. An option would be to contribute to reserves instead of paying down the rest of the debt or could go into the Reserve. In the following year balance of the debt would be paid off;
- \$11,729 is the special levy collections over the amount due to the special levies debt. Balance of debt would be approximately \$87,000. The other portion, payable by everyone, is approximately \$68,000, extinguished in 2009. Thirty property owners are still paying off. Need to discuss the issue of the 30 property owners' portion of debt being extinguished in 2008 but will be collecting \$34,800 from them.

A committee member noted that property owners who had chosen to make payments had signed a contract to pay until 2009, at a certain rate for a certain time period. The Committee agreed to discuss the issue at their next meeting.

The Committee raised the following issues:

- Impact on users of a \$50 increase in 2006 parcel taxes;
- Water conservation – how to charge for over usage for so many part-time residents;

- Future possibilities for Capital projects would be a reservoir tank or dam;
- Distribution of contractor's hours – actual hours or hours as supplied by the water committees;
- Discrepancy in numbers for parcel rates – need to review list of who is paying and who is not.

The Committee agreed that user rates would remain unchanged but there would be a 10 percent increase on both parcel tax amounts.

It was Moved and Seconded

That the Hood Point Water System Local Advisory Committee recommend to Council that the Hood Point Water System 2006 budget as amended be approved, which included an increase of 10 percent in the parcel tax.

CARRIED

Next Meeting

July 21, 2006 at 3:00 p.m.

ADJOURNMENT

The meeting adjourned at 4:45 p.m.