



Financial Planning Committee Agenda

Date: November 12, 2020
Time: 10:00 am - 3:00 pm
Location: Electronic Zoom Meeting

	Pages
1. CALL TO ORDER	
2. APPROVAL OF AGENDA	
2.1. Introduction of New Items and Re-Ordering of the Agenda	
Item 5.1 'Property Values & Provincial Land Assessment - Presentation by BC Assessment' to be addressed immediately following agenda item 3.4 to accommodate guest presenter.	
2.2. Approval of Agenda	
3. ADOPTION OF MINUTES / COORDINATION	
3.1. Minutes of Meetings	
3.1.1. Financial Planning Committee Minutes of October 14, 2020	3 - 9
3.2. Resolutions Without Meeting	
None	
3.3. Follow up Action List	10 - 12
3.4. Financial Planning Committee Electronic Meetings	
That in order to meet the principles of openness, transparency, and accessibility, meetings of the Financial Planning Committee will be held electronically until Ministerial Orders under the <i>Emergency Program Act</i> and requirements or recommendations under the <i>Public Health Act</i> change regarding public attendance at trust body meetings; and that such meetings be live streamed, and the public invited to participate in meetings by connecting to the link or the phone number provided in the meeting notice, in order to observe proceedings and speak when invited by the Chair.	
4. TRUST COUNCIL BUSINESS	
4.1. September 30, 2020 Quarterly Financial Report – RFD	13 - 19

4.2.	September 30, 2020 Financial Forecast - Briefing	20 - 25
4.3.	Proposed 2021/22 Budget to Trust Council	
4.3.1.	Budget Session Overview	26 - 27
4.3.2.	Budget Assumptions and Principles - Briefing	28 - 32
4.3.3.	Draft Budget 2021/22 Overview and Highlights - Briefing	33 - 44
4.3.4.	2021/22 Budget Funding Requests	
4.3.4.1.	Funding Requests Summary	45 - 45
4.3.4.2.	Funding Requests Business Cases	46 - 105
4.4.	Draft Budget Reduction Options – Briefing	106 - 112
4.5.	Financial Planning Committee Top Priorities	113 - 113
4.6.	Costs of Processing Applications – Briefing	114 - 117
5.	BUSINESS	
5.1.	Property Values & Provincial Land Assessment - Presentation by BC Assessment	118 - 138
	To be delivered at start of meeting.	
5.2.	Possible Policy Changes Re: Accumulated Surplus – Briefing	139 - 153
5.3.	2021/22 Budget Consultation Process – RFD	154 - 173
6.	NEW BUSINESS	
7.	NEXT MEETING	
	Wednesday, January 20, 2021 from 10:00 to 3:00 p.m.	
8.	ADJOURNMENT	
	*Approximate time is provided for the convenience of the public only and is subject to change without notice.	



Financial Planning Committee

Minutes of Meeting

Date of Meeting: October 14, 2020
Location: Electronic Meeting

Members Present: Peter Grove, Chair
Paul Brent, Vice Chair
Peter Luckham, Executive Committee Representative
Sue Ellen Fast, Executive Committee Representative
Laura Patrick, Executive Committee Representative
Dan Rogers, Executive Committee Representative
Kate-Louise Stamford, Islands Trust Conservancy Board Representative
Laura Busheikin, Local Planning Committee Representative
Deb Morrison, Trust Programs Committee Representative
Tahirih Rockafella, Local Trustee

Staff Present: Russ Hotsenpiller, Chief Administrative Officer
Julia Mobbs, Director, Administrative Services
David Marlor, Director, Local Planning Services
Clare Frater, Director, Trust Area Services
Nancy Roggers, Finance Officer
Robert Barlow, Legislative Services Clerk/Recorder

Others Present: Scott Colbourne, Trust Programs Committee Alternative Representative

1. CALL TO ORDER

The meeting was called to order at 10:02 a.m. Chair Grove offered gratitude for being able to meet on traditional and treaty territory of the Coast Salish First Nations.

2. APPROVAL OF AGENDA

2.1 Introduction of New Items and Re-Ordering of the Agenda

None

2.2 Approval of Agenda

By general consent the Committee approved the agenda.

3. ADOPTION OF MINUTES / COORDINATION

3.1 Minutes of Meetings

3.1.1 Financial Planning Committee Minutes of August 19, 2020

By general consent the Committee approved the minutes as presented.

3.2 Resolutions Without Meeting

None

3.3 Follow up Action List

Director Mobbs provided an update on each of the items that are currently in progress.

4. TRUST COUNCIL BUSINESS

4.1 Budget 2021/22: Draft 1 Version 1 (D1V1)

4.1.1 Budget 2021/22 D1V1 Highlights – Briefing

Director Mobbs presented the briefing, indicating that staff will incorporate changes to D1V1 suggested by the Committee into Version 2 of Draft 1 of the budget.

4.1.2 Budget 2021/22 D1V1 Detail

The Committee expressed appreciation for the level of detail and thoroughness of the report. Discussion included the following questions and requests:

A request was made to understand how many staff are eligible for a step increase to their salary in the year, and what the value of step increases is. Staff committed to return with the information at the next meeting regarding the number of staff eligible for increases, and indicated that step increases range from 3% - 5%, with 3% being the most common increase.

Staff further explained that the annual wage increases for staff are a significant driver in budget growth, as salaries expense makes up more than 60% of the budget, as such a minimum 2-3% wage increase can translate to \$150K - \$160K per year, which can mean a 2% lift to the budget.

The committee requested that the ITC budget be shown or highlighted separately from the rest of the budget.

DRAFT

Application fees were discussed, with the acknowledgement that the coming Model Fees bylaw adopted by Trust Council may or may not be adopted by an individual LTC. As such, it is difficult to determine changes to fees revenue that may arise from this work. A question was raised about if increasing this revenue source would reduce the tax requisition. Staff indicated that it could, provided all else remained the same in the budget.

4.1.3 Budget 2021/22 D1V1 Funding Request Summary

Director Mobbs indicated that most of the Strategic Plan projects have gone to the respective Committees that oversee the work and that they have passed resolutions in support of the projects.

4.1.4 Budget 2021/22 D1V1 Funding Request Business Cases

The discussion included the following comments and questions:

The committee inquired if there is a way to combine some of the projects once they are approved by Trust Council, and whether or not efficiencies would be realised through that. Director Marlor suggested that is a possibility, particularly with projects overseen by the RPC. However, any project requiring a specialist would require individual contracts.

It was noted that most of the strategic plan projects are a continuation of a multi-year project that was initiated last fiscal year, with the addition of the heritage conservation mapping project.

There is a need to clarify how the continuation of mapping the extent of eelgrass and kelp beds throughout the Trust Area will benefit individual LTCs or how LTCs will be able to use that information.

The Committee inquired if there was some manner available to implement model bylaws for several LTCs who indicate they wish to adopt a particular model bylaw or for all LTCs. Staff noted that Section 11 of the *Islands Trust Act*, which provides the ability for Trust Council to establish procedures that one or more LTC must follow, is limited to procedural items and not substantive land use bylaws. The local planning services renewal project is creating a capacity to provide resources to implement projects that involve a number of LTCs.

The Committee inquired if there is a possibility of setting a target that limits the total expenditure for all projects. It was noted that comparing the current budget to the previous year's budget or to last year's actual revenue and expenses results in different measurements of year over year change. In addition, the apparent budget increase is affected by including or not including the substantial federal government grant revenue to support the protection of species at risk.

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The meeting recessed at 12:06 p.m., resumed at 12:30 p.m., and returned to agenda item 4.1.3. to discuss the staffing requests portion of the item.

4.1.3 Budget 2021/22 D1V1 Funding Request Summary

Director Mobbs highlighted the changes to staffing, including the two additional positions for the Islands Trust Conservancy. There are no business cases associated with these two positions in the agenda package as the Islands Trust Conservancy Board did not review any. The two positions will be funded by the federal government grant and are considered temporary.

FPC-2020-035

It was MOVED and SECONDED,

that Financial Planning Committee request the Islands Trust Conservancy manager to provide a Business Case for the proposed Species At Risk (SAR) grant employee positions.

CARRIED

Director Marlor clarified that the intention of the new Bylaw Compliance and Enforcement Officer (BCEO) position is not to focus solely on Short Term Vacation Rental contraventions throughout the Trust Area, but rather to disperse all BCEO positions across the Trust Area and they will respond to all contraventions within their designated areas.

By general consent the order of business on the agenda was varied to address item #8 and #9 prior to item #5.

8. **CLOSED MEETING**

FPC-2020-036

It was MOVED and SECONDED,

that the Financial Planning Committee meeting be closed to the public in accordance with the Community Charter, Part 4, Division 3, s. 90 (1)(g) litigation or potential litigation affecting the municipality; and s. 90(1)(k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public; and that staff be invited to remain in the meeting.

CARRIED

The Financial Planning Committee closed the meeting at 12:46 p.m. and reconvened in open meeting at 1:37 p.m.

9. RISE AND REPORT

None.

5. BUSINESS

5.1 Financial Planning Committee 2021 Meeting Dates - RFD

FPC-2020-037

It was MOVED and SECONDED,

that Financial Planning Committee adopt the proposed meeting dates for 2021 as presented.

CARRIED

FPC-2020-038

It was MOVED and SECONDED,

that Financial Planning Committee direct staff to schedule all the 2021 Financial Planning Committee meetings as electronic meetings, and list the Victoria Office Boardroom as the public meeting location, should Ministerial Orders under the *Emergency Program Act* regarding local government meetings change in 2021 requiring a physical location be provided.

CARRIED

5.2 Posting Financial Planning Committee Meeting Records to the Website - RFD

FPC-2020-039

It was MOVED and SECONDED,

that Financial Planning Committee post their electronic meeting recordings to the Islands Trust website beginning with the meeting in November, 2020.

CARRIED

5.3 Community Amenity Contributions - Briefing

DRAFT

FPC-2020-040

It was MOVED and SECONDED,

that Financial Planning Committee refer the Community Amenity Contributions briefing to the Regional Planning Committee.

CARRIED

Opposed by Trustee Brent

By general consent the Committee returned to agenda item #4.1.

4.1 Budget 2021/22: Draft 1 Version 1 (D1V1)

FPC-2020-041

It was MOVED and SECONDED,

that Financial Planning Committee request staff return to the November 12, 2020 meeting with options for a budget that is no more than \$8.3M.

CARRIED

6. NEW BUSINESS

None.

7. TOWN HALL & DELEGATIONS

Trustee Scott Colbourne expressed gratitude for the work of the Financial Planning Committee and expressed an interest in knowing what a budget of \$16M would look like.

There were no delegations.

10. NEXT MEETING

Thursday, November 12, 2020, from 10:00 a.m. to 3:00 p.m.

11. ADJOURNMENT

By general consent the meeting adjourned at 2 p.m.

Peter Grove, Chair

Certified Correct:

Robert Barlow, Legislative Services Clerk/Recorder

DRAFT

Follow Up Action Report

Financial Planning Committee

21-Jan-2019

Activity	Responsibility	Dates	Status
1 That staff prepare a presentation on property values and provincial land assessment for Financial Planning Committee.	Julia Mobbs	Target: 31-Oct-2019	In Progress

10-Mar-2020

Activity	Responsibility	Dates	Status
1 That Trust Council request FPC to provide a report detailing the full staff costs associated with processing land-use applications, by application type.	David Marlor Julia Mobbs	Target: 19-Aug-2020	In Progress

14-Apr-2020

Activity	Responsibility	Dates	Status
1 that the Financial Planning Committee work with the Regional Planning Committee (formerly the Local Planning Committee) in regards to Islands Trust application fees structure.	David Marlor	Target: 12-Nov-2020	In Progress

19-Aug-2020

Activity	Responsibility	Dates	Status
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Follow Up Action Report

Financial Planning Committee

19-Aug-2020

Activity	Responsibility	Dates	Status
1 that Financial Planning Committee direct staff to explore the use of the Accumulated Surplus Fund with a focus to developing alternatives for possible policy changes.	Julia Mobbs	Target: 14-Oct-2020	In Progress
2 that the Financial Planning Committee request staff to develop a report with alternatives for capturing a percentage of any zoning uplift in property values for the benefit of Trust Area communities and ecosystems.	David Marlor	Target: 14-Oct-2020	Completed

14-Oct-2020

Activity	Responsibility	Dates	Status
1 that Financial Planning Committee request the Islands Trust Conservancy manager to provide a Business Case for the proposed Species At Risk (SARA) grant employee positions.	Julia Mobbs Kate Emmings	Target: 12-Nov-2020	In Progress
2 that Financial Planning Committee post their electronic meeting recordings to the Islands Trust website beginning with the meeting in November, 2020.	Robert Barlow	Target: 23-Oct-2020	In Progress
3 that Financial Planning Committee refer the Community Amenity Contributions briefing to the Regional Planning Committee.	David Marlor Robert Barlow	Target: 09-Nov-2020	Completed

Follow Up Action Report

Financial Planning Committee

14-Oct-2020

Activity	Responsibility	Dates	Status
4 that Financial Planning Committee request staff return to the November 12, 2020 meeting with options for a budget that is no more than \$8.3M.	Julia Mobbs Russ Hotsenpiller	Target: 12-Nov-2020	In Progress

Investment Income earned in quarter two is approximately \$16,000 (20% of budget). This is less than a quarter of the annual budgeted as the change in investment practices to more sustainable vehicles has delayed the investment of property tax revenues and municipal contributions. Anticipated investment yields for the year are likely to be lower than planned due to significant interest rate falls resulting from the COVID-19 pandemic.

Other Revenues reflects grants awarded and earned in the year, ITC NAPTEP application fees, and credit card reward funds and is reported at approximately \$39,000 (331% of budget) at September 30, 2020. Actual amounts relate predominately to grant income for the Islands Trust Conservancy Species at Risk (SAR) project. Islands Trust has approximately \$31,000 in approved and received grant funded yet to be spent on various initiatives. Staff are actively engaged in identifying opportunities to put these funds to good use in this fiscal year or the next. Opportunities for grant funding continue to arise throughout the year.

Expenses by Functional Area

Council

Total Council expenses include costs related to three main areas: Trust Council (TC); Executive Committee (EC); and Trust Area Services (TAS); as well as an allocation of administrative expenses. In aggregate and inclusive of the admin allocation Council expenses are \$572,000 (42% of budget) at the end of quarter two. This is lower than expected by approximately \$102,000 (-8%).

Trust Council expenses are comprised of the TC committee meeting; cultural working group; contingency; elections and by-elections; portion of insurance attributed to TC activities; portion of legal expenditures attributed to TC legal advice; training specific to TC, and the TC portion of trustee remuneration and benefits. Total Trust Council spending to September 30, 2020 is \$112,000 (36% of budget), which is lower than expected by \$203,000 (-14%). TC and TC committee meeting expenses are lower than expected (\$35,000, 15%) to the end of quarter two, due to the COVID 19 pandemic where meetings are being conducted electronically.

Local Planning Services (LPS)

Total LPS expenses include costs related to five main areas: Local Trust Committees (LTCs); LPS Projects; LPS Staff; LPS facilities; and Bylaw enforcement; as well as an allocation of administrative expenses. In aggregate and inclusive of the admin allocation, these expenses are \$2,665,000 (45% of budget) which is lower than expected by approximately \$311,000 (-5%).

LPS Projects costs are comprised of all LTC projects and related protocol funds, a share of the website renewal project costs, northern and southern island groundwater aquifer and sustainability costs, eelgrass and kelp bed mapping costs, regional freshwater management strategy costs, foreshore policy costs, housing initiative costs, and includes all SSIWPA expenses. Spending in this area to the end of quarter two is \$76,000 (23% of budget). Most LPS projects have not seen spending in quarter one and two. Projects with expenses incurred are as follows:

- SSIWPA: expenses of approximately \$30,000 (41% of budget);
- LTC projects: expenses of approximately \$2,000 (3% of budget) due to a delayed start in projects and projects where completion won't take place until next fiscal ;
- Website renewal: total expenses on this project are \$42,000 at the end of quarter two. Of this total, approximately \$35,000 (70% of the total project budget) is allocated to LPS with the remaining \$8,000 allocated to Trust Area Services. This project is expected to be completed by the end of quarter three which aligns with the greater portion of budget spent.

Bylaw enforcement costs are comprised of all salaries, benefits, training, and travel costs associated with bylaw staff or contractors used to cover staff vacancies or collect on fines. Bylaw enforcement expenses are below expected by approximately \$6,000 (-19%) due to staff vacancies.

Islands Trust Conservancy (ITC)

Total ITC expenses include costs related to three main areas: board expenses; operations expenses including project cost for the species at risk project; and property management expenses; as well as an allocation of administrative expenses. In aggregate and inclusive of the admin allocation, spending in this area at September 30, 2020 is \$371,000 (42% of budget) which is lower than expected by approximately \$74,000 (-8%).

ITC Board costs are comprised of ITC board meeting expenses, honoraria and training for board members. Board expenses are \$2,000 (8% of budget) as at September 30, 2020 which is below expected by approximately \$10,000 (-42%) due mainly to meeting cancellations associated with the early days of the COVID-19 pandemic, as well as reduced meeting costs due to meetings being conducted electronically.

Property Management costs are comprised of property management and conservation planning and land securement. Expenses incurred in this area at September 30, 2020 is \$5,600 (6% of budget), which is below expected by approximately \$37,000 (-44%). Work in this area is largely seasonal in nature and primarily carried out in quarter one, two, and the start of quarter three, however there was a delay in beginning this work due to travel restrictions associated with the COVID-19 pandemic.

General Administration

Total general administrative expenditures include costs related to six main areas: Executive office; Administrative services; Office Operations; Information systems; Computer, Furniture and Equipment; and Amortization expense. General administration costs are allocated to the three functional areas of the Trust (Council, LPS, and ITC) based on their relative dollar magnitudes for the period. General administrative expenses total approximately \$1,017,000 (51% of budget) at the end of quarter two which is in line with overall expectations.

Consolidated Expenses by Object

Public Sector Accounting Standards determine that financial reporting for government entities be reported “by function” (i.e.: service area) in the Statement of Financial Operations as presented in the earlier section of this report. Expenses “by object” (i.e.: type) are reported in accompanying financial statements notes. For purposes of greater transparency and understanding of Islands Trust financial results, September 30, 2020 expenses by object are shown as follows:

Expense	2020/21 Approved Budget	Actuals to 9/30/2020	% of Budget Consumed
Staff Salaries and benefits	5,097,171	2,327,390	45.7%
Office Operations	1,043,238	533,710	51.2%
Council and trustee costs	892,796	355,001	39.8%
Programs	596,651	141,204	23.7%
Legal	270,000	140,671	52.1%
Travel/training and recruitment	149,955	24,409	16.3%
Elections	5,000	-	0.0%
Subtotal	8,054,811	3,522,384	43.7%
Amortization	140,000	87,154	62.3%
Total Expenses	8,194,811	3,609,538	44.0%

Staff salaries and benefits expense are below quarter two expected (by \$232,000 -4.5%) due mainly to the following:

- Bylaw Enforcement Officer: Vacant for all of quarter one and quarter two.
- Bylaw Enforcement Admin Assistant: Vacant for all of quarter one and quarter two.
- Delay in hiring the new LPS Technician: Vacant for all of quarter one and quarter two.
- Computer Applications Support Technician: Vacant for all of quarter two.
- SSI Island Planner: Vacant for all of quarter one and two thirds of quarter two.
- SSI Planning Team Assistant: Vacant for two weeks in quarter one.
- Communications Specialist: Vacant for two weeks in quarter two.
- Some part-time unpaid leave for specific individual staff members.

Office operations expenses are in line with general benchmark spending of 50%.

Council and trustee costs are below expected (by \$91,000, 10%) primarily due to meeting cancellations (TC, Committees, LTCs) and electronic meetings replacing in-person meeting due to the COVID-19 pandemic.

Programs expenses relate mainly to projects associated with LTCs and the strategic plan including the Islands Trust Conservancy Species at Risk work. Cost are below expected (by \$157,000, 26%) due to pandemic-related LTC project delays, and the fact that most strategic plan project expenses tend to be incurred later in the year upon completion of project planning and procurement processes that take place in the earlier months of the year.

Legal expenses are in line with general benchmark spending of 50%. Legal expenditures are broken down as follows:

- General legal expenses are at 39% of budget spent, due to less general legal advice acquired for LTCs in quarter one.
- Bylaw Enforcement litigation expenses are at 50% of budget spent, in line the proportion of the fiscal year that has passed.
- Legal Litigation and Defense are at 86% of budget spent which is higher than expected at this time of year. This is due to new litigation that has arisen against the Trust in quarter one.
- Statutory Notice expenses are at only 12% of budget spent, due to lower than anticipated notice requirements in quarter one.

Traveling/training and recruitment are well below expected (by \$50,000, 34%) due to COVID-19 travel and gathering restrictions. Training has also been limited as a result of the pandemic, and staff have directed training efforts towards learning new remote work skills versus attendance at externally-held courses and conferences.

Elections expense is nil and will remain as such unless by-elections are necessary in the year.

3 IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL: None.

FINANCIAL: None. Expenditures to September 30, 2020 are within the overall Islands Trust annual approved budget.

POLICY: None.

IMPLEMENTATION/COMMUNICATIONS: None. Managerial staff at Islands Trust and Islands Trust Conservancy will continue to receive financial reporting on their respective areas of oversight throughout the year.

FIRST NATIONS: None.

OTHER: None.

4 RELEVANT POLICY(S):

Islands Trust Policy 2.3.3 Financial Planning Committee Terms of Reference
Bylaw No. 178, Islands Trust Financial Plan Bylaw 2020/21

5 ATTACHMENT(S):

September 30, 2020 Financial Report

RESPONSE OPTIONS

Recommendation:

That Financial Planning Committee forward the September 30, 2020 Financial Report to Trust Council for approval as presented.

Alternative: None.

Prepared By: Nancy Roggers, Finance Officer
Reviewed By: Julia Mobbs, Director, Administrative Services
Russ Hotsenpiller, Chief Administrative Officer

Islands Trust
Statement of Revenue and Expenditure
For The 6 Months Ending September 30, 2020

Expected % of Budget Received/Used as at Report date = 50%
Exceptions: Grant revenue, property tax levies, other revenues, project spending
Variances > +/- 10% include explanations

Description	Annual Budget	YTD Actual	% of budget		\$ over (under) benchmark	% over (under) benchmark
			\$ budget not yet received/spent	received/spent		
Revenue:						
Fees & Sales	115,000	68,505	(46,495)	60%	11,005	10%
Provincial Grant	180,000	180,000	-	100%	90,000	50%
Property Tax Levy General	6,783,141	6,783,141	-	100%	3,391,571	50%
Special Property Tax Requisition	75,500	75,500	-	100%	37,750	50%
Property Tax Levy Bowen	303,020	303,026	6	100%	151,516	50%
Investment Income	85,000	16,588	(68,412)	20%	(25,912)	-30%
Other Revenues	(12,000)	39,694	51,694	-331%	45,694	-381%
Total Revenue	7,529,661	7,466,454	(63,207)	99%	3,701,624	49%
Expenses						
Trust Council	315,164	111,935	(203,229)	36%	(45,647)	-14%
Executive Committee	112,710	46,256	(66,454)	41%	(10,099)	-9%
Trust Area Services	593,392	252,364	(341,028)	43%	(44,332)	-7%
General Admin Allocation - 16%	328,741	161,988	(166,753)	49%	(2,382)	-1%
Total Council Expenses	1,350,007	572,544	(777,463)	42%	(102,460)	-8%
Local Planning Services						
Local Trust Committees	796,572	377,745	(418,827)	47%	(20,541)	-3%
LPS Projects (Note 1)	329,950	76,038	(253,912)	23%	(88,937)	-27%
Planning Staff	2,715,747	1,207,584	(1,508,163)	44%	(150,289)	-6%
LPS Facilities	367,263	165,156	(202,107)	45%	(18,476)	-5%
Bylaw Enforcement	294,173	91,164	(203,009)	31%	(55,923)	-19%
General Admin Allocation - 73%	1,449,720	747,448	(702,272)	52%	22,588	2%
Total Local Planning Services Expenses	5,953,425	2,665,136	(3,288,289)	45%	(311,577)	-5%
Trust Conservancy						
Board	24,450	2,022	(22,428)	8%	(10,203)	-42%
Operations	562,869	256,322	(306,547)	46%	(25,112)	-4%
Property Management	87,000	5,608	(81,392)	6%	(37,892)	-44%
General Admin Allocation - 11%	217,060	107,905	(109,155)	50%	(625)	0%
Total Trust Conservancy Expenses	891,379	371,858	(519,521)	42%	(73,831)	-8%
General Admin						
Executive Office	450,008	205,360	(244,648)	46%	(19,644)	-4%
Admin Services	484,505	230,392	(254,113)	48%	(11,860)	-2%
Office Operations	264,879	110,634	(154,245)	42%	(21,806)	-8%
Information Systems	557,529	287,288	(270,241)	52%	8,524	2%
Computer/Furniture & Equipment	98,600	96,515	(2,085)	98%	47,215	48%
Amortization Expense	140,000	87,154	(52,846)	62%	17,154	12%
General Admin Recovery	(1,995,521)	(1,017,342)	978,179	51%	(19,581)	1%
Total General Admin Expenses	-	-	-	0%	-	-
Total Expenses	8,194,811	3,609,538	(4,585,273)	44%	(487,868)	-6%
YTD Suplus (Shortfall)	(665,150)	3,856,916				
Amortization Adjustment	140,000	n/a				
Capital adjustment	n/a	54,672				
Adjusted surplus (shortfall)	(525,150)	3,911,588				
Transfer from (contribution to) General Revenue Surplus Fund	429,650	(3,913,516)				
Transfer from LTC Project Specific Reserve Fund	71,500	1,928				
Total Transfers from Surplus	501,150	(3,911,588)				
Net Balance	(24,000)	0				
Surplus Fund, beginning of the period (March 31, 2020)	2,871,270	2,882,924				
Surplus Fund, end of the period	2,346,120	6,794,512				

Description	Annual Budget	YTD Actual	% of budget		\$ over (under) benchmark	% over (under) benchmark
			\$ budget not yet received/spent	received/spent		

Note 1:

Projects made up of:

Salt Spring Watershed Management Delegated Authority (SSIWPA)	75,500	30,600	(44,900)	41%	(7,150)	-9%
LTC Projects	71,500	1,928	(69,572)	3%	(33,822)	-47%
First Nations Protocol Funds/Cultural Working Group Funds	1,000	-	(1,000)	0%	(500)	-50%
Southern Islands Groundwater Aquifers & Sustainability	10,000	8,625	(1,375)	86%	3,625	36%
Website Renewal (70%)	31,950	34,794	2,844	109%	18,819	59%
Eelgrass and Kelpbed Mapping	50,000	-	(50,000)	0%	(25,000)	-50%
Regional Freshwaer Management Strategy	20,000	-	(20,000)	0%	(10,000)	-50%
Foreshore Policy	10,000	-	(10,000)	0%	(5,000)	-50%
Housing Initiatives	10,000	92	(9,908)	1%	(4,908)	-49%
Nothern Islands Groundwater Aquifers & Sustainability	50,000	-	(50,000)	0%	(25,000)	-50%
	<u>329,950</u>	<u>76,038</u>	<u>(253,912)</u>	<u>23%</u>	<u>(88,937)</u>	<u>-27%</u>



BRIEFING

To: Financial Planning Committee **For the Meeting of:** November 12, 2020
From: Nancy Roggers,
Finance Officer **Date Prepared:** November 5, 2020
SUBJECT: FINANCIAL FORECAST AS AT SEPTEMBER 30, 2020

PURPOSE:

To provide Financial Planning Committee with an overview of forecasted financial performance to the end of the current fiscal year, to support their responsibility for financial management oversight.

BACKGROUND:

The forecasted financial results for March 31, 2020 have been prepared based on actual financial performance to September 31, 2020, plus estimates of expected spending for the remainder of the fiscal year. The September 30, 2020 forecast reflects a projected underspending of \$536,589, primarily due to staff shortages and reduction in meeting and travel expenditures due to the COVID pandemic which has carried on longer than anticipated at budget time where a reduction in budget was done to include underspending only in quarter one. At the time of this forecast it was anticipated that the current state would continue until at least the end of the fiscal year, meaning we anticipate an additional three quarters of savings that were not anticipated as part of the budget reductions related to the pandemic. An explanation of the significant revenue and expenditure areas contributing to this variance are as follows (where significance is determined as greater than or less than 10% from budget, and greater than or less than \$5,000 from budget).

Revenues:

Revenues are forecasted to come in at a net \$144,777 higher than budgeted due to:

- Interest Income - expected \$37,787 under budget due to a significant decrease in interest income where interest rates on guaranteed investment certificates have dropped significantly during the global pandemic. Current rates are very low in comparison to prior years (0.6%). In addition there has been a delay in investing funds while staff review offers from credit unions supplying IMPACT GICs (sustainable lending) which ensure Islands Trust invested funds are used by the financial institution to provide ethical and sustainable loans to local businesses that publicly pursue at least one of the United Nations' Sustainable Development Goals
- Grant Income – expected \$180,400 over budget due primarily to significant grant funds being received this fiscal for the Islands Trust Conservancy Species at Risk project.

Expenditures:

Total forecasted expenditures come in lower than budget by a net of \$512,893.

Significant areas of overspending include:

- Amortization – expected overspending of \$39,000 due to the increase in capitalized expenditures relating to the office renovation in Fiscal 2020 all of which were not incorporated into the amortization budget. Since this is a non-cash item there is no impact on operations as a result of this overage.
- Contract Service – expected overspending of \$7,700 due to hiring of contractors to cover staff vacancies.
- Insurance – expected overspending of \$22,500 as the insurance renewal rates were higher than budgeted given a shift in the insurance market. The Islands Trust claims history makes the opportunity to find reduced premiums challenging, despite considerable efforts.
- Legal expenses – expected overspending of \$20,000 in Legal “Litigation Defence” due to new and ongoing litigation against the Islands Trust.

Significant areas of underspending include:

- By Elections – expected underspending of \$7,000 as no by election is anticipated during the fiscal period.
- ITC Property management – expected underspending of \$24,000 where ITC is relying less on tax funds this fiscal year for items that are covered by the species at risk grant.
- ITC Ecosystem Mapping – expected underspending of \$10,000 due to stretched resources to undertake this work while staff are working on the species at risk initiative.
- The following areas are significantly underspent by a total of \$138,661 due exclusively to meetings being held electronically due to the impacts of the COVID pandemic, eliminating the need for travel, accommodation, hall rental and food expenditures associated with undertaking these meetings:
 - FPC, RPC and LTC Committee Expenses – expected net underspending of \$8,163;
 - ITC Board Meeting Expenses – expected underspending of \$13,850;
 - LTC expense for Trustees, EC on LTC, and LTC and APC meetings – expected net underspending of \$29,948;
 - Meeting expense – expected underspending of \$80,000 primarily for Trust Council meetings;
 - Staff Meetings – expected underspending of \$6,700
- Statutory Notices – expected underspending of \$15,000 where lower than expected advertising is taking place for statutory notices this fiscal year in comparison to budget due to a reduced need

to advertise where public hearings and community information meetings are not being held due to the COVID pandemic.

- Office Services – expected underspending of \$9,760 due to the requirement for less services like recycling, garbage disposal, etc with lower number of staff using office space due to the COVID pandemic.
- Salaries and Benefits – expected underspending of \$287,478 due to vacancies in positions during the fiscal year. The significant areas of underspending are as follows:
 - Bylaw Enforcement Officer – vacant between April 1 to October 25, 2020, underspending of \$32,000;
 - Bylaw Enforcement Admin Assistant – vacancy is expected for full fiscal year, underspending of \$49,000;
 - Delay in hiring the new LPS Technician - vacant between April 1 to October 18, 2020, underspending of \$24,000;
 - Senior Intergovernmental Policy Advisor – budget was too high as an error was made in budget calculations, underspending of \$30,000;
 - ITC Secretary – covering for another employee on temporary assignment with another ministry worked reduced hours, underspending of \$30,000;
 - Computer Applications Support Technician: vacant, hiring expected Jan 1, 2021, underspending of \$27,000;
 - SSI Island Planner – vacant between April 1 to September 6, 2020 underspending of \$30,000;
 - Communications Specialist – vacant between September 13 to September 26, 2020, underspending of \$9,000;
 - Trust wide funds for covering staffing overlaps is not expected to be used, underspending of \$20,000
 - Some part-time unpaid leave for specific individual staff members, underspending of \$22,000
- Training and Conferences/Travel expenses– net expected underspending of \$87,000 due to meetings being held electronically due to the impacts of the COVID pandemic, eliminating the need for staff travel, accommodation, and food expenditures as well as conferences and training being held by webinar reducing the cost to attend.
- Trustee Heath/Dental Benefit expenses – underspending of \$6,190 due to negotiation of lower rates by UBCM for the elected officials benefit program that begin October 1, 2020.
- Projects - expected underspending of \$107,593 which is offset by expenditures of \$82,733 for species at risk expenditures that were not included in the original budget but are covered by matching grant income for a net underspend on projects of \$24,820. Expected spending is related to the following:
 - LTC projects – expected underspending of \$23,500 against the budgeted \$71,500 draw from reserve primarily due to LTC projects that will carry forward into next fiscal year for completion. A transfer of \$48,040 will be required from the LTC Specific Reserve fund rather than the \$71,500 that was included in the budget.
 - Projects funded by grants – fewer than anticipated grants expected, resulting in \$8,000 underspending.
 - SSIWPA – expected underspending of \$10,500 due to a reduction in the number of meeting to be held to 4. The meeting expenditures budget was originally based on 12 meetings.

- Strategic Plan Projects –
 - Expected underspending of \$50,000 for Mapping Eelgrass and kelpbeds due to a delay in project work that missed the window to undertake this work during the spring and summer month. In addition, this work was originally going to be done in partnership with another organization and that has fallen through. Staff are considering options to undertake this work;
 - Expected underspending of \$10,000 in the Islands Trust Act Amendment project due to uncertainty around the expenditures to be incurred by consultations with First Nations groups;
 - Expected underspending of \$5,000 for the housing initiatives due to project delays.

Underspending in strategic plan projects is somewhat offset by unanticipated spending of \$82,773 for the species at risk ITC project which was not included in budget and which is covered by matching grant income.

Other variances are not considered significant for the purposes of reporting.

CONCLUSIONS:

The approved budget for fiscal year ending March 31, 2021 included approved expenditures of \$8.2M. Current forecasted spending for the year is expected at \$7.65M, which is under by \$536,589 (7%). Underspending is primarily due to underspending due to staff shortages and underspending in meeting, travel and training expenditures due to the COVID pandemic which has carried on longer than anticipated at budget time where a reduction in budget was done to include underspending only in quarter one. At the time of this forecast, it is anticipated that the current state of the pandemic will continue until at least the end of the fiscal year; therefore we anticipate an additional three quarters of savings that were not anticipated as part of the budget reductions for the pandemic. Accounting standards dictate that capital assets be removed from expenditures on the Statement of Operations and capitalized as a tangible capital asset on the Statement of Financial Position. Consequently, additional funding from surplus to cover this spending is reduced by the value of items capitalized. The forecasted amount to capitalize is \$54,672. The budget approved a transfer from the General Revenue Fund Surplus of \$429,650 and a transfer from the LTC Specific Reserve Fund of \$71,500 for Local Trust Committee projects, for a total draw on surplus funds of \$501,150. Based on the second quarter forecast, adjusted for capitalized assets, the contribution to the General Revenue Fund Surplus is estimated at \$142,928 and the transfer from LTC Specific Reserve Fund is now estimated at \$48,040. This means that the budgeted transfer from surplus of \$501,150 will not be required.

ATTACHMENT:

- **Second Quarter Forecast to March 31, 2020**

FOLLOW-UP: Forward to Trust Council for information as desired.

Prepared By: Nancy Roggers, Finance Officer

Reviewed By: Julia Mobbs, Director, Administrative Services
 Russ Hotsenpiller, Chief Administrative Officer

ISLANDS TRUST							
Q2 Forecast to March 31, 2021							
Note: Actuals on this are before adjustments to Q2 for retro excluded salaries which are already included in the forecast.							
Acct #	Description	Annual Budget	YTD Actuals	YTD Actuals Annualized	Forecast to March 31/21	Forecast Over (Under) budget \$	Forecast Over (Under) budget %
REVENUES							
40300	Fees & Sales	115,000	68,505	137,010	115,000	0	0%
45000	Provincial Grant	180,000	180,000	180,000	180,000	0	0%
46000	Property Tax Levy General	6,783,141	6,783,141	6,783,141	6,783,141	0	0%
46100	Property Tax Levy Bowen	303,020	303,026	303,020	303,026	6	0%
46200	Special Levy Property Tax Requisition	75,500	75,500	75,500	75,500	0	0%
48000	Interest Income	85,000	16,588	33,177	47,213	(37,787)	-44%
49001/49002	Grant Income for projects	12,000	38,536	77,072	192,400	180,400	1503%
49005/49010	Other Revenue	0	1,158	2,316	2,158	2,158	
	Total Revenue	7,553,661	7,466,454	7,591,236	7,698,438	144,777	
EXPENSES							
50500	Admin Cost Recovery	(1,995,521)	(1,009,842)	(1,995,521)	(1,995,521)	0	0%
50700	Admin Support Services	1,995,521	1,009,842	1,995,521	1,995,521	0	0%
50900	Amortization Expense	140,000	87,154	174,307	179,012	39,012	28%
50950	Applications Sponsored by EC	5,000	1,000	2,000	5,000	0	0%
50960	History and Heritage Funding Grants in Aid	5,000	0	0	5,000	0	0%
51000	Audit	20,000	(2,000)	(4,000)	20,000	0	0%
51500	Bank Charges & Interest	4,000	1,248	2,497	2,500	(1,500)	-38%
52500	Board of Variance	1,100	0	0	50	(1,050)	-95%
53500	Carbon Offset Purchases	500	(622)	(1,244)	0	(500)	-100%
54000	Committee Expense FPC	4,918	0	0	0	(4,918)	-100%
54100	Committee Expense LPC	1,921	0	0	0	(1,921)	-100%
54200	Committee Expense TPC	1,324	0	0	0	(1,324)	-100%
54300	Cultural Working Group	2,500	0	0	1,000	(1,500)	-60%
54500	Communications	33,000	5,143	10,285	29,000	(4,000)	-12%
54580	FN Protocol Funds	6,004	0	0	2,502	(3,502)	-58%
55105	S/W Support & Maintenance	76,700	36,032	72,065	76,700	0	0%
55200	Internet	41,000	23,569	47,138	47,000	6,000	15%
55500	Technical Support	89,000	56,052	112,103	89,000	0	0%
56000	Contingency	12,000	(561)	(1,122)	6,000	(6,000)	-50%
56500	Contract Services	58,500	20,712	41,425	66,224	7,724	13%
57050	Elections "By Elections"	5,000	0	0	0	(5,000)	-100%
60000	Insurance	151,385	82,035	164,070	173,899	22,514	15%
61100	ITC "Board Honoraria"	6,600	2,000	4,000	2,700	(3,900)	-59%
61200	ITC "Board Meeting Expense"	13,850	11	21	0	(13,850)	-100%
61210	ITC "Board Training & Conferences"	4,000	0	0	1,000	(3,000)	-75%
61300	ITC "Property Management"	72,000	4,438	8,876	48,000	(24,000)	-33%
61500	Conservation Planning & Land Securement	15,000	1,170	2,340	19,500	4,500	30%
61600	ITC "Ecosystem Mapping"	15,000	0	0	5,000	(10,000)	-67%
62000	Land Title Registrations	1,500	1,918	3,836	4,000	2,500	167%
63000	Legal "General"	90,001	35,151	70,301	90,001	0	0%
63100	Legal "Bylaw Enforcement Litigation"	85,000	42,312	84,623	85,000	0	0%
63200	Legal "Litigation Defence"	69,999	60,101	120,202	90,000	20,001	29%
65000	LTC Trustee Expenses	7,607	385	770	1,200	(6,407)	-84%
65050	LTC "Executive Expense on LTC's"	18,469	480	960	1,500	(16,969)	-92%
65200	LTC Local Exp LTC Meeting Expenses	28,377	12,479	24,958	22,458	(5,919)	-21%
65210	LTC Local Exp APC Meeting Expenses	3,630	1,031	2,061	2,978	(652)	-18%
65220	LTC Local Exp Communications	5,000	2,260	4,520	6,675	1,675	34%
65230	LTC Local Exp Special Projects	4,999	0	0	2,941	(2,058)	-41%
67000	Meeting Expense	95,719	5,910	11,820	15,470	(80,249)	-84%
67500	Memberships	16,815	1,770	3,540	13,685	(3,130)	-19%
68100	Notices Statutory & Non Statutory	25,000	3,108	6,216	10,000	(15,000)	-60%
69000	Office Rent	397,940	197,830	395,660	397,940	0	0%
69005	Office Services	60,060	20,184	40,369	50,300	(9,760)	-16%
70000	Postage & Courier	10,000	4,484	8,968	10,000	0	0%
74000	Recruitment	8,000	4,097	8,194	8,000	0	0%
74900	Safety	5,000	4,125	8,249	7,000	2,000	40%
75100	Salaries - Admin Staff	2,112,239	1,002,645	2,005,291	4,809,693	(287,478)	-6%
75110	Benefits - Admin Staff	531,899	251,846	503,691			
76100	Salaries - Planners & RPMs	1,341,959	583,524	1,167,048			
76110	Benefits Planners & RPM's	344,710	146,593	293,187			
77100	Salaries Planning Support Staff	394,741	196,881	393,762			
77110	Benefits Planning Support Staff	99,897	49,441	98,882			
78100	Salaries Bylaw	217,565	67,754	135,508			
78110	Benefits Bylaw	54,161	17,025	34,049			
79000	Stationary & Supplies	33,000	14,494	28,987			
79500	Subscriptions	6,500	1,745	3,491			
					6,000	(500)	-8%

ISLANDS TRUST							
Q2 Forecast to March 31, 2021							
Note: Actuals on this are before adjustments to Q2 for retro excluded salaries which are already included in the forecast.							
Acct #	Description	Annual Budget	YTD Actuals	YTD Actuals Annualized	Forecast to March 31/21	Forecast Over (Under) budget \$	Forecast Over (Under) budget %
80100	Telephone	14,000	6,395	12,790	14,000	0	0%
80300	Mobile Devices	23,400	12,350	24,700	23,400	0	0%
81100	Training "Organization Wide"	4,421	0	0	4,421	0	0%
81200	Staff Meetings & Recognition	8,753	774	1,547	2,000	(6,753)	-77%
81300	Training & Conferences	39,302	8,646	17,292	20,328	(18,974)	-48%
81305	Travel for Training	28,136	20	40	3,000	(25,136)	-89%
82300	Travel	61,343	10,872	21,744	18,399	(42,944)	-70%
84100	Trustee Remuneration	518,753	260,977	521,954	521,954	3,201	1%
84110	Trustee Remuneration "CPP Expense"	21,667	9,052	18,105	18,105	(3,562)	-16%
84120	Trustee Remuneration Health/Dental Benefits	43,561	18,371	36,742	37,371	(6,190)	-14%
84140	Trustee Remuneration Pay In Lieu of Benefits	1,000	500	1,000	1,000	0	0%
84150	Trustee Remuneration "Employer Health Tax"	10,135	5,134	10,268	10,135	0	0%
	Operating Expenses Subtotal	7,629,561	3,380,043	6,760,087	7,116,539	(513,021)	
CAPITAL							
55100	Hardware	90,600	90,852	181,704	91,852	1,252	1%
69100	Furniture and Equipment	8,000	5,663	11,326	8,000	0	0%
69500	Office Renovation	0	0	0	0	0	0%
	Capital Subtotal	98,600	96,515	193,030	99,852	1,252	
PROJECTS							
	LTC Projects	71,500	3,011	6,023	48,040	(23,460)	-33%
	LTC Projects Funded by Grants (590)	12,000	(1,083)	(2,167)	3,917	(8,083)	-67%
	LTA Work Funded by Special requisition (SWIPPA)	75,500	30,600	61,199	65,000	(10,500)	-14%
73001-A	<u>Strategic Plan Projects</u>					0	0%
	Map Eelgrass + Kelpbeds	50,000	0	0	0	(50,000)	-100%
	Develop a regional freshwater management strategy	20,000	0	0	20,000	0	0%
	Review Foreshore Policies/Bylaws + Develop Model Policy	10,000	0	0	10,000	0	0%
xbim	Map+Develop Water budgets for groundwater aquifers ***Added back, per T	50,000	0	0	50,000	0	0%
xbim	Create model OCP policies using groundwater budgets			0		0	0%
	Develop set of climate change, demographic + environmental data	5,000	5,000	10,000	5,000	0	0%
xbim	Broadcast public meetings	7,100	2,237	4,474	7,100	0	0%
	Develop and implement a stewardship education program	15,000	577	1,154	15,000	0	0%
	Adopt and implement a Reconciliation Action Plan	17,550	6,360	12,720	17,000	(550)	-3%
	Amend the Policy Statement introductory + definitions sections	45,000	7,598	15,196	35,000	(10,000)	-22%
	Housing Initiatives: 1 per year	10,000	92	184	5,000	(5,000)	-50%
	Secretariat Function	12,000	2,080	4,160	12,000	0	0%
*	Prior Year project carryover - Website Renewal	45,000	42,446	84,892	45,000	0	0%
*	Prior Year project carryover - Groundwater Sustainability Mapping	10,000	8,625	17,250	10,000	0	0%
	Species at Risk - ITC project		8,503	17,006	82,773	82,773	0%
	Electronic Data Management (EDM)	5,500	3,465	6,930	5,500	0	0%
	Prior Year project carryover - Photo Management	5,500	1,788	3,576	5,500	0	0%
	Projects Total	466,650	121,299	242,597	441,830	(24,820)	
	Total Expenditures	8,194,811	3,597,857	7,195,714	7,658,221	(536,589)	-7%
	Surplus (shortfall)	(641,150)			40,216		
	<u>Funded by:</u>						
	Transfer from (Contribution to) General Revenue Surplus Fund	429,650			(142,928)		
	Transfer from LTC Project Specific Reserve Fund	71,500			48,040		
	Net Surplus (Shortfall)	(140,000)	0	0	(54,672)		
	Add back Amortisation Expense (not taxed, so removed for purposes of balance)	140,000					
	Add back Capital Expenditures (not expensed in year of purchase, so removed from actuals)				54,672		
	Balance	0	0	0	0		



Islands Trust

December 2020 Islands Trust Council 2021/22 Proposed Budget

Purpose:

- To provide Trust Council with an overview of the Financial Planning Committee’s current draft of the 2021/22 budget;
- To discuss the proposed revenues, expenses, and resulting surplus balances with Trust Council and receive feedback for amendments as needed;
- To provide an opportunity for questions, comments and recommendations from Trustees before the Financial Planning Committee develops a draft budget package for public comment.

Resources:

Peter Grove, Financial Planning Committee (FPC)
 Julia Mobbs, Director, Administrative Services (DAS)
 Russ Hotsenpiller, Chief Administrative Officer (CAO)
 Clare Frater, Director, Trust Area Services (DTAS)
 David Marlor, Director, Local Planning Services (DPLS)

<p>Introduction (3 minutes)</p>	<p>Peter Grove, FPC</p>
<p>Comments (2 minutes)</p>	<p>Russ Hotsenpiller, CAO</p>
<p>2021/22 Proposed Budget Highlights (20 minutes)</p>	
<p><u>Document References</u></p> <ul style="list-style-type: none"> • Budget Assumptions and Principles • Draft Budget Highlights • Draft Budget Detail • Funding Requests Summary <ul style="list-style-type: none"> ○ Strategic Plan Initiatives ○ Operational Initiatives ○ Staffing Changes 	<p>Julia Mobbs, Director, Administrative Services</p>
<p>Trustees Questions and Discussion (65 minutes)</p>	<p>Trustees</p>

<p>NEXT STEPS:</p> <ul style="list-style-type: none"> • January 2021: <ul style="list-style-type: none"> ○ FPC meeting to review Draft 2, Version 1 of the budget and public consultation documents. • February 2021: <ul style="list-style-type: none"> ○ Consultation with public on draft budget package. ○ FPC meeting to review Draft 2, Version 2 of the budget and results of budget public consultation. • March 2021: <ul style="list-style-type: none"> ○ Trust Council approval of a Budget Bylaw to be forwarded to the Minister by March 31, 2021
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ISLANDS TRUST
2021/22 Draft Budget
Assumptions and Principles
 December 2020

Draft Budget Development Process:

During the budget cycle, each line of the detailed draft budget is reviewed by the responsible manager, giving consideration to previous years' spending and future work programs and services (including Trust Council's Strategic Plan initiatives). Planning staff review planning project needs with Local Trust Committees and identify top priorities. The Islands Trust Conservancy Board requests budget funding levels appropriate to support the goals in its Regional Conservation Plan and other fiscal initiatives. Directors review their respective Committee work programs to ensure work plan activities are appropriately funded. The Director, Administrative Services reviews the detailed spending and projects costs on behalf of the organization with respect to completeness and accuracy and compiles the detailed budget for the year. The draft budget detail is reviewed and by the Islands Trust management team prior to being submitted to the Financial Planning Committee for review and consideration. A first draft of the budget is forwarded to Trust Council in December of each year, or in the case of election years, the following January.

REVENUES			
	ITEM	ASSUMPTION/PRINCIPLE	DATA SOURCE
1	Fees and Sales	<p>Assumed that the application fees review currently underway with LPC and FPC will be completed in time for to incorporate recommendations into the 2021/22 budget.</p> <p>Application volumes are difficult to anticipate. For purposes of draft budget development, the assumption is made that application volumes will remain fairly stable, however the ongoing pandemic may create a shift which will be incorporated as identified.</p>	<p>Potentially forthcoming Local Planning Committee (LPC) recommendations.</p> <p>Current application volumes and anticipated adjustments as identified by the Director, LPS.</p>
2	Provincial Grant Funding	<p>Assumed that funding received from the Province will be received, and will remain consistent with prior years. Although there is a Trust Council resolution to request more funds from the Province, no work has progressed on this task and likely will remain the case due to the ongoing pandemic. As such, no increase in funds is anticipated at this time.</p>	<p>Prior year funding levels.</p>
3	Property Taxes - General	<p>Assumed property tax revenue will be required to balance the Islands Trust budget.</p>	<p>Draft budget planned expenditures less other revenue sources.</p>

4	Non-market Growth in Property Taxes	The property tax base within the Islands Trust Area will grow due to new development activity.	BC Assessment report provided in December each year indicates non-market growth for the Gulf Islands.
5	Property Taxes – Special Requisitions	Assumed SSI LTC will request a special levy to continue the SSIWPA work. Assumed this request will be at lower levels than previous years given existing SSIWPA surplus funds that remain unspent from previous fiscal years.	Trust Council <i>Policy 6.3.2 Special Property Tax Requisitions</i> LTC resolution, Accumulated surplus balance for SSIWPA funds.
6	Property Taxes – Bowen Island Municipality	Assumed relevant policy regarding this requisition will remain unchanged.	Trust Council <i>Policy 7.2.6 Municipal Property Tax Requisition Calculation</i>
7	Investment Income	Assumed interest income will be lowered from historical levels due to low interest rates. Assumed Islands Trust will continue to invest in conservative investments in line with legislation. Assumed sustainable investment vehicles will be secured for a portion of invested funds to align with Trust values.	Islands Trust Act, Community Charter, current interest rate trends and investment advisor information.
8	Other Grant Funding	Islands Trust will continue to monitor grant opportunities available for corporate work, but does not expect significant new inflows of revenue from this source. Any budgeted revenue from grant funds for projects will be offset by a budgeted expense for the same amount, to ensure appropriate conservatism in the budget.	Current grant programs available to Islands Trust and historical inflows of grant funding, adjusted for change in staff hours dedicated to the grants function.

EXPENSES

	ITEM	ASSUMPTION/PRINCIPLE	DATA SOURCE
9	Inflation	The cost of goods and services will rise in line with inflation. Application of this assumption is not applied in a direct manner whereby all expenses are increased by a percentage. Rather, where real spending trends are analysed for purposes of generating a budget figure, historical averages are most frequently rounded upwards.	Consumer Price Index (CPI) for Victoria, as reported by Statistics Canada, to assess if current inflation accommodations are appropriate.
10	Staffing Levels	Assumed current staffing levels are appropriate to carry out the anticipated services provided by the Islands Trust. Decreased staffing levels may result in a reduced level of services or functions. New functions or services may require either additional staffing or the deletion of some existing functions or service levels.	Current staffing levels, plus a request for an additional bylaw officer. 2008 Bylaw Enforcement Function Review (Bylaw staffing

			levels), updated for coming business case for new BEO. 2018 Local Planning Services Review (LPS staffing levels).
11	Staffing Salaries and Benefits	<p>Assumed that staff will continue to be appointed subject to the <i>Public Services Act</i> and the <i>Public Service Labour Relations Act</i>, in accordance with the <i>Islands Trust Act</i>.</p> <p>Assumed costs for staff salaries and benefits will rise in accordance with relevant legislation and union agreements.</p>	<p><i>Public Service Labour Relations Act</i> (all staff). <i>Public Services Act</i> and PSA Policy on salary administration for management employees (exempt staff). BCGEU union agreement (union staff). Public Service Agency (benefits costs/rate, all staff).</p>
12	Trustee Remuneration	<p>Assumed that no changes will be made to the guiding policy for Trustee Remuneration.</p> <p>Assumed that the number of meetings requiring payment to trustees will increase slightly, as directed by committees in recent months as planning for 2021 meeting dates has been underway.</p>	<p>Trust Council's Policy 7.2 <i>Trustee Remuneration</i>. (census information 2016, stats Canada CPI information, Folio information from BC Assessment)</p>
13	Office Facilities	<p>Assumed that office locations for staff will remain in Victoria, on Salt Spring Island and on Gabriola Island.</p> <p>Assumed that the Bylaw unit will be released at the Victoria office, and investigation of relinquishing additional Victoria units (Fin/HR and IS) will continue with a decision made prior to March Trust Council.</p> <p>Assumed that Islands Trust will continue to lease office space for trustees on Denman Island, Galiano Island, North Pender Island, Mayne Island, and Saturna Island subject to trustee needs.</p>	<p>Trust Council Policy 7.4.4 <i>On-Island Trustee Offices</i>.</p> <p>Existing multi-year office leases.</p>
14	Local Planning Services	<p>Assumed that Islands Trust Council will continue to provide sufficient funding for LTCs to carry out their primary function of land-use planning and regulatory activities within their local trust area, as permitted by the <i>Islands Trust Act</i>.</p> <p>OCP and LTCs project budgets over the long-term will be distributed between LTCs based on their relative percentage of assessed value, per the resource allocation model.</p>	<p>Local Planning Services Review 2018</p> <p>Strategic Plan 2018-2022</p> <p>Trust Council Policy 5.9.1 <i>Best Management Practices for Delivery of Local Planning Services to Local Trust Committees</i></p>
15	Planner	The current work program system which determines the	LPS Review 2018

	Resource Allocation	allocation of planner time to LTCs and projects will change during the implementation of the LPS review. This change will be in effect in time for the 2021/22 fiscal year. Resources will continue to aim for fair distribution of time between the three planning regions (North, South, Salt Spring)	Strategic plan 2018-2022 implementation
16	Strategic Plan Projects	Assumed projects underway as part of the current strategic plan will be seen through to completion.	Trust Council Strategic Plan 2018-2022
	ITEM	ASSUMPTION/PRINCIPLE	DATA SOURCE
17	General Surplus	Assumed that accumulated surplus funds will be drawn down more or less in line with the current year financial plan, leaving the opening balance for fiscal 2021/22 at a healthy level. Assumed the current review of surplus funds being undertaken by FPC will be complete and any revisions to minimum balances or how surplus is used will be incorporated in time for the approval of the 2021/22 budget.	Trust Council's <i>policy 6.5.1 Reserves and Surplus</i> , section D.6, recommends a minimum level of General Revenue Surplus as " <i>three months of expenses net of three months of revenue, excluding revenue from property taxes or the provincial grant</i> ".
18	LTC-Specific Reserve Fund	Assumed Trust Council will continue to make use of the LTC-Specific Reserve Fund.	Consolidated report of approved, planned LTC projects for the coming fiscal year, provided by Local Planning Services and LTCs.
19	Special Property Tax (SSIWPA) Surplus Fund	Assumed accumulated surplus funds for SSIWPA will be spent in part of in full in 2021/22.	Accumulated surplus balance from March 31, 2020 + expected contribution to the SSIWPA surplus fund from the year ending March 31, 2021.

To: Financial Planning Committee **For the Meeting of:** November 12, 2020
From: Director, Administrative Services **Date Prepared:** November 5, 2020
SUBJECT: Budget 2021/22 : Draft 1, Version 2 Highlights

PURPOSE:

To provide Financial Planning Committee (FPC) with the first draft of the fiscal 2021/22 budget for review and comment.

BACKGROUND:

The Budget Assumptions and Principles (BAP) for the fiscal 2021/22 budget cycle were reviewed by Trust Council at their September 2020 meeting with no requested changes to the planned budget approach. The document contained an overview of the standard annual areas of importance, but did not contemplate the ongoing impact of the COVID-19 pandemic on next fiscal operations. However, it is expected that the pandemic will extend beyond March 31, 2021 and that even once health guidelines have relaxed to more customary levels, certain operational practices adopted during the pandemic will continue in some capacity (such as electronic meetings, more virtual training opportunities for staff and trustees, and a more remote workforce). Islands Trust management has incorporated the following assumptions into the draft 2021/22 budget to estimate the ongoing impact of COVID-19 on operations:

- Assumption that Trust Council and Council Committees meetings will continue to be held **almost exclusively electronically**. Budgets have been adjusted downwards to reflect this. Should TC, Committees pass resolutions for alternative plans, budget amounts will be adjusted accordingly.
- Assumption that staff will continue to attend LTC meetings electronically, even when in-person meetings resume. Travel and staff overtime budgets have been reduced to reflect this.
- Assumption that Training will occur at levels similar to actual historical norms, with more training being received via virtual means resulting in reduced travel for training. Budgets have been adjusted downwards accordingly.
- An ongoing more remote workforce is being contemplated by management but has not yet been incorporated into the draft budget. If the small rented units in the Victoria office location are relinquished as a result of this discussion, savings will be realized and applied to the budget.

Since Trust Council's meeting in September, all business units in Islands Trust have provided their departmental budgets and funding requests, Council Committees have made resolutions and provided business cases requesting funding for planned projects, and finance staff have prepared estimates for Trust-wide expenses. This information has been collated into the draft budget 2021/22. Islands Trust Chief Administrative Officer has reviewed this draft budget in detail. Upon final review and recommendations by FPC, the final recommended draft budget will be forwarded to Trust Council for their December meeting.

DRAFT 2021/22 BUDGET HIGHLIGHTS:

Changes from FPC's previous review are shown in blue font. This blue formatting will be removed prior to forwarding documents to Trust Council.

Comparisons to Previous Fiscal Years:

Draft 1 version 2 of the fiscal 2021/22 budget presents an overall increase of **4.4%, \$358,894** (V1 - 5.9%, \$481,508) over the (amended) approved budget for fiscal 2020/21. A comparison to the previous budget year is helpful to understand possible impacts to taxation levels, as tax requisitions are based on budgeted figures.

Draft 1 Version 2 of the fiscal 2021/22 budget presents an overall operating budget increase of **9%, \$680,638** (V1 - 11%, \$812,751) over *actual* operating expenses for fiscal 2019/20 (two fiscal years of separation). A comparison to actual operating expenses from previous fiscal years is helpful to determine real trends in spending levels, to inform budget development for future fiscal years. The 'operating budget' figure is the total budget less capital purchases, as capital purchases receive different treatment in Islands Trust budget reporting than they do in actuals reporting. As such, they need to be excluded for purposes of budget to actual comparisons. A subtotal for the operating budget is shown in the Budget Detail at Appendix A.

The largest contributing increases in the operating budget over this two year span are in the areas of amortization expense, salaries and wages, insurance costs, ITC operations costs due to the SAR grant, and trustee remuneration. Offsetting areas of decrease relate to training, travel, supplies, and contracted services costs. A breakdown of these increases and decreases is provided in the Budget Detail.

Project expense comparatives are also provided in the Budget Detail but are potentially less helpful for future year decision making as projects vary from year to year based on Council priorities and could have very different costs depending on the nature of work being completed. Of note, however, is that actual project spending over the last four fiscal years has not exceeded \$300,000 in any given year.

Details of Specific Budget Areas:

Details on planned revenues and planned expenditures in the draft budget include the following:

Planned Revenues:

Local Trust Area (LTA) Taxes:

- A proposed average tax increase of **2.01%, \$126,341** (V1 - 3.86%, \$261,829) across Local Trust Areas (LTAs) to cover ongoing annual operational costs.
- An anticipated 0.93% (\$63,083) average tax increase across Local Trust Areas (LTAs) to account for the Non-Market Change (NMC) factor, which is an increase to the tax base for new construction, developments, changes in land-use. This figure is based on the NMC Roll Comparison report from BC Assessment as at March 2020.

The total tax dollar change from LTAs over last year's budget is an increase of **2.94%, \$199,424** (V1 - 4.79%, \$324,912).

Bowen Island Municipality Taxes:

- A proposed **4.1%, \$12,380** (V1 - 0.6%, \$1,754) tax decrease to Bowen Island Municipality (BIM) for their contribution to the Trust Council and Islands Trust conservancy and related administration costs portion of the Islands Trust budget. The contribution has been calculated at **\$290,641** (V1 - \$301,267) in the draft budget.

Special Tax Requisitions:

- An anticipated special property tax levy for the SSI LTA has been budgeted at the annual historical amount of **\$75,500** (V1 - \$85,000) to continue funding the SSI Watershed Protection Alliance (SSIWPA) initiative. The actual amount requested for this special levy, if continued, will be determined based on resolution from the SSI Local Trust Committee (LTC) and subsequent Trust Council approval, and will likely take into account unspent special levy funds from previous fiscal years.

Surplus Funding:

- A transfer of **\$258,000** (V1- \$248,000, 2020/21 \$429,650) from the General Revenue Surplus Fund, of which \$238,000 is allocated to strategic plan initiatives, and \$10,000 is allocated to a potential project for developing heritage overlay mapping, [at the direction of](#) Executive Committee.

- A transfer of \$156,000 (formerly \$143,000) (2019/20 - \$71,500) from the LTC-Project Specific Reserve Fund to fund ongoing LTC projects and anticipated new projects that may arise in the fiscal year (see Appendix B for a summary list of these projects).

The total dollar draw from accumulated surplus funds in the draft budget is \$414,000 (V1 - \$401,000) (2020/21 - \$501,150).

Other Revenue Sources:

- Fees and Sales from applications is set at \$120,000 (2020/21 - \$115,000) based on current year application trends. Regional Planning Committee (RPC) is currently conducting a review of application fees which is set to be complete by the end of the current fiscal year 2020/21. Any recommendations from this review may or may not be accepted by Local Trust Committees (LTCs). Recommendations from this review will be incorporated into future versions of the draft budget as they arise.
- The Provincial Grant funds have been budgeted at historical levels of \$180,000 (2020/21 - \$180,000). Executive Committee and Trust Council are tasked with strategizing an approach to request more funding from the province, and any required adjustments from this work will be made to the draft budget as the budget cycle continues.
- Interest and other income is budgeted at \$60,000 (2020/21 - \$85,000) based on known investment returns from existing investments, plus estimated returns on the investment of 2021/22 property tax funds, and assumes low interest rates will continue into the fiscal year.
- Grant income is estimated at \$8,000 (2020/21 - \$12,000) for Islands Trust. This amount has been reduced as resources dedicated to the grant management function will be reduced in the coming fiscal year, in favour of dedicating staff time to LTC advocacy. This change is a result of the LPS Review implementation. To acknowledge the inherent uncertainty and contingent nature of this revenue stream, an equal and offsetting amount has been included in planned expenditures to ensure a balanced budget even in the event that no grant income is realized in the fiscal year. Islands Trust is currently holding approximately \$26,000 in unspent grant monies, which will be recorded as revenue when spent on approved expenditures. Staff will work to identify which of these grant funds are likely to be spent in fiscal 2020/22 and will incorporate associated revenues (and expenses) in future budget drafts.
- ITC Species at Risk (SAR) grant funds are reflected in the budget at \$205,000 (2020/21 - \$nil) in accordance with the proposed contribution agreement with Environment and Climate Change Canada. Expenses covered by these funds are recorded in their appropriate expense area within the ITC budget.

Planned Expenditures:

The largest budgeted expense to Islands Trust remains staff salaries and benefits expense, at \$5,413,963 (V1 - \$5,459,044) in the 2021/22 draft budget (2020/21 - \$5,097,170), representing 63% of the overall draft budget. Staffing levels, by department, expressed as Full-Time Equivalents (FTE), are broken down as follows:

**areas with a 0.3FTE co-op student included*

- Executive and Legislative Services – 2.8 FTE
 - Trust Area Services – 4.6 FTE
 - Islands Trust Conservancy – 7.3 FTE*
 - Local Planning Services – 29.5 FTE
 - Bylaw Enforcement – 4.6 FTE
 - Administrative Services – 9.0 FTE
- TOTAL = 57.7 FTE

Factors influencing this expenditure line item include:

- Changes to staffing levels and complements:
 - A request for an additional Bylaw Enforcement Officer, budgeted at approximately \$83,000 including base salary and benefits. A business case for this request is included with the funding requests in this agenda.
 - The removal of a Planner 1 position in the Gabriola (GAB) office and replacement with a Planner 2 position, resulting in a \$13,159 increase to salaries and wages.

- The removal of a Planner 2 position in the Gabriola (GAB) office and replacement with an Island Planner position, resulting in a \$15,773 increase to salaries and wages.
- The addition of an ITC Species at Risk Coordinator, budgeted at approximately \$91,955 including base salary and benefits. This role will be funded by the Species at Risk grant funding from Environment Canada. No business case was presented to the ITC Board for this position, so no case has been provided to FPC. If the committee would like to see a case before making their recommendation on ITC funding levels in the budget, they may request one.
- The addition of an ITC Co-op field technician, budgeted at approximately \$22,260 which includes costs to cover a potential Pacific Leaders tuition Grant for co-op employees, should this student apply for, and be approved for it. No business case has been included for this position, but may be requested by FPC if desired.
- Staff salaries and benefits have been adjusted from previous years for the following factors:
 - A 2.0% wage increase for all BCGEU staff members, effective April 1, 2021.
 - An adjustment for the 21 BCGEU staff who will move up 'steps' in their range in the fiscal year (3.0% per step per person).
 - An movement from Grid 14 to Grid 15 for 4 staff members, as well an increases in Temporary Market Adjustments (TMAs) for select staff, for a total increase to salaries of \$9,300.
 - An effective up-to 1.5% wage increase for excluded management staff members to anticipate potential increases from PSA received in the fiscal year. PSA has communicated that executive wage freezes are in place for next fiscal year and as such no increase has been included for the CAO.
 - Current year salaries impact opening salaries figures for next fiscal year. Adjustments has been made to excluded staff opening salaries in Draft 2 to account for recently determined increases for both the CAO and excluded management staff, which were delayed in determination.
 - An analysis of historical staff overtime has been performed and used to budget for estimated overtime in fiscal 2021/22. Overtime costs currently make up approximately \$38,328 (2020/21 - \$44,128) of the total salaries and benefits expense, which equates to approximately \$57,677 (2020/21 - \$54,939) when the cost of benefits associated with potential payouts of this expense is included.
 - Benefits expense on base salaries remains calculated at 25.4% of gross salaries, consistent with prior years, and is estimated at \$1,089,382 (2020/21 - \$1,030,666). This payment to PSA is made to pay for items such as: employer portions of CCP, EI, EHT, and pension contributions for staff; extended benefit plan premiums for staff; and other fringe benefits for staff. The actual rate for next fiscal year will be received by PSA later in the budget cycle and will updated in the budget draft when received.
 - No allowance for staff turnover has been made in the 2021/22 draft budget (2021/22 – \$nil) as it is expected any savings realized through staff vacancies will be offset by the hiring of temporary or contracted human resources to ensure adequate production of planned work for the fiscal year.

Trustee remuneration remains quantified by Trust Council policy 7.2.1 *Trustee Remuneration* and amounts to \$593,520 (V1 - \$596,370) in the 2021/22 draft budget (2020/21 - \$595,113). Factors influencing this figure include the following:

- An anticipated .2% increase to base remuneration to adjust for CPI changes, based on recently reported annual inflation figures for the Victoria area. This rate will be adjusted to reflect final Statistics Canada inflation rates at the end of the calendar year.
- No change to population figures which are updated every five years in line with census reports issued by Statistics Canada.
- Adjustments for the number of folios by LTA as provided by BC Assessment.
- Inclusion of employer CPP contributions at new rates of 5.45% and 5.75% as at January 1, 2021 and January 1, 2022 respectively. [The formula to estimate this expense has been updated to include exemptions and yearly maximums.](#)
- Extended benefit premiums have been reduced slightly per UBCM correspondence received in October 2020.
- Employer Health Tax (EHT) remains at 1.95% of base salary.
- Inclusion of committee meeting remuneration for Council Committee members at a rate of \$150/meeting for Committee Chairs and \$100/meeting for Committee members. [Additional Committee meetings have been added to the budget for RPC who intends to increase the frequency of their meeting schedule.](#)

Trust Council meeting expenses have been budgeted under the assumption that **one meeting** of Trust Council will be held electronically with the Council Chair and a Vice-Chair travelling to Victoria to manage the meeting from the office boardroom, and **three meetings** will be held with Council in attendance in-person. The draft budget assumes Trust Council will continue to meet quarterly. Should Trust Council decide that a different format of meetings for next fiscal year should be undertaken (i.e.: that more or less meetings will be held electronically), adjustments will be made to these assumptions accordingly. Current planned spending for Trust Council meetings in the draft budget is **\$26,500** (V1 - \$49,000, 2020/21 - \$95,000).

Executive Committee meeting expenses are budgeted at **\$nil** (V1 - \$8,000, 2020/21 - \$16,600), which is **0%** of the actual EC meeting costs from FY2019/20. This follows the assumption that **all meetings will be conducted electronically** resulting in reduced costs. Should EC decide that a different format of meetings should be planned for, adjustments will be made to these assumptions accordingly.

LTC-direct expenses amount to \$68,400 (2020/21 - \$68,088). Reductions to LTC trustee expenses was made under the assumption that trustees would be travelling less in light of the pandemic. LTC meeting expenses was reduced by 10% assuming electronic meetings would result in less costs for venue rentals. Minute-taker costs make up the bulk of LTC meeting costs and are not expected to see a reduction with a change in meeting format. LTC Communications and Funds for Special Projects remain consistent with actual historical spending and budget at \$5,000 for each area.

LTC-specific project expenses are budgeted at \$156,000 (2020/21 - \$71,500) for LTC projects that are currently ongoing and expected to carry over into the 2022 fiscal year (see Appendix B for project list), plus an allowance for upcoming, currently unknown LTC projects (\$36,000). Estimated amounts in this calculation include potential First Nations capacity funding. These projects will continue to be funded from monies in the Special Purpose LTC Project Reserve fund unless directed otherwise by Trust Council.

Islands Trust Conservancy expenses, amount to a total of **\$833,712** in the draft budget. **\$205,000** in SAR grant funding will offset these expenses (~\$179,000 will offset new planned SAR programming costs, and ~\$26,181 will offset existing staff salaries for time they spend on this work). A breakdown of ITC costs can be found in the funding request summaries.

Excluding budgeted ITC staff salaries and benefits of **\$584,411**, a budget of \$234,755 is included in the 2021/22 draft budget (2020/21 - \$167,000). Significant changes in this amount include:

- An increase to property management costs to account for the anticipated addition of two nature reserves and one conservation covenant (+\$5,810).
- An increase in legal costs to account for higher rates charged by the new ITC legal counsel (+\$7,000). ITC's former legal counsel is no longer operating.
- A reduction in meeting expenses to account for a 50% reduction in in-person meetings due to the CoViD-19 pandemic (-\$6,925).
- An increase to Communications and Fundraising costs to support an ITC Fund Development Plan (+\$7,000).

Additional new programming related to Species at Risk (SAR) is planned for the 2021/22 fiscal year due to grant funding from Environment and Climate Change Canada that has been awarded to ITC. New programming plans has resulted in the following budgeted expenses associated with new SAR work:

- **\$104,263** to cover the salaries and benefits associated with the two new ITC staff positions (see Salaries section), and **\$26,181** to offset a portion of existing staff salaries and benefits.
- Property management associated with SAR work, primarily for Species at Risk surveys on ITC-managed land (\$25,000);
- Conservation planning and land securement costs, which cover potential surveys, appraisals, and ecological inventories on proposals that may be brought forward in the year (\$15,000);
- Mapping of Species at Risk habitats within the Trust Area (\$5,000);
- Legal costs resulting from anticipated higher number of proposals received (\$3,000);
- Training for the new SAR coordinator (\$750);
- Increased travel to account for the new SAR position and the co-op student field tech (\$5,000).

The ITC Board has passed a resolution approving their budget request which includes the items listed above. The RFD that was reviewed by the Board is included with the project business cases/funding requests in this agenda package which provides additional detail. [Included at the end of this detail is a breakdown of the ITC budget by new and existing programming, prepared by staff for FPC.](#)

Office leases and associated costs amount to \$443,400 (2020/21 - \$458,000). Main staff office spaces remain in Victoria, and on Gabriola Island and on SSI. Smaller on-island office leases remain in use on Galiano Island, Mayne Island, Pender Island, Saturna Island, and Denman Island used mainly by trustees and LPS staff for meetings with members of the public. Small increases to rental rates have been seen in many of the office spaces, as well as increased cleaning rates for island offices. This draft of the budget includes all existing rented space in the Victoria office [with the exception of the Bylaw unit, which will be released in advance of April 1, 2021. Discussions remain underway regarding the other smaller units in the Victoria off \(Fin/HR/IS\)](#) to determine if these additional units can be terminated in light of the new manner of remote working that may continue post-pandemic. Should decisions around this be reached in time to incorporate in to the final budget draft, amounts will be updated and reduced as appropriate.

Insurance costs have once again risen and are budgeted at \$185,000 (2020/21 - \$151,385), based on renewal amounts for the current fiscal year. Almost all of this increase relates to General Liability and Errors and Omissions insurance coverage, which provides professional liability coverage for staff and directors liability coverage for trustees. The premium for this insurance plan received a 23% increase as a result of a hardening insurance market and an extended period of claims history reviewed by insurers. It is possible that renewal mid-next fiscal year will see reduced premiums as claims history periods roll forward one year, however it is not possible to determine where markets may be at that time, nor is it possible to foresee what new claims may befall the Trust over the next year. As such, the draft 2021/22 budget includes the high rates seen at current fiscal renewal. An alternative approach would be to budget for a hopeful decrease in premium at renewal, and draw on accumulated surplus funds should this reduction not be realized.

Legal Costs (General, Bylaw enforcement litigation, Litigation defense) have been budgeted at a total of \$265,000 (2020/21 - \$245,000). Legal General remains budgeted at \$90,000 consistent with the 2020/21 budget, in line with upward spending trends in this area. This area of funding pays for legal opinions, interpretations and advice on various topics not associated with litigation or claims files. Legal for Bylaw Enforcement remains budgeted at \$85,000 consistent with the 2020/21 budget, which is in line with upward spending trends in this area, and accounts for the increased desire from trustees that greater enforcement take place on the islands. This also takes into consideration the request for an additional Bylaw Enforcement Officer which could result in greater enforcement action taken. Legal Litigation is budgeted at \$90,000, consistent with prior year actuals and in line with upward spending trends in this area. This is a difficult item to budget for, and while consideration for known claims can be made, there is no way to know what may come forward in the year. Similar to insurance costs, an alternative approach would be to budget for a lower expense in this area, and draw on accumulated surplus funds should this additional funds be required in the year for increased litigation.

Software Support and Licensing expenses are budgeted at \$103,900 (2020/21 - \$76,700), which includes a \$30,000 Microsoft Windows upgrade to support organization-wide operations.

Computer Hardware and Software expenses have been budgeted at \$29,200 (2020/21 - \$90,600) which includes costs to purchase new computers for those nearing or at end of life, and an expansion of server bandwidth capacity to accommodate increased server traffic.

Contracted Services are budgeted at \$45,000 in the 2021/22 draft budget (2020/21 - \$58,500) for services acquired from external providers, generally related to specialized areas of work. The bulk of this planned spending decrease comes from a reduction in ACCPAC consulting services (-\$1,000), a reduction in payroll processing costs (-\$5,000) and a reallocation of temporary staff resources to salaries (-\$3,000). Offsetting increases are associated with Trust Area Services work (+\$2,000) and funding for contracted FOI assistance (+\$4,500)

Strategic plan projects with budget funding requests reflect the initiatives approved by Trust Council as part of their strategic plan, and amount to \$248,000 (2020/21 - \$296,650), broken down in the following list. Also included in this draft budget is an additional staff-proposed project for heritage overlay mapping for \$10,000 which is currently under review by Executive Committee. This item may be removed or revised at the recommendation of EC and TC in future draft budgets.

- Create a model DPA for LTC-BIM OCP bylaws to protect CDF zones throughout the Trust Area (Strat Plan item #2) - \$5,000
- Continue to map the extent of eelgrass and kelp beds throughout the Trust Area (Strat Plan Item #5) - \$nil (V1-50,000)
- Finish mapping and develop water budgets for groundwater aquifers in the Trust Area (Strat Plan Item 8) - \$50,000
- Develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling (Strat Plan Item #9) - \$5,000
- Implement actions outlined in TC Strategic Actions and Develop model density bonus bylaws for LTC conisation (Strat Plan item #16) – \$10,000
- Develop set of climate change, demographic + environmental data along with performance criteria (Strat plan item #12) - \$25,000
- Broadcast public meetings (Strat Plan item #13) - \$19,000
- Develop and implement a stewardship education program (Strat plan item # 21) - \$15,000
- Implementation of the Trust Reconciliation Action Plan (Strat plan item #18, 19) - \$17,000
- Amend the Policy Statement project (Strat plan item # 10,16,22,23) - \$10,000
- Develop heritage overlay mapping - \$30,000
- Secretariat Function - \$12,000
- **Prior Year Project carryover: Policy Statement Amendment project, phase 1 – \$10,000**
- **Prior Year Project carryover: Eelgrass Mapping, phase 1 – \$50,000**

Budget funding request business cases for all strategic and operational initiatives are included in this agenda package for review (see Appendix C).

Surplus funds in Accumulated Surplus funds are expected to remain healthy due to savings in the current fiscal year which are likely to result in a significantly lower draw from surplus in the current fiscal year than planned. **Initial estimates of the balance in the general revenue surplus balance at March 31, 2022 are \$1.78M, which is 91% of the recommended minimum balance of \$1.9M. The estimated balance of \$1.78M includes the impact of amortization expense which is a non-cash item. Adjusting for this figure would general a balance at 103% of the minimum recommended balance per policy.**

Key Subject Areas:

Climate action and water resources once again remain key areas of funding in the draft budget, in line with Trust Council’s strategic plan.

ATTACHMENT(S):

- 1. Appendix A: Budget 2021/22: Draft 1, Version 2 Detail**
- 2. Appendix B: Surplus Allocations**
- 3. Appendix C: List of LTC Projects Funded by the LTC-Project Specific Reserve Fund**
- 4. Agenda item 4.3.4: Budget 2021/22 Funding Requests Summary and Related Business Cases**

FOLLOW-UP:

As directed by Financial Planning Committee.

Prepared By: Julia Mobbs, Director, Administrative Services
Reviewed By: Russ Hotsenpiller, Chief Administrative Officer/November 9, 2020

APPENDIX A

ISLANDS TRUST
BUDGET DRAFT: 2021/22

Amt to balance budget, excluding amort = - - - (0)

		2016/17	2017/18	2018/19	2019/20	2020/21			2021/22	Budget-Budget Comparisons		Budget-Actual Comparisons	
		ACTUALS	ACTUALS	ACTUALS	ACTUALS	BUDGET (covid amended)	Q2 Actuals	Forecast	Draft BUDGET	Budget Change \$	Budget Change %	Draft budget vs 2019/20 Actuals	Draft Budget to 2019/20 Actuals % change
REVENUE													
40300	Fees & Sales	136,863	139,199	166,154	102,051	115,000	68,505	115,000	120,000	5,000	4.3%	17,949	18%
45000	Provincial Grant	177,880	180,000	180,000	180,000	180,000	180,000	180,000	180,000	-	0.0%	-	0%
	ITC Species at Risk Grant Funds					-			205,000	205,000	100.0%	205,000	
46000	Property Tax Levy - LTA	6,249,834	6,312,332	6,312,331	6,696,752	6,783,140	6,783,141	6,783,141	6,783,140	-	0.0%	86,388	1%
2.01%	Property Tax Levy - LTA General Increase			126,247					136,341	136,341	2.9%	136,341	
0.93%	Property Tax Levy - LTA NMC Increase			63,123					63,083	63,083		63,083	
	Property Tax Levy - Bowen	223,418	242,680	293,933	329,634	303,021	303,026	303,026	303,021	-	0.0%	(26,613)	-8%
-5.2%	Property Tax Levy - Bowen General Increase								(15,744)	(12,380)	-4.1%	(15,744)	
1.1%	Property Tax Levy - Bowen NMC Increase								3,364			3,364	
46200	Special LTC Tax Requisition - SSIWPA	110,500	98,500	98,500	98,500	75,500	75,500	75,500	75,500	-	0.0%	(23,000)	-23%
47000	Transfer from LTC Specific		0			71,500			156,000	84,500	118.2%	156,000	
47000	Transfer from General Revenue Surplus Fund		0			429,650			258,000	(171,650)	-40.0%	258,000	
48000	Interest Income	63,629	71,295	104,385	102,281	85,000	16,588	47,213	60,000	(25,000)	-29.4%	(42,281)	-41%
49000	Other income	10,214	16,795	8,692	161,853	-	38,536	192,400	0	-	100.0%	(161,853)	-100%
49001	Grant income - projects	16,965	0	8,329	13,201	12,000	1,158	2,158	8,000	(4,000)	-33.3%	(5,201)	-39%
Total Revenue		6,989,304	7,060,801	7,361,694	7,684,271	8,054,811	7,466,454	7,698,438	8,335,705	280,894	3.5%	651,434	8%
EXPENSES													
50900	Amortization	67,668	92,719	79,978	175,329	140,000	87,154	179,012	218,000	78,000	55.7%	42,671	24%
50950	Applications sponsored by Exec Committee	0	(5,312)	10,050	2,035	5,000	1,000	5,000	5,000	-	0.0%	2,965	146%
50960	History and Heritage Funding Grants-in-Aid	0	0	1,500	4,500	5,000	0	5,000	5,000	-	0.0%	500	11%
51000	Audit	16,825	20,000	23,725	13,725	20,000	(2,000)	20,000	20,000	-	0.0%	6,275	46%
51500	Bank Charges & Interest	3,507	2,553	3,176	4,181	4,000	1,248	2,500	4,000	-	0.0%	(181)	-4%
52500	Board of Variance	138	0	747	1,974	1,100	0	50	1,100	-	0.0%	(874)	-44%
53500	Carbon Offset Purchases	549	(2,678)	300	(922)	500	(622)	0	-	(500)	-100.0%	922	-100%
54000	Committee Meeting Expense - FPC			5,965	2,269	4,918	0	0	-	(4,918)	-100.0%	(2,269)	-100%
54100	Committee Meeting Expense - RPC			3,049	1,526	1,921	0	0	-	(1,921)	-100.0%	(1,526)	-100%
54200	Committee Meeting Expense - TPC			4,973	2,200	1,324	0	0	1,000	(324)	-24.5%	(1,200)	-55%
54300	Cultural Working Group			-	75	2,500	0	1,000	-	(2,500)	-100.0%	(75)	-100%
54500	Communications and ITC Fundraising	23,447	31,292	40,666	16,243	33,000	5,143	29,000	46,000	13,000	39.4%	29,757	183%
54580	FN Protocol Funds			-	1,831	6,000	0	2,502	-	(6,000)	-100.0%	(1,831)	-100%
55105	SW Support and Licensing	41,874	53,025	59,371	64,521	76,700	36,032	76,700	103,900	27,200	35.5%	39,379	61%
55200	Internet	44,183	40,149	48,022	43,895	41,000	23,569	47,000	48,000	7,000	17.1%	4,105	9%
55500	Technical Support	85,429	92,514	74,180	89,251	89,000	56,052	89,000	88,000	(1,000)	-1.1%	(1,251)	-1%
56000	Contingency	0	2,466	48	2,737	12,000	(561)	6,000	5,000	(7,000)	-58.3%	2,263	83%
56500	Contract Services	134,385	294,396	96,265	66,801	58,500	20,712	66,224	45,000	(13,500)	-23.1%	(21,801)	-33%
57000	Elections - General	0	0	125,868	-	-	-	-	-	-	0.0%	-	
57050	Elections - By-elections	0	0	14,997	61	5,000	0	0	-	(5,000)	-100.0%	(61)	-100%
60000	Insurance	107,162	106,422	106,588	119,259	151,385	82,035	173,899	185,000	33,615	22.2%	65,741	55%
61100	ITC - Board Honoraria	4,650	7,600	6,850	7,000	6,600	2,000	2,700	6,600	-	0.0%	(400)	-6%
61200	ITC - Board Meeting Expense	8,618	14,100	11,451	8,982	13,850	11	0	6,925	(6,925)	-50.0%	(2,057)	-23%
61210	ITC - Board Training & Conferences	2,298	1,398	94	3,010	4,000	0	1,000	4,000	-	0.0%	990	33%
61300	ITC - Property Management	59,933	74,589	55,835	61,067	72,000	4,438	48,000	102,810	30,810	42.8%	41,743	68%
61500	ITC - Conservation Planning & Land Securement	20,990	14,577	13,366	12,177	15,000	1,170	19,500	30,000	15,000	100.0%	17,823	146%
61600	ITC - Ecosystem Mapping	0	18,981	22,000	1,449	15,000	0	5,000	20,000	5,000	33.3%	18,551	1280%
62000	Land Title Registrations	4,067	3,546	3,476	3,600	1,500	1,918	4,000	4,500	3,000	200.0%	900	25%
63000	Legal - general	60,345	96,598	73,003	80,475	90,000	35,151	90,001	90,000	(0)	0.0%	9,525	12%
63100	Legal - bylaw enforcement litigation	73,892	63,491	97,524	81,806	85,000	42,312	85,000	85,000	-	0.0%	3,194	4%

ISLANDS TRUST
BUDGET DRAFT: 2021/22

Amt to balance budget, excluding amort =

(0)

		2016/17	2017/18	2018/19	2019/20	2020/21			2021/22	Budget-Budget Comparisons		Budget-Actual Comparisons	
		ACTUALS	ACTUALS	ACTUALS	ACTUALS	BUDGET (covid amended)	Q2 Actuals	Forecast	Draft BUDGET	Budget Change \$	Budget Change %	Draft budget vs 2019/20 Actuals	Draft Budget to 2019/20 Actuals % change
63200	Legal - litigation defence	-109,009	27,100	64,387	89,639	70,000	60,101	90,000	90,000	20,000	28.6%	361	0%
65000	LTC "Trustee Expenses"	9,502	8,857	6,928	4,745	7,610	385	1,200	5,000	(2,610)	-34.3%	255	5%
65050	LTC "Executive Expense on LTC's"	22,155	23,832	18,274	14,458	18,469	480	1,500	12,000	(6,469)	-35.0%	(2,458)	-17%
65200	LTC Meeting Expenses	40,212	37,948	37,579	39,150	28,378	12,479	22,458	36,000	7,622	26.9%	(3,150)	-8%
65210	LTC Local Exp APC Meeting Expenses	7,296	5,190	5,745	8,096	3,632	1,031	2,978	5,400	1,768	48.7%	(2,696)	-33%
65220	LTC Local Exp Communications	3,032	4,693	3,144	5,166	5,000	2,260	6,675	5,000	-	0.0%	(166)	-3%
65230	LTC Local Exp Special Projects	5,735	4,336	3,491	4,648	5,000	0	2,941	5,000	-	0.0%	352	8%
67000	Meeting Expense	126,247	129,426	167,826	136,652	95,718	5,910	15,470	28,500	(67,218)	-70.2%	(108,152)	-79%
67500	Memberships	13,657	14,208	13,406	13,822	16,815	1,770	13,685	15,210	(1,605)	-9.5%	1,388	10%
68100	Notices - Statutory & Non-Statutory	31,714	24,789	19,755	18,085	25,000	3,108	10,000	21,000	(4,000)	-16.0%	2,915	16%
69000	Office - Lease costs	363,604	380,928	387,820	406,751	397,940	197,830	397,940	388,700	(9,240)	-2.3%	(18,051)	-4%
69005	Office - outside services	39,367	39,715	53,754	58,256	60,060	20,184	50,300	58,900	(1,160)	-1.9%	644	1%
70000	Postage, Courier & Delivery	12,976	10,573	10,403	13,164	10,000	4,484	10,000	10,100	100	1.0%	(3,064)	-23%
74000	Recruitment	11,199	8,801	6,471	4,216	8,000	4,097	8,000	6,000	(2,000)	-25.0%	1,784	42%
74900	Safety	4,175	6,096	327	1,548	5,000	4,125	7,000	5,000	-	0.0%	3,452	223%
75100	Sal & Ben - Salaries - Exec/TAS/ITC/Admin staff	1,621,684	1,716,731	1,747,836	1,940,821	2,112,238	1,002,645	4,809,693	2,211,227	98,988	4.7%	270,406	14%
75110	Sal & Ben - Benefits - Exec/TAS/ITC/Admin staff	407,507	413,561	427,874	487,330	531,900	251,846		561,652	29,752	5.6%	74,321	15%
76100	Sal & Ben - Salaries - Planners & RPMs	1,115,822	1,137,665	1,192,741	1,306,864	1,341,960	583,524		1,344,340	2,380	0.2%	37,476	3%
76110	Sal & Ben - Benefits - Planners & RPMs	280,969	274,592	292,343	329,987	344,708	146,593		341,462	(3,246)	-0.9%	11,475	3%
77100	Sal & Ben - Salaries - Planning Support Staff	353,243	366,740	351,127	390,031	394,741	196,881		485,832	91,091	23.1%	95,801	25%
77110	Sal & Ben - Benefits - Planning Support Staff	89,289	88,450	86,195	97,666	99,898	49,441		123,401	23,504	23.5%	25,736	26%
78100	Sal & Ben - Salaries - Bylaw	214,971	189,439	216,064	200,787	217,565	67,754		278,803	61,238	28.1%	78,016	39%
78110	Sal & Ben - Benefits - Bylaw	54,417	45,636	53,134	50,270	54,160	17,025		70,816	16,656	30.8%	20,546	41%
79000	Stationery & Supplies	50,779	52,256	52,546	47,775	33,000	14,494	28,500	34,200	1,200	3.6%	(13,575)	-28%
79500	Subscriptions	6,405	5,122	6,630	6,627	6,500	1,745	6,000	6,500	-	0.0%	(127)	-2%
80100	Telephone	36,069	18,534	16,945	18,127	14,000	6,395	14,000	11,500	(2,500)	-17.9%	(6,627)	-37%
80300	Mobile Devices	21,741	23,928	25,072	23,511	23,400	12,350	23,400	24,100	700	3.0%	589	3%
81100	Training - Organization-wide	8,837	2,297	3,524	2,886	4,421	0	4,421	3,000	(1,421)	-32.1%	114	4%
81200	Training - staff recognition & meetings	13,472	19,566	16,837	17,529	8,753	774	2,000	4,000	(4,753)	-54.3%	(13,529)	-77%
81300	Training & Conferences	47,000	51,909	41,180	41,723	41,126	8,646	20,328	34,550	(6,576)	-16.0%	(7,173)	-17%
81305	Travel for Training	38,329	37,394	28,590	32,010	26,312	20	3,000	18,385	(7,927)	-30.1%	(13,625)	-43%
82300	Travel	82,370	108,337	74,427	84,624	61,346	10,872	18,399	59,072	(2,274)	-3.7%	(25,552)	-30%
84100	Trustee Remuneration	373,293	383,213	387,062	415,456	518,753	260,977	521,954	525,630	6,877	1.3%	34,893	7%
84110	Trustee Remuneration - CPP Expense	16,107	16,049	15,937	16,345	21,667	9,052	18,105	19,023	(2,644)	-12.2%	2,678	16%
84120	Trustee Remuneration - Health/Dental benefits	40,416	42,753	43,243	43,014	43,558	18,371	37,371	37,598	(5,960)	-13.7%	(5,416)	-13%
84130	Trustee Remuneration - MSP Benefits	31,846	29,627	18,122	13,200	-	-	-	-	-	0.0%	(13,200)	-100%
84140	Trustee Remuneration - Pay in Lieu of benefits	4,000	4,000	3,500	1,333	1,000	500	1,000	1,000	-	0.0%	(333)	-25%
84150	Trustee Remuneration - Employer Health Tax			2,268	9,715	10,135	5,134	10,135	10,269	134	1.3%	554	6%
84500	Trustee Remuneration - Executive on LTCs	69,565	72,045	73,558	75,281	-	-	-	-	-	0.0%	-	-
Operating Budget Subtotal		6,319,953	6,848,759	6,959,130	7,342,368	7,629,561	3,380,043	7,116,540	8,023,005	393,444	5.2%	680,638	9%
CAPITAL													
55100	Computer H/W & S/W	39,809	34,964	98,021	61,750	90,600	90,852	91852.22	29,200	(61,400)	-67.8%	(32,550)	-53%
69100	Office - Equipment & Furniture	14,561	7,730	1,835	3,844	8,000	5,663	8000	4,000	(4,000)	-50.0%	156	4%
69500	Office - Renovations	6,794	3,553	11,101		-			-	-	#DIV/0!	-	
73001-825-8024	Prior Year Project - Electronic Meetings								-	-	#DIV/0!	-	
Capital Subtotal		61,164	46,247	110,957	65,856	98,600	96,515	99,852	33,200	(65,400)	-66.3%	(32,656)	-50%
									3.62%				
PROJECTS													
<u>LTA Projects:</u>													
73001	LTC Projects	58,002	58,406	57,713	33,023	71,500	3,011	48,040	156,000	84,500	118.2%	122,977	372%

ISLANDS TRUST
BUDGET DRAFT: 2021/22

Amt to balance budget, excluding amort = - - - (0)

		2016/17	2017/18	2018/19	2019/20	2020/21			2021/22	Budget-Budget Comparisons		Budget-Actual Comparisons	
		ACTUALS	ACTUALS	ACTUALS	ACTUALS	BUDGET (covid amended)	Q2 Actuals	Forecast	Draft BUDGET	Budget Change \$	Budget Change %	Draft budget vs 2019/20 Actuals	Draft Budget to 2019/20 Actuals % change
	LTC Projects Funded by Grants (590)			0	2,757	12,000	(1,083)	3,917	8,000	(4,000)	-33.3%	5,243	190%
	LTA Work Funded by Special requisition (SWIPPA)	105,894	91,524	96,571	45,256	75,500	30,600	65,000	75,500	-	0.0%	30,244	67%
73001-A	Strategic Plan Projects												
	Create a model DPA for LTC-BIM OCP bylaws to protect CDF zones throughout the Trust Area (Strat Plan item #2)								5,000	5,000			
	Continue to map the extent of eelgrass and kelp beds throughout the Trust Area (Strat Plan Item #5)								-	-			
	Finish mapping and develop water budgets for groundwater aquifers in the Trust Area (Strat Plan Item #8)								50,000	50,000			
	Develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling (Strat Plan It								5,000	5,000			
	Implement actions outlined in TC Strategic Actions and Develop model density bonus bylaws for LTC consideration (Strat Plan item #16)								10,000	10,000			
	Develop set of climate change, demographic + environmental data along with performance criteria (strat plan item #12)								25,000	25,000			
	Broadcast public meetings (Strat Plan item #13)								19,000	19,000			
	Develop and implement a stewardship education program (strat plan item # 21)								15,000	15,000			
	Implementation of the Trust Reconciliation Action Plan (strat plan item #18, 19)								17,000	17,000			
	Amend the Policy Statement project (strat plan item # 10,16,22,23)								10,000	10,000			
	Develop heritage overlay mapping								30,000	30,000			
	Secretariat Function (Strat Plan item # 21)								12,000	12,000			
*	Prior Year project carry over: Policy Statement Amendment, phase 1								10,000	10,000			
*	Prior Year project carryover - Eelgrass mapping phase 1								50,000	50,000			
	Prior Year Projects	43,523	86,930	113,604	183,357	296,650	83,518	313,873					
	<i>Prior Year Project - Trust Program Committee Projects</i>								-	-			
	<i>Prior Year Project - Local Planning Committee Projects</i>								-	-			
	<i>Prior Year Project - Southern Islands Groudwater Aquifers and Sustainability</i>								-	-			
	<i>Prior Year Project - ITC Property Management Plans</i>								-	-			
	<i>Prior Year Project - First Nations Consulting</i>								-	-			
	<i>Prior Year Project - LPC Toolkit - Protect Coastal Douglas Fir</i>								-	-			
	<i>Prior Year Project - Policy Statement Review</i>								-	-			
	<i>Prior Year Project - Islands Trust Act Ammendment</i>								-	-			
	<i>Prior Year Project - Website Renewal</i>								-	-			
73001-B	Operational Projects												
	Salish Sea Conference								-	-			
	Electronic Data Management (EDM)					5,500	3,465	5,500	-	(5,500)			
*	Prior Year project carryover - Photo Management					5,500	1,788	5,500	-	(5,500)			
	<i>Photo Management</i>								-	-			
	<i>Prior Year Project - Electronic Meetings</i>								-	-			
	Projects Total	207,419	236,859	267,888	264,394	466,650	121,299	441,830	497,500	327,500	70.2%	233,106	88%
	Contribution to Surplus												
	Total Expenditures	6,588,536	7,131,865	7,337,974	7,672,618	8,194,811	3,597,857	7,658,222	8,553,705	655,544	8.0%		
	Net Surplus (Shortfall)	400,768	(71,064)	23,719	11,654	(140,000)		40,216	(218,000)				
	Add non-cash Item - amortization					140,000			218,000				
	Surplus (deficit)	400,768	(71,064)	23,719	11,654	(0)	-	40,216	(0)				
	<u>Adjustments for reporting:</u>												
	Capitalized Expenditures							54,672					
	Transfer from (to) General Revenue Surplus Fund	(400,768)	71,064	(23,719)	(11,654)			(142,928)					
	Transfer from LTC Project Specific Reserve Fund							48,040					
	Net Balance	-	-	-	-	(0)	-	(0)	(0)				

ALLOCATION OF SURPLUS DRAW TO SPECIFIC EXPENDITURES

	Project/Area	Amount	Area	Bowen Contrib Factor	\$ Credit Included in Bowen Calc
Gen	Amount to fund general operations	-		27.0%	\$ -
Strat	Create a model DPA for LTC-BIM OCP bylaws to protect CDF zones throughout the Trust Area (Strat Plan item #2)	5,000	LPS	0%	\$ -
Strat	Continue to map the extent of eelgrass and kelp beds throughout the Trust Area (Strat Plan Item #5)	-	LPS	0%	\$ -
Strat	Finish mapping and develop water budgets for groundwater aquifers in the Trust Area (Strat Plan Item #8)	50,000	LPS	0%	\$ -
Strat	Develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycl	5,000	LPS	0%	\$ -
Strat	Implement actions outlined in TC Strategic Actions and Develop model density bonus bylaws for LTC consideration (Strat Plan item #16)	10,000	LPS	0%	\$ -
Strat	Develop set of climate change, demographic + environmental data along with performance criteria (strat plan item #12)	25,000	TAS	100%	\$ 25,000
Strat	Broadcast public meetings (Strat Plan item #13)	19,000	LPS-Ad	0%	\$ -
Strat	Develop and implement a stewardship education program (strat plan item # 21)	15,000	TAS	100%	\$ 15,000
Strat	Implementation of the Trust Reconciliation Action Plan (strat plan item #18, 19)	17,000	TAS	100%	\$ 17,000
Strat	Amend the Policy Statement project (strat plan item # 10,16,22,23)	10,000	TAS	100%	\$ 10,000
Strat	Develop heritage overlay mapping	30,000	LPS	0%	\$ -
Strat	Secretariat Function (Strat Plan item # 21)	12,000	TAS	100%	\$ 12,000
PY	Prior Year project carry over: Policy Statement Amendment, phase 1	10,000	TAS	100%	\$ 10,000
PY	Prior Year project carryover - Eelgrass mapping phase 1	50,000	LPS	0%	\$ -
Total transfer from General Revenue Surplus Fund (GRSF)		258,000			89,000

ISLANDS TRUST
Draft Budget 2021/22 D1V2
LTC PROJECTS BUDGET

APPENDIX C

Purpose - to estimate the level of funding required for LTC projects in the fiscal year.

ITEM	LTA	AMOUNT	TOTAL
<u>Specific Projects:</u>			
DPA review	SP	5,000	
Protection of the CDF Ecosystem - PHASE 2	SSI	5,000	
Ganges Village Planning (initiation phase)	SSI	<u>93,000</u>	103,000
<u>Amount per LTC:</u>			
Placeholder	DE	3,000	
Placeholder	GAL	3,000	
Placeholder	GB	3,000	
Placeholder	GM	3,000	
Placeholder	HO	3,000	
Placeholder	LA	3,000	
Placeholder	MAYNE	3,000	
Placeholder	NP	3,000	
Placeholder	SP	3,000	
Placeholder	SSI	3,000	
Placeholder	TH	3,000	
Placeholder	BW	<u>3,000</u>	36,000
RPC OCP REVIEW SUPPORT			17,000
Total LTC Projects budget			156,000

Fiscal Year: 2021/22

Version: Draft 1, Version 2

CATEGORY	DESCRIPTION	AMOUNT	
STRATEGIC PLAN	Create a model DPA for LTC-BIM OCP bylaws to protect CDF zones throughout the Trust Area (Strat Plan item #2)	\$ 5,000	
	* Continue to map the extent of eelgrass and kelp beds throughout the Trust Area (Strat Plan Item #5)	\$ -	
	* Finish mapping and develop water budgets for groundwater aquifers in the Trust Area (Strat Plan Item #8)	\$ 50,000	
	Develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling (Strat Plan Item #9)	\$ 5,000	
	Implement actions outlined in TC Strategic Actions and Develop model density bonus bylaws for LTC consideration (Strat Plan item #16)	\$ 10,000	
	* Develop set of climate change, demographic + environmental data along with performance criteria (strat plan item #12)	\$ 25,000	
	Broadcast public meetings (Strat Plan item #13)	\$ 19,000	
	* Develop and implement a stewardship education program (strat plan item # 21)	\$ 15,000	
	Implementation of the Trust Reconciliation Action Plan (strat plan item #18, 19)	\$ 17,000	
	* Amend the Policy Statement project (strat plan item # 10,16,22,23)	\$ 10,000	
	Develop heritage overlay mapping	\$ 30,000	
	Secretariat Function (Strat Plan item # 21)	\$ 12,000	
	* Prior Year project carry over: Policy Statement Amendment, phase 1	\$ 10,000	
	* Prior Year project carryover - Eelgrass mapping phase 1	\$ 50,000	
	Total Strategic Plan Projects	258,000	
STAFFING (Temporary)	<u>ITC Co-op Student (FT, 4 months only)</u>		
	Salary (includes estimated OT)	12,723	
	Benefits	3,232	
	Pacific Leaders Tuition Grant	1,254	
	Travel	3,252	
	Mobile Phone	-	
	Computer - Desktop	1,800	
	Training	500	
			22,760
	<u>SAR Program Coordinator (FT, estimated start date April 1, 2021)</u>		
	Salary (includes estimated OT)	69,422	
	Benefits	17,633	
	Travel	1,000	
	Mobile Phone	650	
	Computer - Laptop	2,750	
Training	-		
		91,455	
Total New Staff (T) Costs		114,215	
STAFFING (Permanent)	<u>Planner 2 (GAB Office)</u>		
	Remove Planner 1 position (includes estimated OT)	(62,226)	
	Add Planner 2 position (includes estimated OT)	72,720	
	Benefits cost impact	2,665	
			13,159
	<u>Island Planner (GAB Office)</u>		
	Remove Planner 2 position (includes estimated OT)	(69,577)	
	Add Island Planner position (includes estimated OT)	82,155	
	Benefits cost impact	3,195	
			15,773
	<u>Bylaw Enforcement Officer (FT, estimated start date May 15, 2021)</u>		
	Salary (includes estimated OT)	58,267	
	Benefits	16,146	
	Travel	4,286	
	Mobile Phone	617	
Computer - Laptop	2,500		
Training	783		
		82,599	
Total New Staff (P) Costs		111,531	



**Budget Funding Request
Short-Form Business Case**

This business case is a Staff recommendation, and is subject to Regional Planning Committee approval of its work program for FY21/22.

TO BE COMPLETED BY INITIATOR

<p>Initiated by: David Marlor, Director, Local Planning Services</p>	<p>Budget Source (select all that apply):</p> <p>X Specific Project Funding (select all that apply)</p> <p><input checked="" type="checkbox"/> Third Party Contractors</p> <p><input type="checkbox"/> Staff Travel Expense</p> <p><input type="checkbox"/> Staff Overtime Expense</p> <p><input type="checkbox"/> New Staff Member – Temporary for project</p> <p><input type="checkbox"/> Computer Hardware/Software</p> <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <p><input type="checkbox"/> Permanent</p> <p><input type="checkbox"/> Temporary</p> <p>Temp Duration: _____</p> <p>X Other – please describe: _Strategic Plan Program</p>
<p>Business Area: Regional Planning Committee</p>	
<p>Name of Request:</p> <p>Create a model development permit area for Local Trust Committee-Bowen Island Official Community Plans bylaws to protect Coastal Douglas-fir zones throughout the Trust Area</p> <p>\$5,000</p>	
<p>Date of Funding Request: October 8, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>
<p>ISSUE/OPPORTUNITY:</p> <p>Trust Council has adopted a new Strategic Plan. Create a model development permit area for Local Trust Committee-Bowen Island Official Community Plans bylaws to protect Coastal Douglas-fir zones throughout the Trust Area. Staff is recommending that this work be undertaken in FY20/21.</p> <p>Regional Planning Committee passed the following resolution on Oct 8, 2020:</p> <p><i>That Regional Planning Committee forward to the Financial Planning Committee for inclusion in the Fiscal Year 2021/22 the business case for Strategic Plan Item No. 2 - to create a model</i></p>	

development permit area for Local Trust Committee-Bowen Island Official Community Plans bylaws to protect Coastal Douglas-fir zones throughout the Trust Area.

PROJECTED RESULTS/DELIVERABLES:

Model bylaws to protect CDF and related ecosystems throughout the Trust Area.

RISK ASSESSMENT:

On Trust council's Strategic Plan for Fiscal Year 2021/22. The Local Planning Committee (now Regional Planning Committee) has passed the following resolution on August 4, 2020:

That Local Planning Committee request that the Financial Planning Committee include in the Fiscal Year 2021/22 Budget \$5,000 for Strategic Plan Item No. 2 - to create a model development permit area for Local Trust Committee-Bowen Island Official Community Plans bylaws to protect Coastal Douglas-fir zones throughout the Trust Area

The risk that work will not be undertaken is low.

ALTERNATIVES CONSIDERED:

Option 1: Undertake the work in-house using dedicated planning staff. This would require allocation of planner time to this project, and a budget of \$5,000 to cover legal review.

Option 2: Hire a consultant to undertake the review, and/or development of the model bylaws. Some staff time required to manage the consultant. Budget would need to cover the cost of the consultant estimated at \$8,000, plus legal review of \$2,000.

Option 3: A hybrid of 1 and 2, with some work being undertaken by planning staff, with support from a consultant. This would require \$3,000 for consulting and \$2,000 for legal review.

CRITICAL SUCCESS FACTORS:

Completion of model bylaws by the end of FY21/22.

RECOMMENDED OPTION:

Option 3 is recommended to use staff knowledge and consultant resources to undertake the work in as cost effectively as possible.

COST/BENEFIT ANALYSIS:

Quantitative Analysis:

\$3,000 for consulting
\$2,000 for legal
\$5,000 total request

As this is a program project, there will be no cost saving by undertaking this. Some staff saving is anticipated over each local trust committee undertaking this work independently, provided that most local trust committees are willing to adopt the model bylaws into their bylaws.

Product will be added to the Standard OCP/LUB bylaw (model bylaws) that will form the basis of any updates or reviews of local trust committee bylaws.

Qualitative Analysis:

This will further the Islands Trust Mandate and the Strategic Plan of Trust Council by providing further protection options for the CDF and associated ecosystems.

PURCHASING PROCEDURE:

As per Islands Trust process for hiring consultants.

PROPOSED IMPLEMENTATION STRATEGY:

As determined by the Regional Planning Committee.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Reports to Trust Council via Local Planning Committee.

David Marlor, Director, Local Planning Services

Initiator Name and Title

October. 8, 2020

Date

Regional Planning Committee

Reviewed by: Name and Title

October 8, 2020

Date

REVIEWED BY MANAGEMENT TEAM:

Approved in Concept for Inclusion in Draft Budget?

YES NO

Business Case reviewed by management team or CAO?

YES NO

Next steps:

- If approved-in-concept by management:
 - The funding for the request will be included in Draft 1, Version 1 of the budget which is reviewed by FPC in October of each year, and a business case will be developed by the initiative owner and forwarded to FPC.

- If not approved-in-concept by management:
 - Funding for the request will not be included in Draft 1, Version 1 of the budget, and no business case will be forwarded to FPC. However, notice of the unapproved concept will be highlighted for the Committee.



Budget Funding Request Short-Form Business Case

This business case is a Staff recommendation, and is subject to Local Planning Committee approval of its work program for FY21/22.

TO BE COMPLETED BY INITIATOR

<p>Initiated by: David Marlor Director, Local Planning Services</p>	<p>Budget Source (select all that apply):</p> <p>X Specific Project Funding (select all that apply)</p> <p><input checked="" type="checkbox"/> Third Party Contractors</p> <p><input type="checkbox"/> Staff Travel Expense</p> <p><input type="checkbox"/> Staff Overtime Expense</p> <p><input type="checkbox"/> New Staff Member – Temporary for project</p> <p><input type="checkbox"/> Computer Hardware/Software</p> <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <p><input type="checkbox"/> Permanent</p> <p><input type="checkbox"/> Temporary</p> <p>Temp Duration: _____</p> <p><input type="checkbox"/> Other – please describe: _Strategic Plan Program</p>
<p>Business Area: Regional Planning Committee</p>	
<p>Name of Request:</p> <p>Continue mapping of groundwater aquifers in the Islands Trust Area.</p> <p>\$50,000</p>	
<p>Date of Funding Request: October 8, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>

ISSUE/OPPORTUNITY:

Trust Council has adopted a new Strategic Plan. Map and develop water budgets for groundwater aquifers in the Trust Area (Strategic Plan Item 8).

Regional Planning Committee passed the following resolution on October 8, 2020:

That Regional Planning Committee forward to the Financial Planning Committee for inclusion in the Fiscal Year 2021/22 the business case for Strategic Plan Item No. 8 - to finish mapping and develop water budgets for groundwater aquifers in the Trust Area

PROJECTED RESULTS/DELIVERABLES:

At end of multi-year project, mapping of all groundwater aquifer recharge areas in the Islands Trust.

RISK ASSESSMENT:

On Trust council's Strategic Plan for Fiscal Year 2021/22. Local Planning Committee (now the Regional Planning Committee) has passed the following resolution on August 4, 2020:

That Local Planning Committee request that the Financial Planning Committee include in the Fiscal Year 2021/22 Budget \$50,000 for Strategic Plan Item No. 8 - to finish mapping and develop water budgets for groundwater aquifers in the Trust Area.

The risk that work will not be undertaken is low. Work already completed for the southern islands and underway for some northern islands. This work is expected to largely complete the project.

ALTERNATIVES CONSIDERED:

Option 1: Hire consultants/contractors to undertake the work using methodology undertaken for previous mapping projects.

Option2: Not undertake the work. As specialised work, this work cannot be completed using existing staff resources.

CRITICAL SUCCESS FACTORS:

Completion of mapping for entire Trust Area by end of term (November 2022).

RECOMMENDED OPTION:

Option 1 is recommended to use staff knowledge and consultant resources to undertake the work in as cost effectively as possible.

COST/BENEFIT ANALYSIS:Quantitative Analysis:

\$40,000 for consultant

\$10,000 for peer review and incidental

As this is a program project, there will be no cost saving by undertaking this. Some saving is anticipated as each local trust committee undertaking this work independently as a single contract is easier to manage and resource rather than multiple contracts.

Product will be an added data layer for consideration during policy and regulatory planning work. It will also inform the province in water allocation budget updates for the islands.

Qualitative Analysis:

This will further the Islands Trust Mandate and the Strategic Plan of Trust Council by providing further protection options for groundwater.

PURCHASING PROCEDURE:

As per Islands Trust process for hiring consultants.

PROPOSED IMPLEMENTATION STRATEGY:

As determined by the Regional Planning Committee.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Reports to Trust Council via Regional Planning Committee.

David Marlor, Director, Local Planning Services

Initiator Name and Title

September 24, 2020

Date

Regional Planning Committee

Reviewed by: Name and Title

October 8, 2020

Date

REVIEWED BY MANAGEMENT TEAM:

Approved in Concept for Inclusion in Draft Budget?

YES NO

Business Case reviewed by management team or CAO?

YES NO

Next steps:

- If approved-in-concept by management:
 - The funding for the request will be included in Draft 1, Version 1 of the budget which is reviewed by FPC in October of each year, and a business case will be developed by the initiative owner and forwarded to FPC.
- If not approved-in-concept by management:
 - Funding for the request will not be included in Draft 1, Version 1 of the budget, and no business case will be forwarded to FPC. However, notice of the unapproved concept will be highlighted for the Committee.



Budget Funding Request Short-Form Business Case

This business case is a Staff recommendation, and is subject to Local Planning Committee approval of its work program for FY21/22.

TO BE COMPLETED BY INITIATOR

<p>Initiated by: David Marlor, Director, Local Planning Services</p>	<p>Budget Source (select all that apply):</p> <p>X Specific Project Funding (select all that apply)</p> <p><input checked="" type="checkbox"/> Third Party Contractors</p> <p><input type="checkbox"/> Staff Travel Expense</p> <p><input type="checkbox"/> Staff Overtime Expense</p> <p><input type="checkbox"/> New Staff Member – Temporary for project</p> <p><input type="checkbox"/> Computer Hardware/Software</p> <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <p><input type="checkbox"/> Permanent</p> <p><input type="checkbox"/> Temporary</p> <p style="padding-left: 40px;">Temp Duration: _____</p> <p><input type="checkbox"/> Other – please describe: _Strategic Plan Program</p>
<p>Business Area: Regional Planning Committee</p>	
<p>Name of Request:</p> <p>Develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling.</p> <p>\$5,000</p>	
<p>Date of Funding Request: October 8, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>

ISSUE/OPPORTUNITY:

Trust Council has adopted a new Strategic Plan. Develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling. (Strategic Plan Item 9).

Regional Planning Committee passed the following resolution on October 8, 2020:

That Regional Planning Committee forward to the Financial Planning Committee for inclusion in the Fiscal Year 2021/22 the business case for Strategic Plan Item No. 9 - to develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling

PROJECTED RESULTS/DELIVERABLES:

Use groundwater aquifer mapping to develop model bylaws to promote freshwater sustainability.

RISK ASSESSMENT:

On Trust council's Strategic Plan for Fiscal Year 2021/22. Local Planning Committee (now Regional Planning Committee) has passed the following resolution on August 4, 2020:

that Local Planning Committee request that the Financial Planning Committee include in the Fiscal Year 2021/22 Budget \$5,000 for Strategic Plan Item No. 9 - to develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling.

Risk work will not be undertaken is low. Groundwater mapping is completed for the southern islands and expected to be completed for several northern islands by March 31, 2021, with remaining islands to be completed in 2021/22.

ALTERNATIVES CONSIDERED:

Option 1: Hire a consultant to undertake development of model bylaws. Cost would be about \$10,000. This option would require knowledge of the groundwater mapping project, and close liaison with the Senior Freshwater Specialist.

Option2: Undertake the work using planning staff resources allocated to the Regional Planning Committee in cooperation with the Senior Freshwater Specialist. Some outside assistance (contractual) work may be required. This option is estimated to cost \$5,000.

CRITICAL SUCCESS FACTORS:

Completion of model bylaws for inclusion in the model standardised official community plan and land use bylaw so they are considered in any future review of OCPs and LUBs, and to be circulated to local trust committees and Bowen Island Municipality for consideration.

RECOMMENDED OPTION:

Option 2 is recommended to use staff knowledge and consultant resources to undertake the work in as cost effectively as possible.

COST/BENEFIT ANALYSIS:Quantitative Analysis:

\$4,000 for consultant
\$1,000 for legal review

As this is a program project, there will be no cost saving by undertaking this. Some saving is anticipated over each local trust committee undertaking this work independently as a single contract is easier to manage and resource over multiple contracts.

Product will be included in the model standardised official community plan and land use bylaw so they are considered in any future review of OCPs and LUBs, and to be circulated to local trust committees and Bowen Island Municipality for consideration.

Qualitative Analysis:

This will further the Islands Trust Mandate and the Strategic Plan of Trust Council by providing further protection options for freshwater.

PURCHASING PROCEDURE:

As per Islands Trust process for hiring consultants.

PROPOSED IMPLEMENTATION STRATEGY:

As determined by the Regional Planning Committee.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Reports to Trust Council via Regional Planning Committee.

David Marlor, Director, Local Planning Services

September 24, 2020

Initiator Name and Title

Date

Regional Planning Committee

October 8, 2020

Reviewed by: Name and Title

Date

REVIEWED BY MANAGEMENT TEAM:

Approved in Concept for Inclusion in Draft Budget? YES NO

Business Case reviewed by management team or CAO? YES NO

Next steps:

- If approved-in-concept by management:
 - The funding for the request will be included in Draft 1, Version 1 of the budget which is reviewed by FPC in October of each year, and a business case will be developed by the initiative owner and forwarded to FPC.
- If not approved-in-concept by management:
 - Funding for the request will not be included in Draft 1, Version 1 of the budget, and no business case will be forwarded to FPC. However, notice of the unapproved concept will be highlighted for the Committee.



**Budget Funding Request
Short-Form Business Case**

TO BE COMPLETED BY INITIATOR

<p>Initiated by: David Marlor, Director, Local Planning Services</p>	<p>Budget Source (select all that apply):</p> <p>X Specific Project Funding (select all that apply)</p> <p><input checked="" type="checkbox"/> Third Party Contractors</p> <p><input type="checkbox"/> Staff Travel Expense</p> <p><input type="checkbox"/> Staff Overtime Expense</p> <p><input type="checkbox"/> New Staff Member – Temporary for project</p> <p><input type="checkbox"/> Computer Hardware/Software</p> <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <p><input type="checkbox"/> Permanent</p> <p><input type="checkbox"/> Temporary</p> <p>Temp Duration: _____</p> <p><input type="checkbox"/> Other – please describe: _Strategic Plan Program</p>
<p>Business Area: Regional Planning Committee</p>	
<p>Name of Request:</p> <p>Implement the high priority actions outlined in the Affordable Housing in the Trust Area: Strategic Actions for Islands Trust previously referred by Trust Council:</p> <ul style="list-style-type: none"> Develop model density bonus bylaws for consideration of implementation in local trust area land use bylaws. <p>\$10,000</p>	
<p>Date of Funding Request: October 12, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>
<p>ISSUE/OPPORTUNITY:</p> <p>Trust Council has adopted a new Strategic Plan. Implement the high priority actions outlined in the Affordable Housing in the Trust Area: Strategic Actions for Islands Trust previously referred by Trust Council. Staff is recommending that this continue in FY21/22 by undertaking work developing model density bonus bylaws for consideration of implementation in local trust area land use bylaws.</p> <p>The Regional Planning Committee passed the following resolution on October 8, 2020:</p> <p><i>That Regional Planning Committee forward to the Financial Planning Committee for inclusion in the Fiscal Year 2021/22 the business case for Strategic Plan Item No. 16 - to implement the</i></p>	

high priority action outlined in the Affordable Housing in the Trust Area: Strategic Actions for Islands Trust previously referred by Trust Council: Develop model density bonus bylaws for consideration of implementation in local trust area land use bylaws

PROJECTED RESULTS/DELIVERABLES:

The funding request for FY21/22 is to cover costs associated with development of model policy and regulations. \$5,000 is reserved for legal review of the draft. \$5,000 is reserved for consultant/research assistance to planning staff undertaking this work. This work on density bonusing would be focused on how this tool could be used to improve housing affordability in the Islands Trust Area.

RISK ASSESSMENT:

Risk that local trust committees may not adopt bylaws based on the model bylaws.

ALTERNATIVES CONSIDERED:

Option 1: Undertake the work in-house using dedicated planning staff. This would require allocation of planner time to this project, and a budget of \$5,000 for legal review, and \$5,000 for consultant/research assistance. This work would involve review of existing bylaws, practices used in other areas, and recommendations on approaches to use floor area ratio for housing. This is to further affordable housing on the islands. A model bylaw would be presented to the Regional Planning Committee.

Option 2: Hire a consultant to undertake the work. Given the potential scope, \$10,000 should be allocated for a contract, and \$5,000 reserved for legal review.

CRITICAL SUCCESS FACTORS:

Model bylaws with recommended policy and regulations by end of FY21/22.

RECOMMENDED OPTION:

Option 1 is recommended to tap into external expertise and obtain advice in this area.

COST/BENEFIT ANALYSIS:

Quantitative Analysis:

\$5,000 for legal review
\$5,000 for consultant/research assistance
\$10,000 total request.

As this is a program project, there will be no cost saving by undertaking this. Work on developing model bylaws can be more efficient than each local trust committee undertaking the work individually provided that most local trust committees are willing to adopt the model bylaws into their bylaws.

Qualitative Analysis:

This will further the Strategic Plan of Trust Council by providing model bylaws for LTCs to consider in regards to density bonuses.

PURCHASING PROCEDURE:

As per Islands Trust process for hiring consultants.

PROPOSED IMPLEMENTATION STRATEGY:

As determined by the Regional Planning Committee.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Reports to Trust Council via Regional Planning Committee.

David Marlor, Director, Local Planning Services

Initiator Name and Title

September 24, 2020

Date

Regional Planning Committee

Reviewed by: Name and Title

October 8, 2020

Date

REVIEWED BY MANAGEMENT TEAM:

Date received:

Approved: YES NO

Next steps:

- If approved by management:
 - the business case will be forwarded to FPC for review in October of each year.
 - the funding for the request will be included in Draft 1, Version 1 of the budget which is reviewed by FPC in October of each year, and the business case forwarded to FPC.
- If not approved by management:
 - the business case will be forwarded to FPC for information in October of each year, but not included in the budget draft.



Budget Funding Request Short-Form Business Case

TO BE COMPLETED BY INITIATOR

<p>Initiated by: Clare Frater, Director, Trust Area Services</p>	<p>Budget Source (select all that apply):</p> <p><input checked="" type="checkbox"/> Specific Project Funding (select all that apply)</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Third Party Contractors <input type="checkbox"/> Staff Travel Expense <input type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member – Temporary for project <input type="checkbox"/> Computer Hardware/Software
<p>Business Area: Trust Area Services</p>	<p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p>
<p>Name of Request: Develop climate change, demographic, and environmental data sets and climate change performance criteria.</p> <p>\$25,000</p>	<p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary <p>Temp Duration: _____</p> <p><input type="checkbox"/> Other – please describe: _____</p>
<p>Date of Funding Request: October 5, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>

ISSUE/OPPORTUNITY:

Strategic Plan Item 12 is:

- a) a set of climate change, demographic and environmental data; and
- b) performance criteria in order to identify the effects of climate change in the Trust Area and to measure mitigation and adaptation efforts.

The Climate Change Indicators Project is being delivered in phases. In Phase I (2020/21), Trust Programs Committee contracted Pinna Sustainability to provide a report outlining a shortlist of potential climate change indicators suitable for the Islands Trust Area. In the briefing about the report, staff noted: *Although it was out of the scope of this project to estimate a budget for data collection, there was general consensus among staff and trustees that there would be little value in Islands Trust investing large sums of money in broad-based data collection for the Trust Area as many relevant climate change indicators are more squarely under the purview of other levels of government. Rather, it is recommended that the purpose and scope of the Climate Change Indicators Project be refined and narrowed to focus on tangible, easily measurable indicators related directly to*

the mandate and climate action priorities of Islands Trust and Islands Trust Conservancy. Where more broad-based climate change data sets are desired to inform the Trust's long-term decision-making and climate action planning, it was recommended that the Trust advocate to other levels of government (i.e. regional districts, provincial and federal governments) and collaborate with partner agencies to access those data sets.

Further, staff has received correspondence from My Sea to Sky Society and a group of partner agencies including Climate Caucus, BCIT, UVic, and the Climate Action Secretariat, indicating that they plan to apply for a multi-million dollar grant to develop a Climate Action Report Card tool that will build capacity for local governments to track and report greenhouse gas emissions every year. They have invited Islands Trust to participate as a pilot project and are keen to work with the Trust to develop meaningful indicators for small rural island communities in the Trust Area.

The \$25,000 amount in the resolution is the amount earmarked in the Gross Budget and Implementation pages of the Trust Council 2018-2022 Strategic Plan.

PROJECTED RESULTS/DELIVERABLES:

Phase Two of this project (2021/22 and future years) will involve fostering partnerships with First Nations, as well as other levels of government and academic/civil society organizations, in the development of climate change related data sets and ongoing monitoring and reporting. This may involve hiring a third-party contractor or student to coordinate data collection and liaise with partner agencies.

TPC-2020-042

It was MOVED and SECONDED,

that Trust Programs Committee request that the Financial Planning Committee include in the Fiscal Year 2021/22 Budget \$25,000 for Strategic Plan Item No. 12 - Develop i) a set of climate change, demographic and environmental data and ii) performance criteria in order to identify the effects of climate change in the Trust Area and to measure mitigation and adaptation efforts.

RISK ASSESSMENT:

A risk for this project is that staff cannot retain an appropriately qualified contractor or cannot develop the desired partnerships. A further risk is that the desired data sets may be too impractical or expensive to collect.

ALTERNATIVES CONSIDERED:

Option 1: Budget a reduced funding amount.

Option 2: Defer work on the project to FY22/23. This option would delay completion of development of data sets and performance criteria in the Trust Area by one year.

CRITICAL SUCCESS FACTORS:

The project will require advice and support from Islands Trust Geographic Information Systems staff and Administrative Services staff, and for climate-related data, willing partners with the capacity to develop the desired climate related data sets.

RECOMMENDED OPTION:

That \$25,000 be budgeted for Strategic Plan Item No. 12 - Develop i) a set of climate change, demographic and environmental data and ii) performance criteria in order to identify the effects of climate change in the Trust Area and to measure mitigation and adaptation efforts.

COST/BENEFIT ANALYSIS:

Quantitative Analysis:

\$25,000 to contribute to a larger partnership.

Qualitative Analysis:

High quality data sets can support informed and ecosystem-based decisions about the Islands Trust Area and the effectiveness of its climate change mitigation and adaptation efforts.

PURCHASING PROCEDURE:

Contractor will be hired in accordance with Policy 6.5.3 on Procurement.

PROPOSED IMPLEMENTATION STRATEGY:

Staff will work with Trust Programs Committee to develop a project charter and communications plan. Staff will then hire a contractor to work with staff, partner agencies and Trust Programs Committee to coordinate the collection and dissemination of relevant data.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

The project will involve collaborating with other agencies, including the Province of BC, to determine what data sharing is available.

Clare Frater / Director, trust Area Services

Initiator Name and Title

October 5, 2020

Date

Reviewed by: Name and Title

Date



**Budget Funding Request
Short-Form Business Case**

TO BE COMPLETED BY INITIATOR

<p>Initiated by: Mark van Bakel, Information Services Coordinator</p>	<p>Budget Source (select all that apply):</p> <p><input type="checkbox"/> Specific Project Funding</p> <ul style="list-style-type: none"> <input type="checkbox"/> Third Party Contractors <input type="checkbox"/> Staff Travel Expense <input type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member <input type="checkbox"/> Computer Hardware/Software <p><input type="checkbox"/> Furniture & Equipment</p> <p><input checked="" type="checkbox"/> Computer Hardware/Software</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary <p style="padding-left: 40px;">Temp Duration: _____</p> <p><input type="checkbox"/> Other – please describe: _____</p>
<p>Business Area: Administrative Services - Information Services</p>	
<p>Name of Request: Broadcasting of Public Meetings</p> <p>\$18,672</p>	
<p>Date initiated: September 24, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>

BACKGROUND:

Islands Trust strategic plan includes the following strategy: #13 Develop the capacity to broadcast public meetings of Local Trust Committees, Council Committees and Trust Council.

Trust Council approved an amount of \$7,100 to trial meeting broadcasting with a subset of Local Trust Committees (LTCs) in the year, prior to determining if this was a desired undertaking for all public meetings at the Trust.

Prior to commencing the trial, COVID-19 forced the Trust to revise how public meetings are conducted to comply with health and safety regulations. This reimagining of meeting delivery resulted in all Islands Trust public meetings, including LTC, ITC, Council Committee, and Trust Council meetings being conducted under a fully digital model using the Zoom Webinar and Meeting platforms. In addition to providing a safe and cost effective alternative to physical meetings, Zoom also facilitates live streaming for members of the public using a contracted private streaming service, in full compliance with the *Freedom of Information and Protection of Privacy Act* (FOIPPA). In effect, the 2020/21 budgeted trial planned for a portion of LTCs was expanded to

all Committees by necessity as a result of the pandemic. However, as health restrictions ease and the ability to return to physical meetings arises, a decision will need to be made as to how this streaming initiative will continue, if at all. This decision will have varying budget implications.

PROBLEM STATEMENT/OBJECTIVES:

Under the current fully digital mode of conducting meetings, the public has three ways to view/engage in Islands Trust meetings:

1. Via Zoom as a meeting attendee in the session
This option allows the public to participate in a meeting (ie: speak at a town hall session) as directed by the meeting Chair and enabled by the meeting host.
2. By watching the Live Stream online as the meeting happens
This option simply allows members of the public to view the meeting as it unfolds but does not provide participation opportunities. Meeting viewing is provided by way of a web link.
3. By watching the recorded meeting posted online subsequent to the meeting time (called Video on Demand (VOD)).
This option is similar to option 2 in that it allows for meeting viewing only, but no participation. This option provides the ability to watch the meeting at a later date.

In the coming fiscal year, the manner in which meetings are conducted will depend in part on the evolving external COVID-19 protocols. However, as life returns to a more usual standard, decisions will need to be made internally as to how public meetings should continue. Currently identified options include: the COVID-19 status quo, relying entirely on digital participation; a hybrid approach integrating both digital attendees with physical public venues; and a return to purely physical meetings. The technology implications of each of the identified options and the associated cost estimates are provided in this report.

PROJECTED RESULTS/DELIVERABLES:

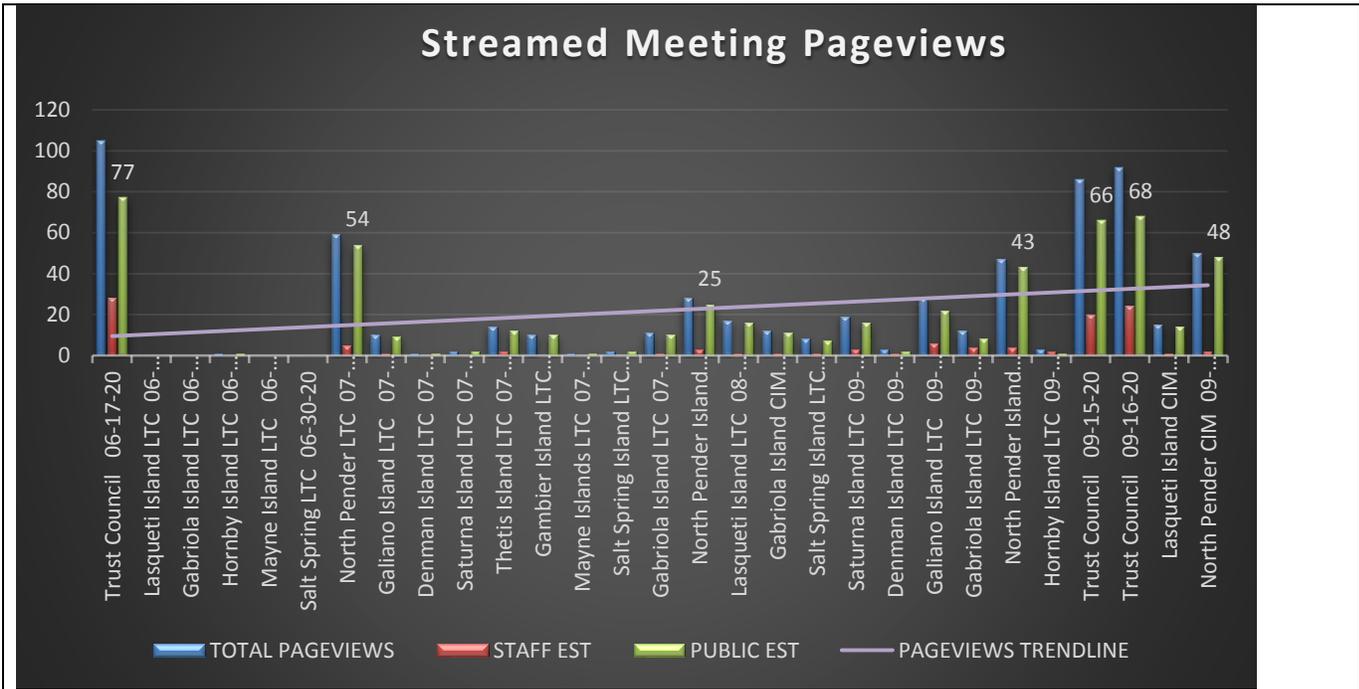
Broadcasting of public meetings in line with strategic plan item 13 which allows for increased engagement with Islands Trust.

ALTERNATIVES CONSIDERED:

OPTION 1: CONTINUE WITH FULLY DIGITAL PUBLIC MEETINGS

Digital meetings have provided a new way for members of the public to engage with and learn about Islands Trust. Analytics tracking of meeting views since June 17, 2020, provides preliminary information regarding meeting viewership online (see Chart below). Since analytics tracking began, there have been a total of 74 Zoom webinars/meetings which have yielded the following:

- A total of 2025 Zoom participants (i.e. panelists + attendees). We are currently unable to effectively extract the number of attendees (i.e. public) but are working to remedy this;
- An estimated 526 live stream views, with Trust Council and North Pender LTC meetings attracting the greatest public streaming volumes.



Islands Trust’s private streaming service provider live streams Zoom content and provides unlimited data storage at a cost of \$700/month. In addition, in order to facilitate full public participation in Islands Trust meetings, two additional webinar licenses have been procured at an annual cost of \$1,272 annually. The following table describes the estimated cost of maintaining fully digital meetings in fiscal 2020/21.

ITEM	Units Required	Cost per Unit	Total Cost
Private Streaming Service & Storage	1	\$8,400	\$8,400
Zoom Webinar License	2	\$636	\$1,272
TOTAL			\$9,672

This option provides significant savings in the area of staff and trustee travel costs (including meal and accommodation); reduces travel time for staff which results in less OT expense and an increase in time for other work; reduces meeting hall rental costs; reduces Islands Trust’s operational carbon footprint; and creates time and expense savings for public attendees while increasing the public’s ability to engage in Islands Trust work.

OPTIONS 2: A HYBRID MODEL - DIGITAL + PHYSICAL ATTENDEES

When public meeting venues are once again permitted under health regulations, a decision to incorporate this manner of meeting back into Islands Trust operations may be made. An option to integrate public meeting venues into a hybrid in-person and digital model is possible, but accommodating two modes of delivery into one model creates twice as much effort and similarly the same increase in technology costs. In this option, the Zoom platform would continue to be used for participants who wish to remain remote, and in-person attendees would be integrated into the Zoom meeting with additional on-site video and audio hardware to capture the physical attendees as a single Zoom participant with a single camera view/audio track. The following table describes the estimated cost of integrating public venue attendees into the digital Zoom and live streaming approach.

ITEM	Units Required	Cost per Unit	Total Cost
Audio/Visual Capture Device	4	\$1,000	\$4,000
Control Unit (TC meetings only)*	1	\$5,000	\$5,000
Private Streaming Service & Storage	1	\$8,400	\$8,400
Zoom Webinar License	2	\$636	\$1,272
TOTAL			\$18,672

* The number of attendees and speaker configuration associated with Trust Council requires multiple cameras, requiring a production control unit for camera management.

Above estimates include only technology costs and do not contemplate the possibility that additional staff support or time may be required to set up the hardware at the physical meeting location or support for this function.

OPTION 3: PHYSICAL ATTENDEES ONLY

If physical meeting venues once again become the preference and standard for all public meetings, the option to revert to the 2019 streaming recommendations (See Item 12.8 Streaming Committee Meetings: Information Technology Considerations Briefing of the [September 18, 2019 Trust Council meeting](#)) and employ on-site audio, video and encoding hardware to live stream meeting proceedings is available.

The following table outlines the costs of physical meeting configurations, along with the option to stream the proceedings, while eliminating the option for remote participation. Zoom would no longer be employed as the standard platform. Meeting content would be recorded via audio/visual capture devices, encoded locally at the meeting, and broadcasted via the existing streaming service. Note that the 2019 recommendations have been adjusted to reflect the significant savings in network storage requirements in light of the existing private streaming service contract which includes data storage. Since Zoom webinars would no longer be the standard platform for meetings, the cost for two additional licenses would no longer be required which has been accounted for in the estimated figures.

ITEM	Units Required	Cost per Unit	Total Cost
Audio/Visual Capture Device	4	\$1,000	\$4,000
Control Unit (TC meetings only)	1	\$5,000	\$5,000
Private Streaming Service & Storage	1	\$8,400	\$8,400
Zoom Webinar License	-2	-\$636	-\$1,272
Encoder	3	\$5000	\$15,000
Post-Processing Software	1	\$500	\$500
TOTAL			\$31,628

Above estimates include only technology costs and do not contemplate the possibility that additional staff support or time may be required to set up the hardware at the physical meeting location or support for this function.

CRITICAL SUCCESS FACTORS:

Appropriate technology for desired manner of meeting conduction; appropriately trained staff to administer technology; and, appropriately informed public to make the undertaking worthwhile.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Continued communications and notices currently underway for public meetings, including notice of physical and digital attendance options with links to livestreams on the website. News releases would be circulated as deemed necessary by the Communications team.

BENEFIT/COST ANALYSIS SUMMARY:

Option 1 – Lowest cost option; staff and trustees hold knowledge and skill in this meeting delivery model given current use; no additional purchases of hardware which would require refresh periodically; provides a significant increase in the ability of the public to engage and participate in, or view, Islands Trust meetings; significantly reduces travel costs and staff time savings as outlined above.

Option 2 – Mid-level cost option; benefits mirror those outlined in Option 1, with the added benefit of physical attendance for members of the public who may have limited access to reliable internet for digital attendance as well as providing compliance with current, non-pandemic legislated meeting requirements to have physical locations for public meetings.

Option 3 – Highest cost option; no staff time or travel cost savings; increased training for staff on new hardware; increased staff time to process meeting recordings post-meeting; no digital attendance options for the public which restricts access to engagement opportunities.

RECOMMENDED DECISION:

If meeting streaming remains an objective of Islands Trust after the current year ‘trial’, and health restrictions lift to allow for physical meetings, staff recommend Option 2 – A Hybrid Model, digital and physical attendees.

Staff will include amounts for meeting streaming under Option 2 in the fiscal 2020/21 budget unless directed otherwise.

PURCHASING PROCEDURE:

Software is already in use with no additional purchases required. Zoom software renewals would take place in the new fiscal year as required.

Hardware purchases will be made via minimum of three quotes from known vendors or via an ITQ process.

Mark van Bakel,
Information Services Coordinator

Initiator Name and Title

September 24, 2020

Date

Julia Mobbs, Director, Administrative Services
Russ Hotsenpiller, Chief Administrative Officer

Reviewed by: Name and Title

September 24, 2020

September 25, 2020

Date



**Budget Funding Request
Short-Form Business Case**

TO BE COMPLETED BY INITIATOR

<p>Initiated by: Clare Frater, Director, Trust Area Services</p>	<p>Budget Source (select all that apply):</p> <p><input checked="" type="checkbox"/> Specific Project Funding (select all that apply)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Third Party Contractors <input type="checkbox"/> Staff Travel Expense <input type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member – Temporary for project <input type="checkbox"/> Computer Hardware/Software <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary <p>Temp Duration: _____</p> <p><input checked="" type="checkbox"/> Other – please describe: Legal Services</p>
<p>Business Area: Trust Area Services</p>	
<p>Name of Request: Stewardship Education Program</p> <p>\$15,000</p>	
<p>Date of Funding Request: October 5, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>
<p>ISSUE/OPPORTUNITY:</p> <p>Strategic Plan Item 21 is to develop and implement a stewardship education program directed towards the public, industry and stakeholders in the Trust Area. There are many opportunities to deliver stewardship education programming in the Trust Area. Trust Programs Committee will develop a project charter(s) to guide the specifics of the stewardship education program after being presented with a range of options by staff.</p> <p>On August 13, 2020, the Trust Programs Committee passed the following resolution:</p> <p>TPC-2020-043 It was MOVED and SECONDED, that Trust Programs Committee request the Financial Planning Committee include in the Fiscal Year 2021/22 Budget \$15,000 for Strategic Plan Item No. 21 - Develop and implement a stewardship education program directed towards the public, industry and stakeholders in the Trust Area.</p>	

<p>The \$15,000 amount in the resolution is the amount earmarked in the Gross Budget and Implementation pages of the Trust Council 2018-2022 Strategic Plan.</p>
<p>PROJECTED RESULTS/DELIVERABLES: Provide educational programming and materials on topics to be determined by Trust Program Committee (TPC).</p> <p>Trust Programs Committee has discussed that potential programming could include presentations/outreach to new land purchasers and professional practitioners such as realtors, dock installers, surveyors, builders, heavy equipment operators, and/or other delivery methods/audiences.</p>
<p>RISK ASSESSMENT:</p> <p>This project would require that sufficient staff time be available to deliver the initiative.</p>
<p>ALTERNATIVES CONSIDERED:</p> <p>Option 1: Budget a reduced funding amount.</p> <p>Option 2: Defer work on the project to FY22/23.</p>
<p>CRITICAL SUCCESS FACTORS:</p> <p>Sufficient staff time to administer and deliver the program.</p> <p>Trust Programs Committee decision-making regarding the topics to be addressed and methods of outreach.</p>
<p>RECOMMENDED OPTION:</p> <p>That \$15,000 be budgeted for the Stewardship Education Project.</p>
<p>COST/BENEFIT ANALYSIS:</p> <p><u>Quantitative Analysis:</u></p> <ul style="list-style-type: none"> • \$15,000 for the Stewardship Education Project <p><u>Qualitative Analysis:</u></p> <p>A stewardship education program offers the opportunity to educate community members and professional practitioners about the importance of preserving and protecting the Trust Area, climate change, and methods of being a good steward. Increased understanding of the Islands Trust and rationale for the preserve and protect mandate could result in reduced bylaw infractions.</p>
<p>PURCHASING PROCEDURE:</p> <p>All expenditures will be in accordance with Policy 6.5.3 on Procurement.</p>

PROPOSED IMPLEMENTATION STRATEGY:

The implementation of this project will be determined by Trust Programs Committee via a project charter to be approved in Spring 2021. Work would be completed by March 31, 2022.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Change management, communication and collaboration will be addressed via the strategies outlined in the project charter and as directed by Trust Programs Committee during consideration of next steps.

The program would be supported by a communications plan. Ideally, components of the program would be delivered in collaboration with local agencies and/or First Nations.

Clare Frater / Director, Trust Area Services

Initiator Name and Title

October 5, 2020

Date

Reviewed by: Name and Title

Date



Budget Funding Request Short-Form Business Case

This business case is a Staff recommendation, and is subject to Executive Committee approval of its work program for FY21/22.

TO BE COMPLETED BY INITIATOR

<p><u>Initiated by:</u> Lisa Wilcox, Senior Intergovernmental Policy Advisor</p>	<p><u>Budget Source</u> (select all that apply):</p> <p><input type="checkbox"/> Specific Project Funding (select all that apply)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Third Party Contractors <input checked="" type="checkbox"/> Staff Travel Expense <input checked="" type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member – Temporary for project <input type="checkbox"/> Computer Hardware/Software <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary <p style="padding-left: 40px;">Temp Duration: _____</p> <p><input checked="" type="checkbox"/> Other – please describe: Training and Reconciliation Initiatives</p>
<p><u>Business Area:</u> Trust Area Services</p>	
<p><u>Name of Request:</u> Reconciliation Action Plan FY21/22</p> <p>\$16,950</p>	
<p>Date of Funding Request: October 1, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>

ISSUE/OPPORTUNITY:

Other the past year initiatives related to the Reconciliation Action Plan have achieved significant progress. Training and orientation sessions for staff and trustees were successfully implemented and engagement with First Nations, cultural knowledge holders, and Indigenous community members created new opportunities for sharing understanding, dialogue about core concerns, and principles. COVID-19 meant that some initiatives were not fully realized due to the inability to meet face to face in community. In many cases, a shift in focus, technology and connectivity limitations made it difficult to implement some Reconciliation Action Plan initiatives. Adapting to this challenge, the focus shifted to online engagement, and development of internal processes that would see long term reconciliation principles integrated into the work of the Islands Trust.

This Islands Trust Reconciliation Action Plan is based on the following principles called the foundation documents:

[Islands Trust First Nations Engagement Principles Policy](#)

[Islands Trust Reconciliation Declaration](#)

[Draft Principles that Guide the Province of British Columbia's Relationship with Indigenous Peoples \(relevant Principles\)](#)

[United Nations Declaration on the Rights of Indigenous Peoples \(relevant Articles\)](#)

[Truth and Reconciliation Commission: Calls to Action \(relevant Calls to Action\)](#)

[Declaration on the Rights of Indigenous Peoples Act \(DRIPA\)](#)

[Murdered and Missing Indigenous Women and Girls: Calls for Justice \(relevant Calls\)](#)

PROJECTED RESULTS/DELIVERABLES:

Total budget request for FY21/22 is \$16,950. The breakdown of the budget request are shown against the relevant items from Trust Council's Reconciliation Action Plan. Only those items with a budget request for FY21/22 are shown below.

1. Education/Training - Cultural Competency, Cultural Safety – FY2021/22 Total Budget: \$4,750		
Goal/Action Item	Details	Budget Forecast
1.1 One to One Dialogue Sessions	<ul style="list-style-type: none">• On-going• SIPA travel to each office twice per year.• Focus moves to land use planning and cultural safety.	<ul style="list-style-type: none">• \$500
1.2 Facilitated Workshop	<ul style="list-style-type: none">• On-going• SIPA travel to each office once per year.• Focus moves to needs based topics.	<ul style="list-style-type: none">• \$500
1.5 Learning about the Land – The importance of place.	<ul style="list-style-type: none">• Honorarium for speaker at LPS day or other scheduled meeting with Planning staff.	<ul style="list-style-type: none">• \$1,000
1.6 Speaker Series	<ul style="list-style-type: none">• On-going• Cost for honorarium, travel costs, mileage, expenses for continuous learning session for trustees.	<ul style="list-style-type: none">• \$1,000
1.7 Lunch & Learn Series	<ul style="list-style-type: none">• On-going• Cost for snacks, or lunch.	<ul style="list-style-type: none">• \$100
1.8 Indigenous Learning Series	<ul style="list-style-type: none">• On-going• Honorarium for webinar speakers or on-site learning.	<ul style="list-style-type: none">• \$1,200
1.9 New Employee Orientation	<ul style="list-style-type: none">• On-going• Travel for SIPA to regional offices or locations for training.	<ul style="list-style-type: none">• \$300

	<ul style="list-style-type: none"> Mileage, travel, expenses. 	
1.11 Monthly Learning Series	<ul style="list-style-type: none"> On-going Webinar or online 	<ul style="list-style-type: none"> \$50
1.12 External Presentations/Education	<ul style="list-style-type: none"> On-going Travel costs, expenses for SIPA to location. 	<ul style="list-style-type: none"> \$100
3. Policy & Procedures – FY2020/21 Total Budget: \$4,850		
Goal/Action Item	Detail	Budget Forecast
3.2 Land Use Planning	<ul style="list-style-type: none"> Honorarium for engagement with First Nations and cultural knowledge holders 	<ul style="list-style-type: none"> \$2,500
3.4 Cultural Sites Preservation & Protection	<ul style="list-style-type: none"> Initiative to define and engage on cultural site preservation and protection. Travel and honorarium costs. 	<ul style="list-style-type: none"> \$2,000
3.5 Review of Current Initiatives	<ul style="list-style-type: none"> Review of files contract 	<ul style="list-style-type: none"> \$250
3.6 Database	<ul style="list-style-type: none"> Review of files contract 	<ul style="list-style-type: none"> \$100
4. Cultural, Naming & Recognition Work – FY2021/22 Total Budget: \$250		
Goal/Action Item	Detail	Budget Forecast
4.1 Naming and Recognition	<ul style="list-style-type: none"> From time to time travel to various locations to engage in dialogue on naming and recognition. Honorarium for dialogue on naming. 	<ul style="list-style-type: none"> \$250
5. Liaison and Engagement with First Nations & Others – FY2021/22 Total Budget: \$1,100		
Goal/Action Item	Timeline	Budget Forecast
5.1 Crown Agreements	<ul style="list-style-type: none"> Engagement with other Ministries to update past Crown agreements 	<ul style="list-style-type: none"> \$0
5.2 Community to Community Engagement	<ul style="list-style-type: none"> Grant should be sought for UBCM funding 	<ul style="list-style-type: none"> Seek UBCM funding
5.3 Regional Districts & Islands Trust	<ul style="list-style-type: none"> 2022 initiative 	<ul style="list-style-type: none"> N/A
5.4 Ministry Indigenous Relations and Reconciliation (MIRR) & Islands Trust	<ul style="list-style-type: none"> On-going 	<ul style="list-style-type: none"> \$0
5.5 First Nations & Islands Trust	<ul style="list-style-type: none"> On-going 	<ul style="list-style-type: none"> \$500

5.6 Treaty Table	<ul style="list-style-type: none"> • 2022 initiative 	<ul style="list-style-type: none"> • N/A
5.7 Advocacy	<ul style="list-style-type: none"> • Work with First Nation Leadership Council 	<ul style="list-style-type: none"> • \$100
5.8 Protocol Agreements	<ul style="list-style-type: none"> • Review and engage on past protocol agreements • Further development and engagement with Naut'sa'mawt 	<ul style="list-style-type: none"> • \$500
6. Communications and Messaging – FY2021/22 Total Budget: \$2,500		
Goal/Action Item	Timeline	Leads
6.1 Creation of Public Materials.	<ul style="list-style-type: none"> • Brochure and material • Design, writing, and engagement 	<ul style="list-style-type: none"> • \$2,000
6.2 Webpage	<ul style="list-style-type: none"> • Honorarium for Indigenous writing and posts 	<ul style="list-style-type: none"> • \$500
6.3 News Releases	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • N/A
6.4 On-going review	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • N/A
7. Cultural Working Group – FY2021/22 Total Budget: \$3,500		
Goal/Action Item	Detail	Budget Forecast
7.2 Cultural Working Group Training	<ul style="list-style-type: none"> • Travel and mileage, expenses to locations and regional offices. • Honorarium for cultural knowledge holders. 	<ul style="list-style-type: none"> • \$2,500
7.3 Incident-based Liaison	<ul style="list-style-type: none"> • On-going 	<ul style="list-style-type: none"> • \$1,000
RISK ASSESSMENT:		
<p>Implementation of the Reconciliation Action Plan is dependent on interagency cooperation and building relationships. COVID-19 restrictions and challenges may require shifting focus to online and technology based engagement until such time as community and on-site engagement can resume.</p>		
ALTERNATIVES CONSIDERED:		
<p>Option 1: Limit development of reconciliation process to a specialized single staff member. Cost of implementation would be reduced to salary, travel expenses etc. This approach allows for implementation of some aspects of the Reconciliation Action Plan but limits cultural competency to one individual that retains most of the knowledge versus the dissemination of knowledge and skills to all staff.</p> <p>Option 2: End initiatives at an organizational training level. Organizational training with cultural competency and cultural safety initiatives would allow for the dissemination of knowledge to most staff and trustees. However, without review of best practices and implementation of policy and process initiatives the Islands Trust will continue to work in the same way as an organization and may not be able to create the necessary relationships at a government-to-government level with First Nations to ensure that they are in line with</p>		

Provincial and Federal reconciliation initiatives. This may ultimately lead to challenges to the jurisdictional relevance of the *Islands Trust Act* and organization as a whole.

Option 3: Do nothing. This may ultimately lead to possible litigation due to poor decision making and challenges to meaningful engagement, lack of ability to realize risks of decisions in relation to Aboriginal rights and title, treaty, and traditional territory factors.

CRITICAL SUCCESS FACTORS:

Over the past year the Reconciliation Action Plan success factors included standardization of resolutions related to implementation on reconciliation and UNDRIP at with all LTC's with the exception of Bowen and Saturna. Training and orientation standards were successfully implemented with training sessions held with all staff and trustees, with new staff orientation. Naming and recognition signage was successfully completed on Bowen Island with a process to implement region wide. The Cultural Working Group met separately (due to COVID-19) with cultural knowledge holders to learn about how to be on the land in a respectful way. Reconciliation communications included postings online and communications to community about specific initiatives and principles. Trustees began utilizing training understanding to create more meaningful and thoughtful engagements with First Nation elected officials. Staff began to realize tangible ways to incorporate reconciliation into the object and mandate of the Islands Trust and Islands Trust Conservancy.

The past two years have established a solid foundation to build on the coming work that needs to be undertaken. Staff and trustees have engagement in a meaningful way to acknowledge the history and legacy that is part of the Islands Trust area. Having undertaken this internal work, the staff and trustees can turn their minds to implementing initiative that are reflective of the foundation documents and apply these principles to land and water use decision making.

RECOMMENDED OPTION:

That \$16,950 be budgeted to support the Reconciliation Action Plan.

Work closely with local trust committees, trustees, and staff to develop methodology and processes that create paths of respect, partnership, and collaboration. These would include mapping and heritage preservation to inform land and water use decisions, on-going learning from Indigenous knowledge holders and speakers, and continued engagement with First Nations governments and their representatives to develop and define reconciliation within the Islands Trust area.

COST/BENEFIT ANALYSIS:

Quantitative Analysis:

Financial costs due to COVID-19 where significantly reduced for 2019-2021 budget. Cost for honorarium or contract work are expected to be higher this budget period as the Reconciliation Action Plan moved to implement the building of competency with cultural knowledge holders, and First Nation experts in planning and community.

Qualitative Analysis:

Benefits to the Islands Trust that are outside the financial scope include greater satisfaction among staff in the alignment of core values to values of stewardship, respect, purpose, and preservation. This leads to retention among staff who feel their core values align with the values of the organization.

Implementation of reconciliation aligns the work of the Islands Trust bodies with those of the Province of BC, and Federal government and the foundational principles of UNDRIP, TRC, and MMIWG Calls for Justice; as well as, the Declaration on the Rights of Indigenous Peoples Act. It provides effective mechanisms for redress related to the history of the islands and Salish Sea area. This allows for direct skills based processes that guide staff and trustees in the work that they are undertaking in relation to land and water decisions. These processes lead to cost reductions creating overall processes and initiatives that are applicable to the region as a whole.

PURCHASING PROCEDURE:

All funding will be implemented and deliverables outlined as per the Islands Trust policies and procedures.

PROPOSED IMPLEMENTATION STRATEGY:

The Reconciliation Action Plan roll-out is from April 2019-December 2022. The 2021 to 2022 budget covers Phase Two initiatives.

Phase Two is the implementation phase. With staff and the organization at a place of awareness after year one we reach out to begin the elements “gathering together to share knowledge and understanding”. Staff and the organization as a whole will feel confident in understanding how to learn about First Nation core concerns, how those concerns are incorporated into the work we do and how we are supported in the work we do as an organization.

Phase Two will include the implementation of process and policies that meet the needs and engagement best practices of First Nations, and will see the development of cooperative process for Indigenous and non-Indigenous communities. The Islands Trust as an organization will in Phase Two build on the foundational work that has been undertaken toward reconciliation and will strive to build trust and demonstrate their commitment to the long-term relationships needed to facilitate reconciliation. Phase Two will see the development of procedures to support long-term reconciliation process through protocols, agreements, engagement processes, and change management.

Phase Two ensures that support to Local Trust Committees is facilitated to assist them in the work they endeavor. The principle will be to hear, advise, reflect and comment while building and developing the foundational work of the Islands Trust as a whole.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

First Nations are identified through the consultative area database (CAD) provided by the Provincial Government, as well as through the BC Treaty Commission stages 1-6 Statement of Intent and Final Agreements, as well as First Nations stated territories and treaty areas. Interagency partnerships are identified through Ministry contacts and roles in relation to First Nation engagement. Note that the Islands Trust work focuses on land use decision making and preserving and protecting land and marine values versus programs and services so is specific to agencies that work within the land and water tenure and decision making structure of government-to-government discussion, policy, and initiatives. Islands Trust also represents constituents within the Islands Trust region, people of British Columbia, and Canada as a whole. Hence processes should be considerate of Indigenous, Métis, and Inuit throughout British Columbia and Canada. Islands Trust also works with stakeholders, advocacy group, property owners, and other municipal, and regional governments.

Lisa Wilcox
Senior Intergovernmental Policy Advisor

Initiator Name and Title

September 25, 2020

Date

Clare Frater
Director Trust Area Services

David Marlor
Director, Local Planning Services

Reviewed by: Name and Title

September 25, 2020

Date



Budget Funding Request Short-Form Business Case

This business case is a Staff recommendation, and is subject to EC/TPC approval of its work program for FY21/22.

TO BE COMPLETED BY INITIATOR

<p>Initiated by: Clare Frater, Director, Trust Area Services</p>	<p>Budget Source (select all that apply):</p> <p><input checked="" type="checkbox"/> Specific Project Funding (select all that apply)</p> <p><input type="checkbox"/> Third Party Contractors</p> <p><input type="checkbox"/> Staff Travel Expense</p> <p><input type="checkbox"/> Staff Overtime Expense</p> <p><input type="checkbox"/> New Staff Member – Temporary for project</p> <p><input type="checkbox"/> Computer Hardware/Software</p> <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <p><input type="checkbox"/> Permanent</p> <p><input type="checkbox"/> Temporary</p> <p style="padding-left: 40px;">Temp Duration: _____</p> <p><input checked="" type="checkbox"/> Other – please describe: Legal Services</p>
<p>Business Area: Trust Area Services</p>	
<p>Name of Request: Policy Statement Amendment Project</p> <p>\$10,000</p>	
<p>Date of Funding Request: September 20, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>

ISSUE/OPPORTUNITY:

Trust Council’s Policy Statement Amendment Policy (1.2.i) states that each term Trust Council will identify Policy Statement review and/or amendment tasks.

The Islands Trust Council has assigned the Executive Committee, with involvement from Trust Programs Committee as appropriate, to co-ordinate a review of the Introduction, Part I, Part II and Schedule 1 - Definitions sections and climate policies of the Policy Statement. The Executive Committee has adopted an engagement plan and project charter to guide the amendment process. The 2018-2022 Strategic Plan includes the following direction:

- Strategic Plan Item 10: “Amend the Islands Trust Policy Statement to add climate change mitigation, adaptation and resiliency policies.”
- Strategic Plan Item 16: “Implement the following high priority actions outlined in the Affordable Housing in the Trust Area: Strategic Actions for Islands Trust previously referred by Trust Council.

- i. Review the Islands Trust Policy statement and give consideration to: a) giving affordable housing a greater profile for its role in sustainable communities b) including a reference to affordable housing in its policy direction to LTCs and municipalities.
- ii. Review the Islands Trust Policy statement to ensure that it: a) includes clear and well-thought out definition of 'affordability' b) includes clearly articulated vision, goal and objectives for affordable housing c) gives affordable housing a greater profile for its role in sustainable communities d) includes a reference to affordable housing in its policy direction to LTCs and municipalities.
- Strategic Plan Item 22: Amend the Policy Statement introductory and definitions sections.
- Strategic Plan Item 23: Determine if additional changes to the Policy Statement are desired by Trust Council.

The multi-year Policy Statement Amendment Project is expected to continue into 2021/22. In 2020/21, Trust Council approved spending of \$45,000 for this work. As of September 24, 2020, staff have spent approximately \$7,000 and expect to spend a further \$28,000 by the end of the fiscal year on First Nations and public engagement, and on legal review. This would leave \$10,000 in unspent monies that would contribute to the accumulated surplus fund at the end of the fiscal year, in accordance with accounting practices.

To complete the project in 2021/22, staff recommend that Trust Council include \$10,000 in the 2021/22 budget for this work. This budget amount could be funded from surplus funds to avoid any new taxation for this project. This funding amount is consistent with the total project budget approved in the project charter and would be used for statutory advertising and legal review if required.

On August 13, 2020, the Trust Programs Committee passed the following resolution:

TPC-2020-041

It was MOVED and SECONDED,

that Trust Programs Committee request that the Executive Committee recommend to Financial Planning Committee to include \$10,000 in Fiscal Year 2021/22 for the Policy Statement Amendment Project (Strategic Plan items 10, 16, 22,23).

PROJECTED RESULTS/DELIVERABLES:

4th Reading by Trust Council of an amended Policy Statement bylaw, and a plan for subsequent amendments.

RISK ASSESSMENT:

As noted in the project's engagement plan, due to the nature of this project and the number of First Nations and stakeholders involved, there is substantial risk that the project plan will need to be amended to respond to emerging issues, communication/engagement requests or other developments. Staff will maintain a focus on the big-picture (e.g. Reconciliation as an overarching priority) and will bring forward recommendations to Executive Committee and Trust Programs Committee for project amendments as needed.

ALTERNATIVES CONSIDERED:

Option 1: Budget a reduced funding amount. This option is not recommended as the amount recommended is the minimum required to complete the project.

Option 2: Defer work on the project to FY22/23. This option is not recommended as the project is already underway with active First Nation and public engagement, and it would push the project completion past the end of the 2018-2022 term of office.

CRITICAL SUCCESS FACTORS:

Successful adoption of an amended Policy Statement bylaw depends on shared understanding by Trustees, the Minister, First Nations, referral agencies, stakeholders and the public about the purpose and function of the Policy Statement and the rationale for any changes.

RECOMMENDED OPTION:

That \$10,000 be budgeted for the Policy Statement Amendment Project.

COST/BENEFIT ANALYSIS:

Quantitative Analysis:

- \$10,000 for Policy Statement Amendment Project

Qualitative Analysis:

Amending the Policy Statement will advance the Islands Trust Council's commitment to Reconciliation and to updating its foundational document.

PURCHASING PROCEDURE:

All expenditures will be in accordance with Policy 6.5.3 on Procurement.

PROPOSED IMPLEMENTATION STRATEGY:

As per the adopted engagement plan.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Change management, communication and collaboration will be addressed via the strategies outlined in the project's engagement plan and as directed by Trust Programs Committee and Executive Committee during consideration of next steps.

Clare Frater / Director, Trust Area Services

Initiator Name and Title

September 24, 2020

Date

Executive Committee

Reviewed by: Name and Title

September 30, 2020

Date



**Budget Funding Request
Short-Form Business Case**

Completion of this form initiates a request to the management team for allocation of budget funds. The form is to be completed and submitted at the start of the decision making process. The business case forms part of the Annual Budget Process (refer to Islands Trust Council Budget Process Policy 6.3.i).

TO BE COMPLETED BY INITIATOR	
<p>Initiated by: David Marlor and Lisa Wilcox</p>	<p>Budget Source (select all that apply):</p> <p>X Specific Project Funding (select all that apply)</p> <p><input checked="" type="checkbox"/> Third Party Contractors</p> <p><input type="checkbox"/> Staff Travel Expense</p> <p><input type="checkbox"/> Staff Overtime Expense</p> <p><input type="checkbox"/> New Staff Member – Temporary for project</p> <p><input type="checkbox"/> Computer Hardware/Software</p>
<p>Business Area: Executive Committee</p>	<p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <p style="margin-left: 20px;"><input type="checkbox"/> Permanent</p> <p style="margin-left: 20px;"><input type="checkbox"/> Temporary</p> <p style="margin-left: 40px;">Temp Duration: _____</p> <p><input type="checkbox"/> Other – please describe: _Strategic Plan Program</p>
<p>Name of Request:</p> <p>Undertake development of heritage overlay mapping and development of model bylaws</p> <p>\$30,000</p>	
<p>Date of Funding Request: October 12, 2020</p>	<p>Funding Required for (date range): April 1 2021</p>
<p>ISSUE/OPPORTUNITY: <i>(What issue are you trying to resolve with this initiative, or what opportunity has been identified that would benefit Islands Trust by undertaking this initiative? What strategic item(s) is this addressing? What are the future needs? What organizational objectives are being addressed? Include background information that decision makers will need to properly assess this request.)</i></p> <p>The Executive Committee passed the following resolutions on September 30, 2020:</p> <p style="margin-left: 40px;">That the Executive Committee request staff to draft an amendment to the Strategic Plan regarding development of heritage overlay mapping and development of model bylaws.</p> <p style="margin-left: 40px;">That the Executive Committee recommend that the Financial Planning Committee include \$30,000 in the Fiscal Year 2021/22 for the development of heritage overlay mapping and development of model bylaws (pending Executive Committee approval of a business case and adoption of a Strategic Plan amendment).</p>	

PROJECTED RESULTS/DELIVERABLES: *(How does this address the issue/opportunity described above?)*

The funding request for FY21/22 is to cover costs associated with identification of appropriate heritage areas requiring protection and conservation, and the development of model policy and regulations. Work would involve engaging a consultant and working with the Archaeology Branch to identify areas, and working with First Nations in the Islands Trust Area to confirm and identify areas not covered in the Archaeology Branch database. The consultant may work with First Nations on appropriate means to use the Heritage Conservation Area tools in the Local Government Act to protect cultural heritage sites.

Work would be led by the Senior Intergovernmental Policy Advisor.

RISK ASSESSMENT: *(Discuss potential risk factors associated with this work, if identified.)*

Timing for undertaking the mapping portion may pre-empt the ability to develop model bylaws within the same fiscal year. In this case, the creation of bylaws would roll over to the following fiscal year with appropriate budget request.

Risk that local trust committees may not adopt bylaws based on the model bylaws. Model bylaws would be adopted as part of the standard model OCP and LUB, and will be used when reviews of OCPs and LUBs are undertaken.

ALTERNATIVES CONSIDERED: *(What other options/alternative courses of action were considered? List and discuss each alternative separately. Each option must be supported by a succinct and realistic presentation of the benefits, risks, financial implications, resource requirements and other implications to allow for an informed decision among the options. One option should reflect the status quo - i.e. do nothing - and the anticipated results of that action.)*

Option 1: Undertake the work in-house using the Senior Intergovernmental Policy Advisor (SIPA) and dedicated planning staff. This would require allocation of SIPA and planner time to this project, and a budget of \$2,000 for legal review, and \$8,000 for supportive First Nations engagement or expertise. This work could be quite involved and would defer other work program projects to allow staff to undertake this work.

Option 2: Hire a consultant to undertake the work with SIPA as the lead staff person on the project. This would leverage our internal expertise in this area, and gather wider information through one or more consultant contracts. Given the potential scope, \$20,000 should be allocated for a contracts, \$8,000 for outreach and support to First Nations engaging in the process, and \$5,000 reserved for legal review.

CRITICAL SUCCESS FACTORS: *(What related factors have been identified? What risks are involved?)*

Model bylaws with recommended policy and regulations by end of FY21/22, and adoption by local trust committees in the following fiscal year. Protection of cultural heritage sites by the end of FY22/23.

RECOMMENDED OPTION: *(State your recommendation, and summarise why you chose it over others.)*

Option 2 is recommended to use internal expertise (SIPA) and tap into external expertise and obtain First Nations input in this area.

COST/BENEFIT ANALYSIS: *(Discuss both quantitative and qualitative considerations of this initiative. Quantitative discussion should include financial costs as well as benefits (savings). Qualitative considerations include non-quantifiable costs and benefits.)*

Quantitative Analysis:

- \$20,000 for a contract with a consultant with experience in First Nations engagement and protection of cultural heritage sites, and to develop model policy and regulations.
- \$8,000 reserved for outreach and support to First Nations engaging in the process
- \$2,000 for legal review, as required, on draft model policy and regulations

As this is a program project, there will be no cost saving by undertaking this. Work on developing model bylaws can be more efficient than each local trust committee undertaking the work individually provided that most local trust committees are willing to adopt the model bylaws into their bylaws.

Qualitative Analysis:

This will further the Strategic Plan of Trust Council (Goal: Strengthen Relations with First Nations) by providing model bylaws for local trust committees to consider in regards to protection of First Nation cultural heritage sites. It will also further Trust Council's goal on reconciliation.

PURCHASING PROCEDURE: *(describe any purchasing processes that will be needed to support this initiative (i.e. Direct Award, RFP, ITQ to qualified vendor)*

As per Islands Trust process for hiring consultants.

PROPOSED IMPLEMENTATION STRATEGY: *(What are the specific features of the "roll-out" of the recommended solution? What is the timeline and anticipated date of completion for this initiative?)*

As determined by the Executive Committee (likely this would be assigned to the Regional Planning Committee).

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION: *(Are there any concerns and how will these be addressed? Have other stakeholders been identified?)*

Reports to Trust Council via Executive Committee (or if so assigned, the Regional Planning Committee).

David Marlor, Director, Local Planning Services

Initiator Name and Title

September 2020

Date

Russ Hotsenpiller, CAO

Reviewed by: Name and Title

September 2020

Date



Budget Funding Request Short-Form Business Case

This business case is a Staff recommendation, and is subject to Trust Programs Committee approval on October 20, 2020.

TO BE COMPLETED BY INITIATOR

<p>Initiated by: Clare Frater, Director, Trust Area Services</p>	<p>Budget Source (select all that apply):</p> <p><input checked="" type="checkbox"/> Specific Project Funding (select all that apply)</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Third Party Contractors <input type="checkbox"/> Staff Travel Expense <input type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member – Temporary for project <input type="checkbox"/> Computer Hardware/Software <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary <p style="margin-left: 40px;">Temp Duration: _____</p> <p><input type="checkbox"/> Other – please describe: _____</p>
<p>Business Area: Trust Area Services</p>	
<p>Name of Request: Secretariat Services</p> <p>\$12,000</p>	
<p>Date of Funding Request: October 5, 2020</p>	<p>Funding Required for (date range): Fiscal 2021/22</p>
<p>ISSUE/OPPORTUNITY:</p> <p>The <i>Islands Trust Act</i> states that that Trust Council may coordinate and assist in the determination, implementation and carrying out of municipal, regional and improvement district, First Nations, and government of British Columbia policies for the preservation and protection of the trust area and its unique amenities and environment.</p> <p>Strategic Plan Item 21 is: Provide a secretariat role to forums within the Trust Area.</p> <p>**Trust Programs Committee will consider its requested budget for 2021/22 for the secretariat services program on October 20, 2020. This business case is provided as a placeholder in the budget.**</p>	

PROJECTED RESULTS/DELIVERABLES:

Continued support to coordination groups in the Trust Area such as the Howe Sound Community Forum and the Baynes Sound/Lambert Channel Ecosystem Forum.

RISK ASSESSMENT:

Continuing to offer secretariat support may raise expectations of ongoing support.

Withdrawing support may hamper ongoing coordination efforts.

ALTERNATIVES CONSIDERED:

Option 1: Budget an increased funding amount.

Option 2: Budget a reduced funding amount.

Option 3: Do not budget funds in 2021/22 and consider funding in future years.

CRITICAL SUCCESS FACTORS:

Some staff time must be available to manage contractors and work with partners. There must also be available contractors willing to take on the coordination/secretariat work.

RECOMMENDED OPTION:

That \$12,000 be budgeted for secretariat services.

COST/BENEFIT ANALYSIS:

Quantitative Analysis:

\$12,000 budgeted to fund requests from groups for 2021/22 FY

Qualitative Analysis:

Supporting coordination groups/partnerships allows for Islands Trust to support enhanced coordination and cooperation in the Islands Trust Area be engaged and learn from these groups, which advocate on similar issues that are of interest to Islands Trust residents and Trustees. By supporting these local groups, it strengthens Islands Trust's position within the community as a leader and ally, and creates an opportunity to build relationships with members.

PURCHASING PROCEDURE:

Contractor(s) will be hired in accordance with Policy 6.5.3 on Procurement.

PROPOSED IMPLEMENTATION STRATEGY:

Trust Programs Committee will allocate funding upon request from Trust Council and coordination partnerships/groups. Staff will establish and monitor contracts.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

Support for secretariat services supports enhanced collaboration in the Islands Trust Area. Staff will promote the Islands Trust's contributions, as appropriate.

Clare Frater / Director, Trust Area Services

Initiator Name and Title

October 5, 2020

Date



**Budget Funding Request
Short-Form Business Case**

TO BE COMPLETED BY INITIATOR

<p>Initiated by: Warren Dingman, Bylaw Compliance & Enforcement Manager</p>	<p>Budget Source: Bylaw Compliance & Enforcement Budget</p>
<p>Operational Unit: Local Planning Services</p>	<p>Budget Amount: Start April 1, 2021 - \$91,579 Start November 1, 2020 - \$38,824 FY2020/21 \$91,579 FY2021/22</p>
<p>Name of Request: Bylaw Compliance and Enforcement Officer</p>	
<p>Date initiated: July 15, 2020</p>	<p>Date required: November, 2020</p>

1. BACKGROUND

Bylaw Compliance and Enforcement is currently staffed by one manager, two full-time bylaw officers and 0.6 FTE for an administrative assistant.

The file load over the past several years are been consistently above 300 files, and at times spikes to over 350. Previous years averaged 250-280 compliance and enforcement files. Much of the enforcement is related to short-term vacation rentals and concerns that such operations are restricting the residential housing supply for local communities.

Trust Council passed the following resolution on September 16, 2020

TC-2020-082

THAT Trust Council ask the Director of Local Planning Services to put the business case for an additional bylaw compliance and enforcement officer forward to the Financial Planning Committee.

2. PROBLEM STATEMENT/OBJECTIVES *(What is the problem you are trying to solve? What strategic item is this addressing? What are the future needs? What personal or organizational objectives are being addressed?)*

The current workload is well over 120 files per officer. An analysis undertaken in 2019 indicates that this is substantially higher than in other local governments in the lower mainland such as Richmond, Delta, Surrey and Vancouver, and that analysis states that the optimum file load is between 20-30 files.

Provide timely enforcement on STVR files, and other BCE files, by ensuring that there is a bylaw officer assigned to and working with each local planning office. Also, with an additional officer, we can try to limit file load to 100 files per officer, or less.

Seasonal proactive STVR enforcement is a priority for six local trust areas and this adds considerable file load for the summer months when STVR operations are most active. The following Local Trust Areas (LTAs) have authorized proactive STVR enforcement:

1. North Pender
2. Mayne
3. Galiano
4. Salt Spring
5. Denman
6. Hornby
7. Gabriola

This now constitutes the majority of LTAs, Gabriola is the latest to add proactive enforcement but the GBILTC has been advised that the work cannot begin in earnest until the staff resources are available.

North Pender and South Pender have also authorized proactive enforcement on derelict vehicles.

3. PROJECTED RESULTS/DELIVERABLES

(How does this address the objectives described above?)

Reduced file load for the officers to more manageable levels. This will ensure more efficient use of time by officers, and will help the Islands Trust in retention of enforcement officers.

4. ALTERNATIVES CONSIDERED *(What other options/alternative courses of action were considered? Each option must be supported by a succinct and realistic presentation of the benefits, financial implications, resource requirements and other implications to allow for an informed decision among the options. One option should reflect the status quo – ie. do nothing – and the anticipated results of that action.)*

1. Reduce enforcement in some areas and focus on the high priority, as established by Trust Council policy, to manage workloads. This would result in in some types of complaints being delayed or not investigated.
2. Require that Local Trust Committees that want proactive enforcement on a particular type of violation to include a funding request for additional enforcement staff to undertake the work. This would protect existing bylaw staff to undertake regular complaints, with policy directed proactive enforcement being undertaken by contractor under direction of the Bylaw Compliance and Enforcement Manager.
3. Consider converting all or part of the Bylaw Administrative Assistant to Bylaw Compliance and Enforcement Officer. This position is shared with 60 per cent to bylaw enforcement, and 40 per cent to the Director of Local Planning Services. This option was not considered ideal as administrative work would still need to be provided, either by the officers, or other staff members. Further, consideration of work undertaken for the director would also need to be reassigned to other administrative staff.

5. CRITICAL SUCCESS FACTORS *(What related factors have been identified? What risks are involved?)*

1. Increase in staff response.
2. Increased number of closed files.
3. Risk: increased requests for proactive enforcement. Even with an additional bylaw officer, we may be at maximum capacity for proactive enforcement. If Salt Spring continues to have what is believed to be hundreds of non-permitted STVRS, then that number of open files will exceed the capacity of even 3 officers and a manager.
4. There will be a need to management expectations of LTCs as new staff are brought on to learn the job. The Islands Trust bylaw compliance and enforcement role is unique, and even experienced bylaw officers have difficulty learning the LUBs and managing the file load.

6. CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION *(Are there any concerns and how will they be addressed? Have other stakeholders been identified?)*

There are limited concerns with the addition of a new officer as the proposal is in response to increased workloads and demands for service that have been recognized by staff and Trustees. However, there will be an opportunity for increased supervision of staff and their work. The culture currently is for bylaw officers to do the great majority of their work on a self-directed basis, with minimal supervision.

Increased supervision will be a significant change for current staff, and a graduated approach should be taken to the change, and there will need to be attention given to possible negative staff reaction.

7. BENEFIT/COST ANALYSIS SUMMARY *(Summarize the benefits and costs included. Identify capital and operational needs. Are there one-time or start-up costs? Are there impacts in future years?)*

The benefits are efficiency in service and a less stressful workload on staff, and increased supervision should increase the quality of service, and reduce the time for properties to come into compliance. This has the potential of reducing time off due to illness. It would hopefully reduce training costs in the long run if staff can be retained for longer periods of time. While an effort has been made to hire staff with all the necessary training, there are still courses that staff will need to attend, especially in mediation and negotiation.

There will be additional salary costs, and employee benefit costs, plus the additional computer and phone procurements, and required safety equipment.

While there will be an additional full-time equivalent (FTE) officer, given the turnover with the Salt Spring Island BCEO position, there may be gaps of up to six months at a time when one of the three BCEO positions is not filled, and this will reduce the overall cost somewhat. There is the possibility that with three positions, there could be turnover each year, and the actual cost per year may be well less than 3 FTEs.

8. RECOMMENDED DECISION *(Clearly outline the decision being sought and why this particular decision is being recommended)*

Approve the funding as requested.

9. PURCHASING PROCEDURE *(describe any purchasing processes that will be needed to support this initiative (ie. Direct Award, RFP, ITQ to qualified vendor)*

Recruitment as per Islands Trust recruitment policy.

Warren Dingman,
Bylaw Compliance and Enforcement Manager

Initiator Name and Title

August 24, 2020.

Date

David Marlor,
Director, Local Planning Services

Reviewed by: Name and Title

August 24, 2020

Date

Average Annual Cost	Nature Reserve	Covenant
Management Plan Renewal	\$600	
Recreation Management	\$400	
Habitat Restoration	\$675	\$675
Signage	\$65	\$65
Species/Ecosystem Inventory and Surveys	\$250	\$250
First Nations engagement and cultural site management	\$335	\$170
TOTAL	\$2,325	\$1,160

Additional Costs as determined by property:

Cost Item	Description
Travel	Water taxi requirements or added days requiring additional ferry fares or overnight stays.
Special Items	Dependent on special needs of the site. For example, dog waste collection or an increase in recreational management needs for a well-used site.
Special Start Up Costs	ITC works hard to pay for expenses associated with land securement but may in some instances require additional budget for costs anticipated to be in excess of its current budget. For example, the current property management budget anticipates signage and management planning needs for one new nature reserve each year. If the ITC were to take on multiple nature reserves in a given year, it may need to request additional budget.

3. An increase in the ITC legal budget to an amount consistent with prior years. The ITC legal budget was reduced from \$15,000 in 2019/20 to \$8,000 in 2020/21. At the beginning of the 2020/21 fiscal year, ITC changed legal counsel and legal costs have increased. ITC staff anticipate the legal expenses for the 2020/21 fiscal year will exceed \$15,000 and are recommending that the legal budget return to its prior amount and include an additional amount of \$3,000 for the Species at Risk Program as noted in item 1 above.
4. The assumption that the CoViD-19 pandemic will not affect staff and board travel and meeting expenses. As the final budget approval gets closer, the ITC Manager, in collaboration with the Director of Administrative Services, will reassess the status of the pandemic and its effect on ITC budgets. The ITC Board may wish to discuss its wishes with respect to continued use of electronic meetings as a means of keeping costs lower.

Table 1. Proposed 2021/22 ITC Budget. Final numbers may alter, particularly as salaries/benefits are finalized and administrative allocations are calculated.

Fiscal Year	2021/22		2020/21
Budget Item	ITC Budget	SAR Program funds*	
Salaries and Benefits	570,128	133,257	508,555
Communications	13,000		13,000
Board Honoraria	6,600		6,600
Board Meeting Expense	13,850		13,850
Board Training and Conferences	4,000		4,000
Property Management	102,810	25,000	72,000
Conservation Planning and Land Securement	30,000	15,000	15,000
Ecosystem Mapping	20,000	5,000	15,000
Legal	18,000	3,000	8,000
Mobile Devices	2,400		2,400
Training and Conferences	5,250	750	4,169
Travel for Training	2,750		2,750
Travel	15,950	5,000	6,245
Photo Management	-		2,750
Summer Co-op Student	17,343	17,343	
TOTAL Direct ITC Costs	822,081	204,350	674,319
Admin Allocation	271,128	650	217,060
TOTAL	1,093,209	205,000	891,379
Funded by SAR monies	(205,000)		-
Total for Tax Requisition	888,208		891,379

* SAR Program budget amounts may change during the negotiation of the Contribution Agreement with Environment and Climate Change Canada. The amounts presented in this budget are an approximation. The total grant of \$205,000 will remain the same.

3 IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL: If the budget is approved by Trust Council it will form the basis for the ITC work program in 2021/22. The influx of funding from Environment and Climate Change Canada will increase the work program of the ITC and require new staff positions and contractors among other expenses.

FINANCIAL: None.

POLICY: None. The Board may wish to revise its meeting procedure bylaw if it elects to allow for fully electronic meetings on a permanent basis.

IMPLEMENTATION/COMMUNICATIONS: The ITC Manager will provide the ITC budget request to the Director of Trust Area Service and the Director of Administrative Services at the Islands Trust with explanatory notes for the requested changes. The Director of Administrative Services will prepare the budget for review by the Financial Planning Committee and approval by Trust Council. The ITC Chair may make representations to the Financial Planning Committee regarding the ITC budget request.

FIRST NATIONS: The budget includes funds for archaeological assessments and funds to engage First Nations knowledge holders, particularly to assist staff in assessing conservation proposals and in land management.

CLIMATE CHANGE: The budget increases anticipate an increase in travel which will increase the carbon emissions of the ITC work. It is hoped that these emissions will be balanced by an increase in habitat conservation which will result in ensured carbon storage and sequestration. At this time, staff are not able to predict these tradeoffs in a meaningful way.

OTHER: At its May 2019 meeting, the ITC Board passed the following resolution:

ITC-2020-011

It was MOVED and SECONDED, that Islands Trust Conservancy Board direct staff to prepare a budget request for the 2021-2022 fiscal year for a report with options and recommendations for managing wildfire risks on ITC conservation properties.

Staff are exploring a memorandum of understanding with the Martin Conservation Decisions Lab (CDL) at the University of British Columbia and believe that this need may be met through work with the CDL and that existing budgets will be sufficient for the desired report. If this understanding should change, budget requests can be altered up to early March 2021.

4 RELEVANT POLICY(S):

[ITC Policy 1.6: Annual Budget Submissions Policy](#)
[Islands Trust Policy 6.3.1: Budget Process](#)

5 ATTACHMENT(S): None.

RESPONSE OPTIONS

Recommendation: That the Board approve the draft 2021/22 ITC Budget as presented and direct staff to provide it to the Director of Administrative Services and the Director of Trust Area Services for inclusion in the Islands Trust draft 2021/22 budget.

Alternative: That the Board approve the 2021/22 ITC Budget as presented with the following amendments:

- *[insert amendments]*

and direct staff to provide it to the Director of Administrative Services and the Director of Trust Area Services for inclusion in the Islands Trust draft 2021/22 budget.

Prepared By: Kate Emmings, A/Manager

Reviewed By/Date: Clare Frater, Director, Trust Area Services / September 21, 2020



Budget Funding Request Short-Form Business Case

<p>Initiated by: Kate Emmings A/Manager, Islands Trust Conservancy</p>	<p>Budget Source (select all that apply):</p> <p><input type="checkbox"/> Specific Project Funding</p> <ul style="list-style-type: none"> <input type="checkbox"/> Third Party Contractors <input type="checkbox"/> Staff Travel Expense <input type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member (Program) <input type="checkbox"/> Computer Hardware/Software <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software</p> <p><input checked="" type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input checked="" type="checkbox"/> Temporary <p style="padding-left: 40px;">Temp Duration: _2021/22 – 2022/23_</p> <p><input type="checkbox"/> Other – please describe: _____</p>
<p>Business Area: Islands Trust Conservancy</p>	
<p>Name of Request: Species at Risk Program Staff</p> <p>Budget Amount: \$114,215</p> <p>Source: Environment and Climate Change Canada Grant Funds</p>	
<p>Date initiated: October 6, 2020 (by ITC Board)</p>	<p>Date required: April 1, 2020</p>
<p>BACKGROUND: The ITC has received funding for a Species at Risk (SAR) Program through Environment and Climate Change Canada (ECCC) in the amount of \$597,000 to be delivered over three fiscal years (2020/21, 2021/22, 2022/23). The ITC requires extra staff capacity to deliver the SAR Program (see Problem Statement/Objectives, below). At its October 6, 2020 meeting the ITC Board approved a budget which was submitted to FPC that included two new staff positions to assist with this new program: a SAR Program Coordinator and an ITC Co-op Student position.</p> <p><i>ITC-2020-027</i> <i>It was MOVED and SECONDED, that the Board approve the draft 2021/22 ITC Budget as amended, with the understanding that budget items for salaries and benefits and administrative allocation will be adjusted, and direct staff to provide it to the Director of Administrative Services and the Director of Trust Area Services for inclusion in the Islands Trust draft 2021/22 budget.</i></p> <p>The budget request was submitted to FPC at its October 14, 2020 meeting. After consideration of the submitted budget, FPC requested “an amendment... to the information provided in regards to the ITC staff.” ITC staff have provided a budget case to meet this request. The ITC Board has not considered the budget case, but will receive it for information by email and at their next meeting on November 24, 2020.</p>	
<p>PROBLEM STATEMENT/OBJECTIVES: ITC has signed a contribution agreement with ECCC committing to deliver on a SAR Program. The current complement of ITC staff cannot deliver on current work programs and add a new SAR Program. ITC needs to increase its staff capacity to deliver on its commitment to ECCC.</p>	

PROJECTED RESULTS/DELIVERABLES: ITC will deliver a SAR Program that will include:

- Conducting surveys and monitoring
- Restoring critical habitat
- Providing outreach materials and events
- Assisting landowners who wish to protect species at risk on their land
- Engaging and working with First Nations

The SAR Program Staff will be responsible for the Program as follows:

- SAR Program Coordinator: will coordinate all aspects of the SAR Program and will assist with the preparation of annual reporting to ECCC. This is a full time position and is anticipated to begin in Q4 of the 2020/21 fiscal year. This business case is a request to continue the position over two fiscal years.
- ITC Co-op Student: will assist ITC staff with surveys and monitoring related to the SAR Program. This position will be from May to August each year (2021/22, 2022/23).

Both positions may be continued if SAR funding is renewed.

ALTERNATIVES CONSIDERED: ITC staff considered contract options for these two positions, but felt that it was important to have the positions integrated into the ITC team to more easily coordinate with existing staff. The ITC Co-op position will also be working closely to assist the Property Management Specialist and the Covenant Management and Outreach Coordinator with fieldwork over the summer and is more reasonably an in-house position for supervision purposes.

CRITICAL SUCCESS FACTORS (List):

- Timely development of job descriptions and suitable job classification
- Timely hiring process (we hope to hire the SAR Program Coordinator late in the 2020/21 fiscal year, subject to CAO approval, grant funds will be used to pay costs)
- Appropriate skill sets and ability of new staff to quickly come up to speed on ITC work

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION: Clear communication with the ITC Team and integration of the new roles into the Team is essential. ITC Manager position responsibilities will be expanded to include supervision of the additional staff. Coordination with Administrative Services to track and allocate staff costs to the ECCC grant funding is also important. New staff will also require appropriate training and this may need to happen in a remote work environment. The ITC Manager will work with Administrative Services to coordinate a smooth transition.

BENEFIT/COST ANALYSIS SUMMARY:

Quantitative Analysis: Total cost of the additional staff positions is expected to be \$115,886, with a possible reduction should the SAR Program Coordinator position not be classified at the anticipated level or should the successful candidate be hired at a lower grid level.

SAR Program Coordinator:

Summary for Business Case Insertion		
Salary + Benefits (Grid 5)	\$	87,055
Travel	\$	1,000
Cell Phone	\$	650
Computer – Laptop	\$	2,750
Training	\$	500
TOTAL COST OF NEW POSITION in 1st year	\$	91,955

ITC Co-op Student:

Summary for Business Case Insertion

Salary + Benefits	\$	15,954
Potential Pacific Leaders Expense	\$	1,254
Travel	\$	3,252
Cell Phone	\$	-
Computer – Desktop	\$	1,800
Training	\$	-
TOTAL COST OF NEW POSITION in 1st year	\$	22,260

Qualitative Analysis: There will be added benefits for existing staff who will gain support from the SAR Program Coordinator to assist them with components of their jobs that include species at risk work. Property management staff will also benefit from the ITC Co-op Student for their annual monitoring program and species at risk property management work. The addition of an ITC Co-op Student position may also help with ongoing recruitment of staff for ITC into the future. Co-op students have been hired in other units of the Islands Trust in recent years.

RECOMMENDED DECISION: Approve the creation of two temporary positions, the SAR Program Coordinator and the ITC Co-op Student, with funding provided by grant funds from ECCC.

PURCHASING PROCEDURE: Recruitment as per Islands Trust recruitment policy.

Kate Emmings, A/Manager, ITC

Initiator

October 26, 2020

Date

Clare Frater, Director, Trust Area Services

Director/CAO

October 26, 2020

Date



BRIEFING

To: Financial Planning Committee **For the Meeting of:** October 14, 2020
From: Staff **Date Prepared:** October 8, 2020
SUBJECT: ITC Budget Request

PURPOSE: to provide background to Financial Planning Committee (FPC) for the Islands Trust Conservancy (ITC) budget request.

BACKGROUND: At its October 6, 2020, the ITC Board reviewed a proposed budget request and passed the following resolutions:

- 1) *That the Board reduce the 2021/22 budget associated with Board meeting expense by 50% to pilot a reduced in person meeting schedule.*
- 2) *That the Board increase the 2021/22 budget associated with communications and fundraising by \$7,000.*
- 3) *That the Board approve the draft 2021/22 ITC Budget as amended, with the understanding that budget items for salaries and benefits and administrative allocation will be adjusted, and direct staff to provide it to the Director of Administrative Services and the Director of Trust Area Services for inclusion in the Islands Trust draft 2021/22 budget.*

A significant component of the 2021/22 ITC Budget will include a \$205,000 grant through Environment and Climate Change Canada. This grant is to be used for a new ITC Species at Risk Program and the 2021/22 budget has been adjusted to accommodate both this income and the related expenses.

ATTACHMENT(S): 2021/22 ITC Budget Request RFD, provided at October 6, 2020 ITC Board Meeting

FOLLOW-UP: Staff will forward FPC requests or recommendations to the ITC Board for follow up.

Prepared By: Kate Emmings, A/ITC Manager

Reviewed By/Date: Julia Mobbs, Director, Administrative Services/October 8, 2020



**Budget Funding Request
Short-Form Business Case**

Completion of this form initiates a request to the management team for allocation of budget funds. The form is to be completed and submitted at the start of the decision making process. The business case forms part of the Annual Budget Process (refer to Islands Trust Council Budget Process Policy 6.3.i).

TO BE COMPLETED BY INITIATOR	
<p>Initiated by: Louisa Garbo</p> <hr/> <p>Business Area: Salt Spring Island Local Trust Committee</p> <hr/> <p>Name of Request: Ganges Village Project – Public Engagement</p> <p><i>From draft Project Charter (attached):</i></p> <ul style="list-style-type: none"> - FY2021/22 - \$97,000 (expecting grant of \$5000, reducing budget need to \$93,000) - FY2022/23 - \$27,000 - FY2023/24 - \$24,000 <p>Project Charter will be considered by the Salt Spring Local Trust Committee on November 10, 2020.</p>	<p>Budget Source (select all that apply):</p> <p>X Specific Project Funding (select all that apply)</p> <ul style="list-style-type: none"> X Third Party Contractors <input type="checkbox"/> Staff Travel Expense <input type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member – Temporary for project <input type="checkbox"/> Computer Hardware/Software <p><input type="checkbox"/> Furniture & Equipment</p> <p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary Temp Duration: _____ <p>X Other – please describe: UBCM-C2C Funding (applied)</p>
<p>Date of Funding Request: November 10, 2020</p>	<p>Funding Required for (date range): April 1 2021-March 31, 2022</p>
<p>ISSUE/OPPORTUNITY:</p> <p>Ganges Village is the urban core of the Islands Trust and faces unique demands on a scale and intensity not experienced elsewhere within the Trust area. Previous community engagement efforts in relation to Ganges Village Planning were undertaken in 1995 and again in 2006. Much has changed since then while much remains unresolved. For example: Ganges is First Nations village site, Ganges is subject to sea level rise with the greatest social, economic impacts in the Trust area, Ganges is the focal point of homelessness on Salt Spring Island and has the greatest per capita homeless population in the Capital Regional District, Ganges infrastructure is aging and being replaced or upgraded which requires consideration of growth patterns, Ganges is subject to a moratorium restricting new connections to the community water system. Ganges is the economic driver for Salt Spring Island, and to many extents, the Trust area, and with high land values comes desires to revitalize properties, hotels, harbours, and key institutional lands. Meanwhile policies are woefully outdated and do not</p>	

reflect Trust Council’s implementation of the First Nations Engagement Principles Policy, Trust Council’s Reconciliation Declaration, and Trust Council’s declaration of a Climate Emergency. To address these numerous issues, the SSI LTC has directed staff to create a Project Charter that will deliver a Ganges Village Local Area Plan. The creation a Ganges Village Area Local Area Plan will rely on a successful public engagement process which requires a skilled facilitator to deal with a diverse group of stakeholders and the numerous issues affecting their community.

This project provides the SSI LTC the opportunity to advance various objectives within the Trust Council Strategic Plan including:

- *Mitigate and adapt to climate change impacts*
- *Improve community engagement and participation in Islands Trust work*
- *Strengthen housing affordability*
- *Strengthen relations with First Nations and to advance Trust Council’s commitment to Reconciliation*

The Ganges Village Planning Project item was originally listed on the projects list back in 2015, but it was elevated as an SSI LTC Strategic Priority at the beginning of the current term.

On November 10, 2020, the SSI LTC passed (is anticipated to pass and time of drafting this business case) the following resolutions adopting the Project Charter, budget and Engagement Plan

1. That the Salt Spring Island Local Trust Committee approves the proposed Ganges Village Area Plan Project Charter and project budget.
2. That the Salt Spring Island Local Trust Committee approves the proposed Ganges Village Area Plan Public Engagement Program.
3. That the Salt Spring Island Local Trust Committee approves the proposed Terms of Reference for the Ganges Village Planning Task Force.

PROJECTED RESULTS/DELIVERABLES:

The funding request for FY21/22 is to cover costs associated with:

Preliminary review of Project Charter	-	\$0
LTC endorse revised project charter	-	\$0
Meeting between LTC and First Nations	One half day in FY 2021/22	\$10,000 (\$5,000 matching fund with \$5,000 from UBCM grant)
Consultant selection process for public engagement facilitation/presentation, and consulting contract	FY 2021/22 for six months	\$70,000 – consulting contract
Task Force Project meetings (virtual or COVID-proof meetings) <ul style="list-style-type: none"> • Open to the public • Potential guest presenters (biodiversity, water, fire, First Nations) 	FY 2021/22	\$3,500 – (Cost anticipates advertising, honoraria for speakers, coffee and snacks, and minutes taking at ±\$25/hr)
Technology (mapping, data analysis, etc.) and administrative support for public engagement program, design charrettes, task force meetings, meetings with stakeholder groups and agencies	FY 2021/22	\$3,000
Development of communication and educational info, printouts, mail-outs, brochures, posting of meetings and legal notifications	FY 2021/22	\$6,000

First Nation Consultation early and ongoing <ul style="list-style-type: none"> • Coordination with First Nations' staff • Collaborations with First Nations in their preferred methods 	FY 2021/22 And likely FY22/23	\$2,500 - Cost anticipates advertising, honoraria for participants, coffee and snacks
Multiple virtual and/or in-person COVID-safe open houses and community engagement meetings	FY2021/22	\$3,000 – technology support, facility rental, and open houses material
Union staff over-time off business hours meetings	Funded from general staff budget	\$2,000
Progress update to LTC	One in spring and one the summer 2021	0
	Total	\$93,000, or \$97,000 if grant not available

RISK ASSESSMENT:

Ganges Village faces an immense demand for change. Without updating the plan, the Island Trust's core urban centre will grow in the direction that deviates from the objectives set forth in the Trust Council Strategic Plan, which includes their commitment to First Nations Reconciliations, protection and preservation of the environment, and Climate Change.

ALTERNATIVES CONSIDERED:

Option 1: Undertake the work in-house, with a less robust public engagement process. The risk is the lack of expertise to ensure effective engagement process, while balancing the competing interests, and without the ability for staff to appear neutral on the issues. The financial implications of contracting the service may seem to be a reduction of fiscal resources; however, the soft cost, the likelihood of a less successful outreach process, and the additional staff resources required by performing the public engagement in-house may outweigh the cost of contracting a professional facilitator.

Option 2: Keep the same project charter and budget but fund the project via a Special Tax Requisition. This project is not relevant to just Salt Spring Island, Ganges Village being the urban heartbeat of the Islands Trust area and Ganges Village Planning is vital to the health of the Islands Trust's communities as a whole. The project will apply Trust Council's declarations and implement Trust Councils Strategic Plan. Salt Spring Island contributes the greatest portion of funding to the Islands Trust federation model. Salt Spring Island already uses a special tax requisition to fund SSIWPA which assists other water sustainability projects throughout the Trust area. The impact of funding this project via special tax requisition is to save the overall proposed Trust Council budget of approximately 1%, whereas the special tax requisition would have a more dramatic impact on local Salt Spring Island taxpayers.

CRITICAL SUCCESS FACTORS:

Skilled facilitation, innovative approaches, with an unbiased, neutral third-party professional, versus having the community to deal with the same Islands Trust office that they already have an opinion of being bureaucratic and one-sided.

RECOMMENDED OPTION:

Approve the request for \$80,000 (the remaining funds to be supplemented by other sources).

COST/BENEFIT ANALYSIS:Quantitative Analysis:

- \$70,000 for a contract with a consultant with experience in public engagement program, from designing visuals, preparing the technical aspect, conducting the facilitation and outreach, to analyse, summarize and presenting the outcome.
- \$3,500 to support the task force activities
- \$10,000 for Community-to-Community forum with First Nations (\$5,000 if grant is awarded by UBCM)
- Staff time to develop and carry out a public engagement plan as described is estimated at minimum to be \$20,000, with other costs on top of that. However, the time to implement will not only be substantially longer, but the quality will also be substantially reduced, and risks leaving issues unaddressed and unresolved.

Qualitative Analysis:

If the public engagement process has to be done in-house, the amount of time required will be substantially longer than in the proposed timeline. Many activities within the three phases are proposed to be conducted concurrently whenever possible; without consultant's support, all the activities within the process will be much more linear. The preparation, design, facilitation of the various public engagement events and the subsequent presentation preparation and report summary are very time-consuming. Instead of processing the various steps (including research and analysis of existing conditions and efforts, collaboration and consultation with agencies, community leaders and First Nations, supporting the Task Force activities, working on contractual agreements with potential partners such as the universities, research and competing for grant funding, and the subsequent drafting of the area plan) while the consultant is launching the public engagement program, many of those tasks will have to be pushed back in order to work on a robust public engagement program as directed by the elected officials, the proposed timeline will not likely be realistic. Keep in mind that the public engagement process to be conducted in-house would consume additional time from the team members that already have a full-load of responsibilities and assignments.

In planning and implementing public engagement activities, local governments often contract with external consultants for services. These may be consultants who design and lead activities devoted solely to public engagement, such as a series of community conversations contributing to the development of a specific area plan, or to carry out tasks well beyond the public engagement process, such as assisting in the overall development of the plan itself. This request doesn't include the development of the area plan.

The consultant team will draw on their experience and propose a creative and responsive public engagement process that can best achieve the desired goals and outcomes for the Ganges Village community. They will interview key stakeholders, interest groups, communities, and others who may be the focus of an engagement process. The contract will include the design of a public engagement plan, the facilitation of engagement activities, participation logistics, prepare materials and/or translation, offer interacting tools for public engagement, recording and documenting public input received, conduct an ongoing assessment of engagement activities, summary and presentation of the outcomes to LTC, and other activities as appropriate.

The biggest component in creating the Ganges Village Area Plan is the public engagement process, not just an engagement process to simply check off the list, but to develop a governing document that truly respond to the community's concerns requires a meaningful engagement process that utilizes non-traditional approaches.

Given the culture in the Salt Spring community, along with certain predetermined ideas of solutions along with the cynicism of government, coupled with diverse, and at times, opposing interests within the community, the public engagement program must be done cautiously in order to transform any preconceived mind-sets and to inspire collective common visions. Bringing in a skilled consultant, a neutral third-party professional to help plan, design, facilitate, present, and most importantly, introduce innovative engagement approaches to the process can ensure successful outcomes. We need to draw on the skill sets and experiences, as well as the models or approaches that a professional group can offer to better respond to the public participation needs unique to the Ganges Village community.

PURCHASING PROCEDURE:

As per Islands Trust process for hiring consultants.

PROPOSED IMPLEMENTATION STRATEGY:

Project Charter identified the consultation process to be completed in Phase 1, and potentially cross over into Phase 2 (i.e. spring 2021/spring 2022).

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION:

A standard engagement and online tools have been proposed, and a general stakeholder groups have been identified in the Ganges Village Public Engagement Program. A specific list of contacts that include stakeholders, community groups, relevant agencies, and various First Nations communities is currently in progress.

Louisa Garbo, Island Planner

Initiator Name and Title

November 5, 2020

Date

Stefan Cermak, RPM

Reviewed by: Name and Title

November 5, 2020

Date

To: Financial Planning Committee **For the Meeting of:** November 12, 2020
From: Director, Administrative Services **Date Prepared:** November 4, 2020
SUBJECT: **Draft Budget 2021/22 Reduction Options**

PURPOSE:

To explore options for reducing the draft 2021/22 budget in response to direction from Financial Planning Committee (FPC).

BACKGROUND:

At its October 2020 meeting, FPC passed the following motion:

That Financial Planning Committee request staff return to the November 12, 2020 meeting with options for a budget that is no more than \$8.3M.

Subsequent to the passing of this motion, at that same meeting, staff clarified with the Committee that the \$8.3M represented total budgeted expenses less planned amortization expense, a non-cash expense.

Islands Trust senior management has reviewed all areas of the budget to determine where areas of potential reduction may be feasible. Discussion of these items and the impact to operations is provided in this report. Any noted savings reflect reductions from Draft 1, Version 1 of the 2021/22 budget. Where amounts have been incorporated into Draft 1, Version 2 of the budget, it is noted. Otherwise, these options are presented for the information of the Committee.

Trust Council E-Meetings

Version 1 of the draft budget incorporated two in-person TC meetings and two electronic meetings for a total cost of \$49,000. This was based on a resolution passed by EC recommending that TC plan their 2021 meetings in this fashion. This recommendation from EC is going to the December TC meeting. In light of this recommendation, no changes to the draft budget have been made to TC meeting logistics. However, should TC decide that more of their meetings be conducted electronically, savings generated would be as follows:

One extra e-meeting (for a total of 3 e-meetings) would generate a savings of \$22,500.

Two extra e-meetings (for a total of 4 e-meetings) would generate savings of \$45,000.

The Chair of Trust Council has stated a desire to conduct electronic TC meetings from the Victoria office board room. There has also been discussion of having a Vice Chair present as well. As such, \$1,000 per meeting has been included in the budget to account for travel, accommodation, and meals costs for these in-person attendees. If the Chair and Vice Chair also attend the meetings remotely, an additional savings of \$4,000 would be generated.

Council Committee E-Meetings

Version 1 of the draft budget assumed that EC, RPC, TPC, and FPC would be conducted partially in-person and partially electronic, with a 50/50 mix. Staff have approached the committees seeking resolutions on how meetings will be conducted into the future, to have more solid information for budget planning purposes. As of the date of this report, the following decisions have been made in regards to this topic:

EC – No decision has been made by EC at this time, however this topic will be debated at their meeting on November 18. The budget has been adjusted assuming RPC will follow the rest of the committees and plan for all electronic meetings. This generates a \$8,000 savings. This savings has been incorporated into Version 2 of the draft budget.

FPC – All meetings will be conducted electronically. This generates a \$2,500 savings. This savings has been incorporated into Version 2 of the draft budget.

TPC – One in-person meeting, all else electronic. This generates no savings over version 1 of the budget, which already incorporated this planned approach.

RPC – No decision has been made by RPC at this time, however this topic will be debated at their November 9th meeting. The budget has been adjusted assuming RPC will follow the rest of the committees and plan for all electronic meetings. This generates a \$1,500 savings. This savings has been incorporated into Version 2 of the draft budget in anticipation of RPC accepting this meeting format.

Total potential savings from these Council Committee changes is \$12,000.

LTC E-Meetings

Version 1 of the budget assumed half of all LTC meetings would be held electronically, and thus assumed travel costs would be incurred by both staff and LTC Chairs to attend the meetings held in-person. If all LTCs agreed to permit staff to attend all meetings electronically, savings could be realized in terms of travel costs as well as overtime costs. If LTC Chairs were to attend meetings electronically, an additional savings for travel expenses is possible. However, chairing an LTC meeting from a remote location with the rest of the Committee and attendees in person may be challenging and may not be a desirable option. As such, no amount has been included for this possibility as an option.

Staff OT impacts are included in the Staff overtime discussion.

Electronic LPS Pro-D Days

Version 1 of the draft budget included \$2,000 for LPS Pro-D days. Should more of these days be conducted electronically, a savings of \$1,500 could be generated. Amounts for honorariums for guest speakers would remain an expense regardless of meeting format, so a full reduction in expense for these meetings is not feasible. This change has been incorporated into version 2 of the draft budget.

All Staff Meetings

Version 1 of the budget funded All Staff Meetings at \$8,000. By committing to hold 3 of the quarter ASMs as virtual meetings, a budget reduction of \$4,000 can be realized. Holding a small amount to ensure staff can get together at least once annually maintains a piece of Islands Trust culture that staff have indicated in previous and current year surveys is important to them in their work satisfaction. As discussion of moving to a more permanent remote workforce is undertaken, ensuring opportunities to connect face-to-face remain is important. As such, some funds remain in the budget for this undertaking. A reduction of \$4,000 has been incorporated into version 2 of the budget.

Real Estate Reductions – Staff Offices

Islands Trust currently leases office space for staff in Victoria, on Salt Spring Island and on Gabriola Island. Senior management at the Trust are exploring the future of work at Islands Trust and how remote working may be incorporated on a more permanent basis. This would create desk sharing opportunities for staff, which would reduce the amount of desk space required, making real estate reduction a possibility. Possible reductions to leased real estate are more easily made at the Victoria office due to the nature of leased space, being one large main office plus three smaller units down the hall. Relinquishing one or more of the smaller units is a possibility that will be examined by senior management staff in coming weeks. Per the existing lease agreement, a three month notice is required to relinquish any space, so in order to realize the full fiscal year savings in next year's budget, a decision on these unit would be required by December 31, 2020. Possible savings from this potential change are as follows:

Bylaw Space, Unit #222 – Cost \$984/month generates annual savings of \$11,805 each year. This would displace three staff members. Releasing this space would result in a one-time penalty in the amount of \$1,379 which would be an expense incurred in the current fiscal period thus not impacting savings in next year's budget or future budgets. It is very likely this space will be released and as such this savings has been incorporated into version 2 of the budget.

Two additional units are leased at the Victoria office for Finance/HR and IS staff. These units cost ~\$25,000/year and ~\$30,000/year respectively and seat 7 staff members. Budget reductions for these units have not been included in version 2 of the budget as senior management has not yet reached a decision on whether or not these units will be released.

Office Services

Office services has been reduced to account for less lease space. Adjustments have also been made to align with new rates for snow removal and to remove contingency funds in this category. Total reduction to this expense in version 2 is \$6,900.

Real Estate Reductions – Trustee Offices

On island office space is leased on Deman Island (\$1,700/year), Galiano Island (\$9,700/year), Mayne Island (\$1,200/year), North Pender Island (\$7,600/year), and Saturna Island (\$1,800/year). Any one of these offices could be relinquished; however discussion with impacted trustees should be undertaken prior to these decisions. Staff use these spaces on occasion to meet with members of the public, however these meetings are not frequent in nature. Estimates during non-pandemic operations of the use of these offices by staff reveal that planners use the on-island offices on Mayne, Galiano, and North Pender usually about once per month. Sometimes use is more frequent on North Pender. Saturna is used about 4 to 6 times per year by staff. The use is to hold office hours to meet with members of the public. The office also gets used when the planner has a site visit, or a meeting for part of the day, so the planner can use the office to do work while waiting for the ferry. The Denman office is not used by planners.

Furniture and Equipment

Version 1 of the budget included \$8,000 for furniture and equipment. Given the increase in purchased equipment and supplies for staff in the wake of Covid-19, as well as the conversation around reducing real estate, it can be anticipated that furniture and equipment purchases may be reduced in the coming year. As such, a \$4,000 reduction in the budget has been included in version 2. This will be contingent upon the new working arrangements for staff and whether or not requirements for home office hardware is required for specific situations.

Staff Co-op Positions

Version 1 of the budget funded two co-op positions, one for LPS (GAB) and one for IS. Removing these temporary positions from the budget would generate savings of \$20,007 and \$17,208 respectively.

Not hiring an LPS (GAB) co-op student provides less vacation coverage for staff during the summer months, less assistance with basic applications, and reduced relationship capacity with new students for future recruitment. As the LPS Technician has been brought on staff, the impact of lost vacation coverage capacity and basic application work is mitigated.

Not hiring the IS co-op student may delay the completion of planned upgrades to GIS architecture, but no significant impacts will be felt from this delay. In addition, alternative methods of doing this work are currently being explored which would not require a co-op student to be hired.

New Staff Positions

Version 1 of the budget includes a request to fund a new Bylaw Enforcement Officer, with a total cost of \$91,579 which includes the cost of equipment, training, travel, a mobile phone, as well as base salary and benefits.

Not approving this position would generate savings of the same amount.

Approving the position on a part time basis, such as 60% (3 days per week), would generate savings of approximately \$31,479.

Assuming approval of this position in March 2020, this new hire will likely not begin work until 6 weeks into the new fiscal year (to allow for recruitment), generates a reduction of \$8,586 which has been incorporated into version 2 of the budget.

Staff Overtime Reduction

Version 1 of the budget includes approximately \$79,000 in staff overtime (including benefits costs associated with these payments). A reduction could be made to planned staff overtime costs, however such reductions would require some internal process review and greater prioritization of work tasks by staff and their supervisors to stay within reduced limits. A reduction of some amount would be likely if staff attendance at meetings continues to remain electronic, as there would be reduced travel time for staff to attend LPS Pro-D days, All Staff Meetings, LTC meetings, Committee meetings, and Council meetings. Version 2 of the budget reduces staff overtime by \$24,000. Options for further reduction are possible.

Recruitment

Version 1 included \$8,000 for recruitment purposes. A reduction of \$2,000 has been incorporated in version 2 to bring budgeted figures in line with the historical three year average. Recruitment costs may be reduced in coming years as a more flexible work environment may retain more staff, and relocation costs may be reduced if new hires are not required to reside in particular locations for their job.

Memberships

Version 1 of the budget included \$17,310 for membership costs. This is not in line with actual spending trends and as such reduction is possible. A reduction of \$2,100 has been incorporated into version 2 of the budget to more closely align with the historical 3 year average and actual known membership costs for the coming year.

Notices – Statutory and Non-Statutory

Version 1 of the budget included \$25,000 for notice costs. This is not in line with actual spending trends and as such budget reduction is reasonable, in the absence of rationale to keep this amount at higher levels for specific planned work. A reduction of \$4,000 has been incorporated into version 2 of the budget to more closely align with the historical 3 year average.

Insurance Costs

Insurance was budgeted at the current year renewal cost in version 1 of the budget. As previously mentioned, several claims will drop off the Islands Trust 10 year claims history next year, which may generate more favourable insurance rates. Budgeting with optimism that more favourable rates may be achieved would permit a potential savings of \$16,808 in the budget. This change has not been incorporated into version 2 at this time.

Legal Costs

Legal costs continue to rise in the budget due to increased legal activity associated with litigation, bylaw enforcement, and general legal advice. Litigation costs are largely outside of the control of the Trust, however general legal advice and bylaw enforcement litigation activities are more reasonably impacted by decisions made by staff and trustees in day to day operations. Bylaw enforcement litigation costs continue to rise as Trust Council has requested greater enforcement action. Cost for general legal advice continue to rise as more complex work is undertaken by the Trust requiring greater legal scrutiny. Changes to these activities could be made to accommodate a reduction in costs, the magnitude of which would be purely an estimate. Should legal costs be reduced in the budget and actual costs be significantly higher in the year, surplus funds would be used to fund the overage. For the purposes of this exercise, consideration could be given to reduce legal costs for bylaw enforcement litigation and general legal advice to previous year actual spending levels (fiscal 2019/20) which would provide a reduction of \$9,525 and \$3,194 respectively, for a total of \$12,719 in savings.

Contingency Funds

Version 1 of the draft budget includes \$12,000 in contingency funding, allocated between Trust Council and management administration. A review of the last four years of actual spending shows contingency funds largely unspent, with two of the four years recording contingency spending at \$2,500 and \$2,700 each related to Trustee training. Contingency funding can be reduced or eliminated in the budget with the understanding that any significant contingencies in the year be funded from surplus funds. There are no negative implications to this change. Contingencies can still be funded at the discretion of the CAO, and would be reported in the area that they relate to. Version 2 of the budget reduces contingency funds to \$5,000.

Islands Trust Conservancy Board

Version 1 of the budget included a funding request from the ITCB totaling \$822,921 for all operations. ITC staff have reviewed this budget and proposed several possible reductions to the funding request including a \$7,000 reduction in communications, a \$2,000 reduction in board training, a \$1,050 reduction in staff training and \$550 in associated travel for a total of \$10,600 in reduced spending. These amounts have not been included in version 2 of the budget as the ITCB has not yet reviewed these staff-proposed change possibilities. Should FPC desire that ITCB conduct this exercise, it would be advisable to pass a motion requesting them to do so.

Local Planning Services

The area most easily reduced in the draft budget for LPS relates to contracted services. Historically this bucket of funds includes amounts of scientific technical work that has been largely unspent in recent years. LPS contracted services could be reduced by \$7,000 if this is removed. This has been incorporated into version 2 of the budget.

Trust Area Services

Version 1 of the budget included \$23,000 for TAS communications work. Staff has determined that a reduction of \$3,000 is feasible, and as such this has been incorporated into version 2 of the budget.

Version 1 also included \$4,000 for contracted services, an unallocated slush fund of monies for potential contract service requirements that arise in the year. Staff has determined that these funds could be removed from the budget and required work normally funded here can be funded from other areas.

Trustee Remuneration CPP

Version 1 of the budget included \$23,810 for Trustee CPP costs. Historical CPP budget calculations have been basic in nature and have not accounted for such things as basic exemption amounts and yearly maximum contributory earnings. Calculations have been adjusted to include these figures, and analysis of the historical rate of actual CPP versus total remuneration has been performed to more accurately budget for this figure. A reduction of \$4,787 has been made in version 2 of the budget to reflect the updated calculation.

SSIWPA

SSIWPA expenses has been reduced by \$10,000 in version 2 of the budget to align with amounts being discussed by the SSIWPA body and the SSI LTC. This is not included in the overall summation of total reductions at the end of this report as this figure also sees a corresponding reduction in revenues for the same amount.

Strategic Plan Projects:

Version 1 of the draft budget funded \$218,000 in strategic plan projects, and \$30,000 for a newly contemplated project not in the strategic plan related to heritage site mapping within the Trust Area. Removing any of these projects would yield savings equivalent to the project budget. If projects are deferred into future years, future budgets may be increased, and the ability to achieve strategic plans in the Council term may be impacted.

Removing strategic plan projects from the budget is a political decision. However, executive staff understand that the Eelgrass Mapping project has experienced delays and as such may be an area to examine if budget reduction is desirable. The current budget version 2 includes a \$50,000 (phase 1) amount in funds carrying over from the current fiscal year, and removes the original \$50,000 that was included in version 1. This project is being discussed at RPC on their November 9, 2020 meeting and any results will be reported to FPC verbally at the upcoming meeting.

Discussion by Trust Programs Committee yielded no desire to remove or defer any planned projects for fiscal 2021/22.

Discussion by Executive Committee will not take place in advance of FPC and thus no direction on their projects has been received.

SUMMARY

Overall reductions incorporated into the budget are approximately \$166,393 (excludes SSIWPA reduction) which is offset by net increases resulting from project carry overs and other small changes (see Budget Highlights Briefing for details), yielding a budget (excluding amortization expense) of \$8.3M.

ATTACHMENT(S):

1. Budget Reduction Options Summary

FOLLOW-UP:

Staff will incorporate revisions to the draft budget at the direction of the Committee.
Other follow-up as directed by the Committee.

Prepared By: Director, Administrative Services
Reviewed By/Date: Chief Administrative Officer/November 5, 2020

ISLANDS TRUST
Budget Year 2021-22

✓ = relatively easy to implement/low negative impact to operations
 ⊖ = moderately complex to implement/moderate negative impact to operations
 ✕ = highly complex to implement/significant negative impact to operations

Note: Expense areas that have increased in V2 are not included in this summary

		Totals =		(166,393)	(315,995)	
#	ITEM	Implement- ation Rating	Impact Rating	Reduction (incl in V2)	Reduction Options (not in V2)	Total Possible Reduction
1	TC e-meetings, 3 vs 4	✓	⊖	(22,500)	(22,500)	(45,000)
2	EC e-meetings only	✓	✓	(8,000)	-	(8,000)
3	FPC e-meetings only	✓	✓	(2,500)	-	(2,500)
4	TPC e-meetings w/one in-person meeting	✓	✓	-	-	-
5	RPC e-meetings only	✓	✓	(1,500)	-	(1,500)
6	LTC e-meetings for staff and LTC chairs	✓	✓	-	?	-
7	LPS Pro-D days fully electronic	✓	⊖	(1,500)	-	(1,500)
8	All Staff e-Meetings w/one December in-person meeting	✓	⊖	(4,000)	-	(4,000)
9	Real estate reduction - Vic Bylaw unit	✓	✓	(11,805)	-	(11,805)
10	Real estate reduction - Vic Fin/HR unit	⊖	⊖		(24,836)	(24,836)
11	Real estate reduction - Vic IS unit	⊖	⊖		(30,454)	(30,454)
12	Office Services	✓	✓	(6,900)	-	(6,900)
13	Real estate reduction - Trustee office (Denman)	✓	?		(1,700)	(1,700)
14	Real estate reduction - Trustee offices (Galiano)	✓	?		(9,700)	(9,700)
15	Real estate reduction - Trustee offices (Mayne)	✓	?		(1,200)	(1,200)
16	Real estate reduction - Trustee offices (North Pender)	✓	?		(7,600)	(7,600)
17	Real estate reduction - Trustee offices (Saturna)	✓	?		(1,800)	(1,800)
18	Furniture and Equipment	✓	⊖	(4,000)	-	(4,000)
19	LPS Co-op forgone	✓	✓	(20,007)	-	(20,007)
20	IS Co-op forgone	✓	✓	(17,208)	-	(17,208)
21	Bylaw Enforcement Officer - hire date 6 weeks into fiscal year	✓	✓	(8,586)	-	(8,586)
22	Bylaw Enforcement Officer (new) forgone	✓	✕		(82,599)	(82,599)
23	Bylaw Enforcement Officer (new) PT at 60%	✓	⊖		(31,479)	(31,479)
24	Staff overtime reductions	✓	⊖✕	(24,000)	(55,000)	(79,000)
25	Recruitment	✓	⊖	(2,000)	(2,000)	(4,000)
26	Memberships	✓	✓	(2,100)	-	(2,100)
27	Notices - Statutory & Non-Statutory	✓	✓	(4,000)	-	(4,000)
28	Insurance Costs	✓	✓		(16,808)	(16,808)
29	Legal - General Costs	⊖	⊖✕		(9,525)	(9,525)
30	Legal - Bylaw Enforcement Litigation	✓	⊖		(3,194)	(3,194)
31	Contingency Funds	✓	✓	(7,000)	(5,000)	(12,000)
32	ITC - Communications	✓	⊖		(7,000)	(7,000)
33	ITC - Board Training	✓	✓		(2,000)	(2,000)
34	ITC - Staff Training	✓	⊖		(1,050)	(1,050)
35	ITC - Staff Travel for Training	✓	✓		(550)	(550)
36	LPS - Contracted services - Scientific Technical/FN	✓	✓	(7,000)	-	(7,000)
37	TAS - Communications	✓	✓	(3,000)	-	(3,000)
38	TAS - Contracted Services	✓	✓	(4,000)	-	(4,000)
39	Trustee Remuneration - CPP	✓	✓	(4,787)	-	(4,787)
40	Strategic Plan Projects	?	?	-	?	-



Top Priorities Report

Financial Planning Committee

1. Budget 2021/22: Draft 2 Review

Review Draft 2, version 1 of the 2021/22 budget in January 2021.
 Review Draft 2, version 2 of the 2021/22 budget in February 2021 and make a final recommendation to TC to debate at their March 2021 meeting.

Responsible

Julia Mobbs
 Russ Hotsenpiller

Dates

Rec'd: 03-Dec-2020
 Target: 17-Feb-2021

2. Budget 2021/22 Public Consultation: Planning and Execution

Initial review of planned consultation materials and engagement platforms took place at FPC's meeting in November 2020.
 Final review and approval of consultation materials and engagement platforms will take place at FPC's meeting in January 2021 to facilitate public consultation in advance of the final budget review by FPC.
 FPC will review public consultation findings at their February 2021 meeting.

Responsible

Clare Frater
 Julia Mobbs

Dates

Rec'd: 12-Nov-2020
 Target: 20-Jan-2021

3. Q3 Financial Reporting

Preparation of Quarter 3 Financial Results and Financial Forecast will be presented at FPC's January 2021 meeting. These reports help inform draft budget discussion as well as provide current year financial performance oversight.

Responsible

Julia Mobbs
 Nancy Roggers

Dates

Rec'd: 12-Nov-2020
 Target: 13-Jan-2021

To: Financial Planning Committee **For the Meeting of:** November 12, 2020
From: David Marlor, Director, Local Planning Services **Date Prepared:** November 5, 2020
SUBJECT: **Cost of Local Trust Committee Application and Referral Processing**

PURPOSE:

The purpose of this briefing to provide an update to the Financial Planning Committee (FPC) on costs of processing local trust committee land use applications.

BACKGROUND:

At its regular meeting in March 2020, Trust Council passed the following resolution:

TC-2020-011

It was Moved Trustee Morrison and Seconded by Trustee Brent,

That Trust Council request the Financial Planning Committee provide a report detailing the full staff costs associated with processing land-use applications, by application type.

At its regular meeting in June 2020, Trust Council passed the following resolution:

TC-2020-056

It was Moved by Trustee Morrison and Seconded by Trustee Wright,

That Trust Council request staff to implement a system of tracking and collecting all local planning service staff hours associated with processing individual applications, beginning as soon as possible, for a three-month period to inform the discussion in regards to the review of application fees.

Historical Collection of Staff Time

Prior to June 29, 2020, Local Planning Services (LPS) staff recorded their time information on a high-level basis, broken out into three broad categories for each local trust committee (LTC) and Trust Council (TC).

Staff record time under the following categories:

- Current planning
 - o LPS Planner Current Planning
- Policy planning
 - o LPS Planner Projects
 - o LPS Project (specific name)
- Local Trust Committee Administration
 - o LPS admin Staff
 - o LS Planner Administration

In addition, there is a 'General Leave' category for any time of leave; 'LPS Region Management' used exclusively by the regional planning managers for non-file specific management activities; and 'Bylaw Enforcement' used exclusively by the bylaw enforcement officers.

The collection of time at this high-level was deemed appropriate by the former Director, Administrative Services and Director, Local Planning Services given that the intent of the time collection was to assist regional planning managers in balancing workload/staff resources between local trust committees, and generally between current and policy planning. The time collection information was also used annually by finance staff to as a basis for allocation of annual financial operations by LTA in the allocated financial statements. The high-level breakdown provided by these categories was useable for this exercise.

Audited Applications – Time Collection

Local Planning Committee began work on a model fees bylaw in August 2019. An understanding of the cost of processing applications was required in order to facilitate conversation around this work. To this end, on November 1, 2019 LPS staff began tracking their time worked on select applications. This was undertaken so that over the period of time, a better understanding of actual costs for application processing could be obtained that included staff efforts.

All Applications – Time collection

As of June 29, 2020 Local Planning Services staff have been recording their time spent working on all applications as per the request of Trust Council (*Resolution TC-2020-056* above). Currently, there are 305 active applications with staff time recorded against them. Of these, 105 were opened before June 29, 2020; therefore hours recorded against these files would not reflect the actual cost of processing. Seventeen of these files were being tracked and have concluded as of October 31, 2020, and have been included in the table below. There are 74 files that were opened since June 29, 2020 that are still open and staff continue to collect time spent on these files.

Table 1 includes the hours recorded against the application and referral files that were processed since June 29, 2020, including the 17 that were audited prior to that and closed during the time:

Table 1: Applications Time tracking by Type (June 29 to October 31, 2020)				
Application (App) Type	Number of Applications completed	Total Staff hours recorded	Estimated average Staff cost to process¹	Total Apps Opened FY 2019/20
ALR ²	1	1.5	\$85	8
Building Permit ³	78	137	\$95	255
Crown Land Referral ⁴	4	10	\$140	27
Development Permit	9	146	\$895	30
Development Variance permit ⁵	15	97	\$380	35
Liquor and Cannabis Referral	0	0	0	4
Rezoning	3	179	\$3,275	9
Subdivision Referral	3	21	\$385	17
Siting and Use Permit	8	37	\$255	28
Temporary Use Permit ⁶	5	101	\$1,115	31
TOTALS	126	729.5	-	444

¹ Using an average of \$55 per hour – this will vary depending on which staff are working on the file.

² ALC Act sets the fee at \$750.

³ No fee is charged – no legislation to charge fees

⁴ No fee is charged – no legislation to charge fees

⁵ Does not include statutory advertising costs

⁶ Does not include statutory advertising costs

Of the above, the same of building permits and siting and use permits is large enough to be considered representative of the average costs for processing those types of applications and referrals. The same is too small to be considered a good estimate of average and more data is required before we can begin to draw conclusions on the average costs of processing those applications. Rezoning applications in particular, due to their nature, can vary a lot.

The hours collected were during the 2020 COVID-19 pandemic and as a result less travel and travel time would likely have been experience in processing applications. While site visits restarted in June 2020, meetings with applicants, stakeholders and the local trust committees were mostly handled through electronic means. Therefore, this should be considered when assessing the data for establishing fees post-pandemic.

Based on the information provided in Table 1, our best estimates for the average cost of processing each type of application is in Table 2.

Table 2: Estimated Average Cost to process applications by type (June 29 to October 31, 2020)				
Application (App) Type	Average Staff Cost	Other Costs	Total Average Costs	Sample Size
ALR ⁷	\$85	None	\$85	1
Building Permit ⁸	\$95	None	\$95	78
Crown Land Referral ⁹	\$140	None	\$140	4
Development Permit	\$895	None	\$895	9
Development Variance permit ¹⁰	\$380	\$100 ¹¹	\$480	15
Rezoning	\$3275	\$2500 ¹²	\$5775	3
Subdivision Referral	\$385	None	\$385	3
Siting and Use Permit	\$255	None	\$255	8
Temporary Use Permit ¹³	\$1115	\$500 ¹⁴	\$1615	5

The above date represents data collection over four full months (July, August September and October of 2020). The highlighted lines indicate where the data sample means that that the average costs may not be representative.

Rezoning

To understand better the cost of processing rezoning applications, Staff reviewed applications received between January 1, 2015 and December 31, 2019 that were closed as of October 2020.

Between January 1, 2015 and December 31, 2019 we have received 31 rezoning application in which the local trust committees had made a decision before the date of this report (that is, decided to adopt a bylaw or deny the

⁷ ALC Act sets the fee at \$750.

⁸ No fee is charged – no legislation to charge fees

⁹ No fee is charged – no legislation to charge fees

¹⁰ Does not include statutory advertising costs

¹¹ Using Canada Post at \$1 per delivery, varies on situation and location

¹² Advertising, hall rental for one community information meeting and one public hearing for an average bylaw (size of advertisement will affect cost of the advertisement)

¹³ Does not include statutory advertising costs

¹⁴ Average cost of one advertisement in the Driftwood, actual will vary by application and publication used.

application). Of those for which the local trust committee adopted bylaws, the duration from application to bylaw adoption ranges from six months to just short of three years. The average duration is 20 months. Of those the local trust committees denied the application, the duration from application to decision ranges from just over two and a half months to just over one year. The average duration is five months.

Table 3: Rezoning – Processing duration where local trust committee made a decision.				
Rezoning received after Jan 1, 2015 and closed before October 2020				
Decision	Shortest Duration	Average Duration	Longest Duration	
	Days (months)	Days (months)	Days (months)	
Bylaw Adopted	182 (6)	600 (20)	1069 (35)	
Proceed No Further	73 (2.5)	158 (5)	387 (13)	

The three rezoning applications in Table 1, for which time was tracked took 473 days, 646 days and 850 days from application to adoption of the bylaws. This provides an average of 656 days to process, or 21 months. These three applications took about the average time to process in comparison to the rezoning applications reviewed in Table 3.

The hours recorded in Table 1 and 2 for staff time does not include consultant time. Consultants were brought in to assist during a staff shortage. From invoices, the consultants spent about 250 hours on each of two rezoning applications. Therefore, the actual cost of processing those applications is significantly higher than as shown in Table 2. With the consultants the average cost for these three applications raises to \$12,440.

Subdivision and Agricultural Land Reserve (ALR) Applications

The other two types of applications where the data sample is low are subdivisions and ALR applications. Subdivision applications are not closed until the Provincial Approving Officer signs off on the subdivision plan. As such, subdivision applications remain open for years.

The Agricultural land Commission sets the fee for ALR applications; this is currently set at \$750.

ATTACHMENT(S):

- 1. None

FOLLOW-UP:

Staff will continue to collect planner hours for each type of application. This information will also be utilized by management to assist with the Local Planning Services renewal and managing current application processing.

If FPC wishes for costing information to be applied to the current dataset for presentation to Trust Council in December 2020, Staff will complete this work and prepare a report for December 2020 Trust Council. In the absence of this direction, Staff will continue to collect data on planner hours by application. This information will be presented to the Regional Planning Committee as part of its work in recommending a model application fee structure. A further report with seven months of date (June 29 to January 31, 2021) would be provided to FPC in advance of March 2021 Trust Council.

Prepared By: David Marlor, Director, Local Planning Services
Reviewed By/Date: Russ Hotsenpiller, Chief Administrative Officer/DATE



BC ASSESSMENT

Overview of Assessment



Islands Trust

Maurice Primeau, Deputy Assessor

Vancouver Island Region

November 12, 2020

Topics

1. About BC Assessment
2. Valuation
3. Classification
4. Assessment cycle & key dates
5. Relationship between assessments & taxes
6. 2020 assessment roll overview
7. Appeals process
8. NAPTEP Overview
9. BC Assessment Resources

Who we are, what we do, & how we do it

Creation of BC Assessment



- 1974 non-partisan commission tasked with examining property assessment & taxation
- Recommended creation of a province-wide assessment authority
- Operates independent of property taxing function & independent of provincial politics
- Since enactment of *Assessment Authority Act* & *Assessment Act* in 1974, BCA has provided uniform, fair, & independent property assessments to the people of BC



**British Columbia
Assessment Authority**

Our product

- Annual list of property values provides stable, predictable base for real property taxation in B.C.

The Assessment Roll

- Identifies ownership, value, classification & exemptions for each property
- Represents over 2 million properties with total value of \$1.94 trillion
- Provides the base for local governments & taxing authorities to raise approximately \$8 billion annually in property taxes for schools & important local services

How we value different properties

- Market value as of July 1st
 - Residential
 - Commercial



Residential



Commercial

Market value is the most probable price which a property should bring in a competitive market under all conditions requisite to a fair sale, the buyer & seller, each acting prudently, knowledgeably & assuming the price is not affected by undue stimulus.

- Legislated (regulated values)

Highest & best use (H&BU)

- Foundation of market value is H&BU, which is the reasonable probable use of a property that is:



Physically
possible



Legally
permissible



Financially
feasible



Maximally
productive

How land use affects market value

Our communities are changing.



Local Government

When a local government introduces a new community or development plan, it provides a long-term vision for land use.



Rezoning

The plan may permit rezoning to encourage redevelopment of under used property.



Redevelopment

For example, new plans may support redevelopment of two-storey commercial buildings downtown into 20 storey mixed residential and commercial towers.



Market Demand

If market demand for new towers is high, smaller buildings often sell quickly and for high prices based on their redevelopment potential, not their current use.



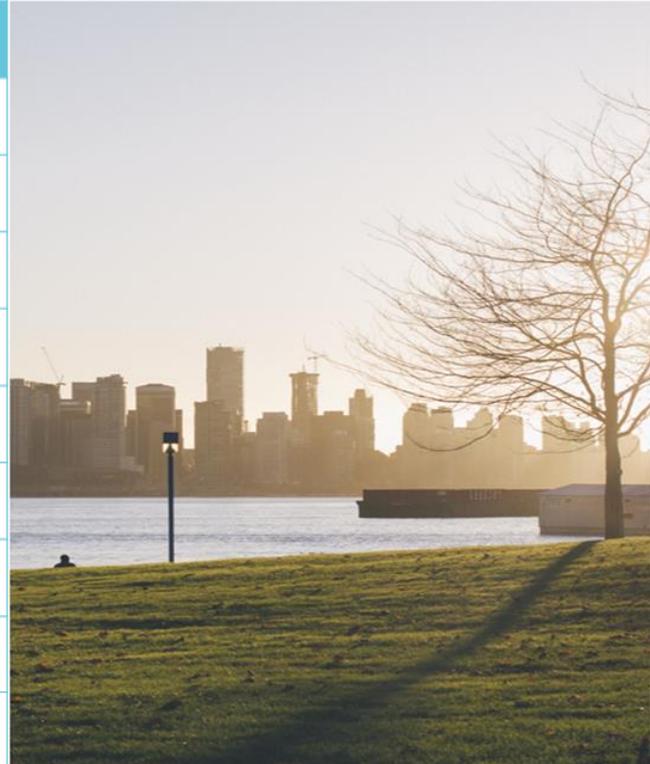
Assessment

BC Assessment assesses properties at market value as of July 1 each year.

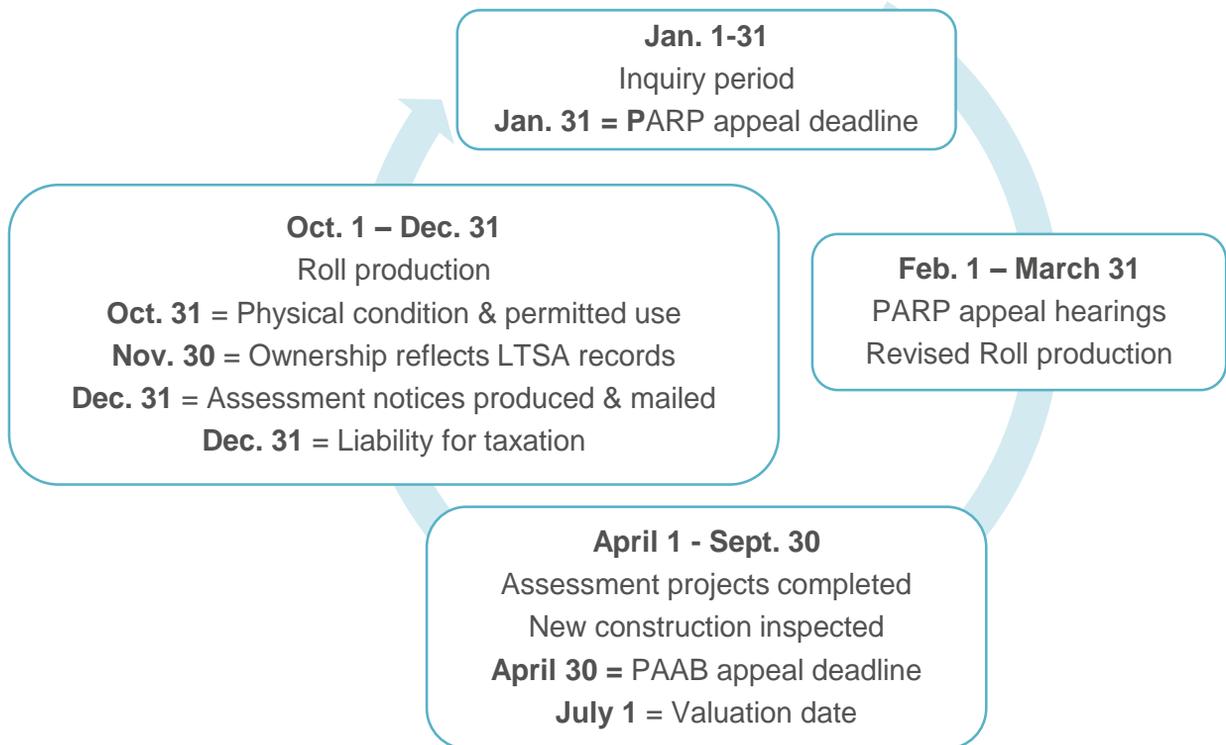
Visit bcaassessment.ca to learn more.

How we classify properties

Class	Title
1	Residential
2	Utilities
3	Supportive housing
4	Major industry
5	Light industry
6	Business other
7	Managed forest land
8	Recreational/non profit
9	Farm land



Assessment cycle & key dates



Relationship between assessment & taxation



Impact of changes in assessed value on taxes

- *“My assessment has gone up 20%, I can't afford for my taxes to go up 20%!”*

	Your Property's Value Change	Property Tax Impact
1.	 LOWER than Average Change for Property Class	Taxes Likely DECREASE
2.	 SIMILAR to the Average Change for Property Class	Taxes Likely DO NOT CHANGE
3.	 HIGHER than Average Change for Property Class	Taxes Likely INCREASE

Non-market change (NMC)

Non-market change (NMC) is a change in value not related to market change.

More specifically NMC is:

- ✓ New construction
- ✓ Demolitions
- ✓ Subdivisions
- ✓ Zoning changes
- ✓ Boundary extensions
- ✓ Property class changes
- ✓ Exemption status changes



NAPTEP Overview – Islands Trust

The Natural Area Protection Tax Exemption Program (NAPTEP)

For the 2021 Assessment Roll, 32 properties are currently participating in the NAPTEP Program:

- North Pender Island Local Trust Area: 9
- Galiano Island Local Trust Area: 2
- Salt Spring Island Local trust Area: 17
- Gabriola Island Local trust Area: 3
- Hornby Island Local trust Area: 1

Assessed Value & Net Taxable Values Calculated from 2020 Assessment Data

Island Name	Folios	2020 Total Land Value	2020 Exempt Land Value	2020 Net Taxable Land (Hospital, School, and Local Services, etc.)
N. Pender (JUR 763)	1	\$2,783,000	\$1,591,850	\$1,191,150
N. Pender I(JUR 764)	8	\$4,202,500	\$1,969,305	\$2,233,195
Galiano Island	2	\$2,429,000	\$700,700	\$1,728,300
Salt Spring Island	17	\$10,255,600	\$4,927,975	\$5,327,625
Gabriola Island	3	\$3,301,500	\$1,431,300	\$1,870,200
Hornby Island	1	\$402,400	\$224,900	\$177,500
Totals	32	\$23,374,000	\$10,846,030	\$12,527,970

Appeal process

Appeal process

January 1 to 31 – Inquiry Period

Owner's review assessments & contact us if they have any questions



January 31 – Appeal Deadline for 1st Level of Appeal

Deadline for formal written request for independent review



February 1 to March 15 – Hearings for 1st Level of Appeal

Property Assessment Review Panel conducts reviews via hearings



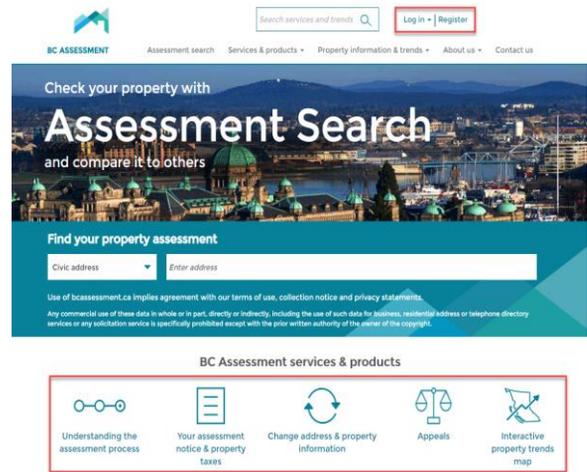
April 30 – Deadline for 2nd Level of Appeal

Property Assessment Appeal Board conducts reviews
Risk to Revised Assessment Roll provided to Taxing Authorities

BC Assessment Resources

BC Assessment resources: www.bccassessment.ca

- ✓ Assessment search tool
- ✓ Property information & trends
- ✓ Interactive property trends map
- ✓ Information pages (FAQs)
- ✓ BC Assessment YouTube channel
- ✓ Data Advice
- ✓ Assessment LinkBC
- ✓ Standard Building Permit Report
- ✓ Service Boundary Web Map



Call us:

1-866-valueBC (1-866-825-8322)

Questions?





BRIEFING

To: Financial Planning Committee **For the Meeting of:** November 12, 2020
From: Director, Administrative Services **Date Prepared:** November 9, 2020
SUBJECT: Possible Policy Changes Regarding Accumulated Surplus

PURPOSE:

To explore the use of accumulated surplus funds at Islands Trust (the Trust) and discuss alternatives for possible policy changes regarding these funds.

BACKGROUND:

At its August 2020 meeting, Financial Planning Committee (FPC) passed the following resolution:

“that Financial Planning Committee direct staff to explore the use of the Accumulated Surplus Fund with a focus to developing alternatives for possible policy changes.”

A look at the historical policies and use of surplus at the Trust was provided to FPC at their October 2020 meeting and is provided as an attachment to this briefing to assist with discussion. It is suggested the October 2020 report be reviewed prior to review of this report as concepts from that report will be revisited in this briefing.

Solidifying Understanding

The above motion passed by FPC makes reference to the Accumulated Surplus Fund. The Accumulated Surplus Fund is the sum total of all surplus funds held by the Trust, and includes the following individual Funds:

Funds Invested in Tangible Capital Assets (TCA) – This fund reflects amounts that have already been spent on capital purchases. The balance in this fund is made up of historical capital asset costs, less accumulated amortization on said assets, less capital asset lease obligations. This amount exists as a surplus balance due to accounting principles which do not expense capital assets when they are purchased, but rather capitalizes these assets and amortizes them over time. Because this fund reflects amounts that are not available monies, they should not be included in any discussion or calculation of minimum surplus balances under policy. Staff make adjustments to remove the balance of this fund when calculating the minimum surplus fund balance each year during the budget cycle.

Special Property Tax Requisition Fund (SPTRF) – These are unspent monies from special property tax requisitions, and are reserved specifically to be used for the special purpose for which they were collected. As such, considering these funds as available for general use and thus included in the calculation of minimum balances per policy, may not be desirable. However, if borrowing from this fund were considered permissible by Council, the balance of this fund could be considered in the calculation. Currently, staff make adjustments to remove the balance of this fund when calculating the minimum surplus fund balance each year during the budget cycle. However, as these are liquid resources managed by the Trust, inclusion of these funds in the calculation could be made with the assumption that any “borrowed” funds would be promptly repaid upon

receipt of tax revenues. This approach would have no adverse effects on Trust operations but in the event of significant cash shortages, may limit the ability of SSIWPA to work effectively the first quarter of the year.

LTC Project Specific Reserve Fund (PSRF) – These are funds that have been reserved (i.e.: set aside) by TC to be used for LTC projects only. This fund is funded by way of transfers from the General Revenue Surplus Fund (GRSF) whenever needed to keep balances adequate to cover upcoming LTC work. Because this fund is covered by the GRSF and LTC projects are supported by expenses funded by the GRSF (such as staff costs), this fund can be considered when calculating the minimum surplus fund balance each year during the budget cycle. Staff include this balance in calculations of minimum balances each year during budget cycle.

General Revenue Surplus Fund (GRSF)– This fund contains the accumulation of all historical unspent surplus funds less amounts invested in TCA, less amounts transferred to the LTC PSRF, less amounts unspent for special requisitions.

Alternatives for Possible Policy Changes

Policy 6.5.1 Reserves of Surplus (“the Policy”) guides the manner in which surplus funds are established, reviewed, and used at the Trust. Possible amendments to this policy include:

1 - Changes to Use of Surplus Funds (policy s3.2)

Section 3.2 of the Policy limits the use of surplus funds to specific activities, stating the following:

“The General Revenue Surplus Fund may be used to fund significant and/or unanticipated general expenditures, for major emergent operating issues and for onetime and intermittent projects that would create a potential deficit situation at yearend. Trust Council must approve the amount of surplus to be used.”

Current practice for budgeting at the Trust sees that strategic plan projects (“one time, intermittent projects”) are funded from the GRSF, with all other operational spending covered by the annual tax requisition, grant monies, and other revenue sources. It could be argued that strategic plan projects will occur on an annual basis and as such should not be treated as “one time, intermittent projects” receiving funding from surplus. Concessions could be made for projects with anticipated budgets larger than typical.

Recent years have drawn on surplus funds to offset operational costs in an effort to reduce taxation levels. Restrictions could be added to the policy to prevent this type of use, unless it can be determined that the operational expense being offset is a one-time event (such as a temporary staff position intended for one year only).

Changes of this nature could increase tax requisitions, depending on the magnitude of the budget in any given year.

2 - Changes to the Minimum Balance of Surplus Funds (policy s3.3)

Section 3.3 of the Policy speaks to the minimum balance to be held in the GRSF, stating the following:

“The recommended minimum amount of money to be contained within the General Revenue Surplus Fund is three months of expenses net of three months of revenue, excluding revenue from property taxes or the provincial grant.”

Discussion in the Surplus Analysis briefing to FPC in October 2020 outlines the historical reasons for establishing this three month minimum balance. Most of the reasons relate to the need for cash resources to fund various activities. The report also provides analysis on whether or not the Trust’s cash balance has been inadequate, sufficient, or more than adequate in terms of meeting operational spending needs in the first part of the year prior to receipt of tax funds. Findings from that work concluded that liquid resources available to the Trust during these four months of the year are more than sufficient to cover operational needs during that same time period. The analysis examined the balance of liquid resources available to the Trust at July 31

of each of the most recent five fiscal years. Balances ranged from \$1.6M - \$2.3M, which represents an additional 2.0 – 2.8 months of spending based on cash flow projections from recent years. In short, the balance of funds held at the Trust during this time frame covered 5.0 - 5.8 months of cash needs as compared to the minimum recommended balance of three months. This analysis shows that the Trust is very unlikely to experience lack of cash resources to fund operations in the first quarter (barring significant unexpected events) and could consider reducing the minimum surplus balance requirements.

Worth noting is that cash resources in this analysis include monies from three funds: the GRSF, the LTC PSRF, as well as the Special tax requisition fund – not just the GRSF. However, only the GRSF is referenced in the Policy in terms of a required minimum balance. As the rationale for establishing minimum balances is rooted in the availability of cash resources, amendments could be made to the policy formula to include balances from all funds (excluding amounts invested in TCA) as discussed in the next section of this report.

3 – Clarify or change the formula for calculating the minimum balance (policy s.3.3)

Section 3.3 of the Policy (see above) discusses the minimum balance recommended for the GRSF. As mentioned in earlier sections of this report, in practice the calculation of the minimum surplus balance includes monies in the LTC PSRF. This approach acknowledges that the LTC PSRF is funded by the GRSF and that LTC projects would not be able to move forward if general operations ceased due to lack of general funding. Clarification to concur or not concur with this staff approach could be made in the Policy.

Section 3.3 of the Policy makes reference to three months of “expenses”, which is most easily interpreted to mean all expenses, which in the budget includes both capital spending and amortization expense, essentially double counting the impact of capital purchasing. Staff would recommend clarity to the formula to indicate inclusion of only one of amortization expense or capital purchasing, but not both. Additionally, if the intent of the minimum balance is to fund operating expenses only, an amendment could be made to indicate exclusion of both capital spending and amortization expense in this formula.

4 - Administrative Changes

Administrative updates and changes to the Policy may be warranted. Staff-suggested edits include:

- Inclusion of a definition of, and discussion of surplus funds invested in TCA.
- Refinement of s3.4 to include understanding that contributions and withdrawals to various funds are also approved when the annual audited financial statements are approved, as a fall-out of annual financial results.

5 - Changes to Special Property Tax Requisition discussion (policy s5.1)

Trust Council has requested a review of Policy 6.3.2 *Special Property Tax Requisition* which is referenced in the Policy. Any amendments made as a result of this review will be updated in the Policy to ensure both policies align.

ATTACHMENT(S):

1. Surplus Fund Analysis – Briefing (October 2020)

FOLLOW-UP: As directed by the FPC.

Prepared By: Director, Administrative Services

Reviewed By/Date: Russ Hotsenpilller, Chief Administrative Officer/November 11, 2020

To: Financial Planning Committee **For the Meeting of:** August 19, 2020
From: Julia Mobbs, Director,
Administrative Services **Date Prepared:** August 13, 2020
SUBJECT: Islands Trust Surplus Funds Discussion

PURPOSE:

At its special meeting in April 2020, Financial Planning Committee (FPC) made the following resolution:

“that the Financial Planning Committee direct staff to prepare a report on the history, intended use and future possibilities for use of the Surplus Fund.”

This resolution was made in response to a discussion related to drawing down on surplus funds to supplement the Islands Trust annual budget to provide tax relief in response to the COVID-19 pandemic, as well as discussion about potentially reducing the minimum balance required in the surplus fund. It was determined that an analysis of the surplus fund was warranted before such draws or policy amendments take place.

BACKGROUND:

A) Terminology

For purposes of shared understanding, the following definitions of commonly used terms in this briefing are provided:

Surplus funds – Unspent funds in a given time period, generated from an excess of revenues over expenditures. Annual surplus is the surplus generated from a single financial year. Accumulated surplus is the accumulation of surpluses from all historical years. For purposes of this report, any reference to ‘surplus’ refers to the accumulated surplus funds.

Reserve funds – Surplus funds that have been earmarked, or reserved, for a specific purpose. Funds are reserved by way of Trust Council (TC) resolution, and may also be ‘unreserved’ in the same manner.

Contribution to Surplus – Funds deposited to accumulated surplus at the end of a financial year. Planned contributions to surplus would be included in the approved budget at the start of the fiscal year, unplanned contributions to surplus generally take place where annual expenditures are less than budgeted.

Appropriation from Surplus – Funds drawn from accumulated surplus to cover expenditures not funded by current year revenues. Planned appropriations from surplus are included in the approved budget at the start of the fiscal year, unplanned appropriations would take place where actual annual spending exceeds budgeted.

B) History and Intended Use of Surplus Funds

Staff have reviewed FPC reports from 2004 to date related to surplus funds to gather an understanding of historical practices and decisions related to Islands Trust surplus funds. Some of these reports provided insights and information on the years prior to 2004 and as such staff did not determine that it was needed to review material further back than that year.

There have been several reviews of surplus funds at various points in time at Islands Trust, including a review in 2006 which encompasses a good amount of information relevant to the current day review. Information from a briefing to FPC dated February 21, 2006 cites the determined rationale for keeping funds in surplus, as follows:

“Why would the Islands Trust need to have an amount in the GRF [General revenue fund]? The answers to this question are as follows:

- 1. to operate without having to borrow funds,*
- 2. to have sufficient funds on hand be able to undertake capital works*
- 3. to have sufficient funds available to undertake necessary legal action*
- 4. the revenues that were collected from taxation in previous years to fund projects or activities that were not completed in that year and will be completed in the next or a future year, the best example of this is the OCP and LUB programs.*
- 5. to accumulate funds for major planned expenditures such as the tri-annual elections*
- 6. to have sufficient funds on hand to offset a sudden loss of revenue.”*

The above noted briefing is attached in Attachment 1: *2006 Briefing Note Re: General Revenue Fund.*

At the time of this historical review, the balance in the general revenue surplus fund (GRSF) was sitting between \$352,181 and \$403,181 which was deemed inadequate to address the above points, especially point 1 regarding the borrowing of funds. As property tax revenues are received by Islands Trust near the end of July in any given year, cash on hand is needed to cover the expenses in the preceding months of the fiscal year (April, May, June, July) to avoid the need for borrowing. At the time of the 2006 review, the estimated cash required to avoid borrowing in these months was \$1.34M, leaving a gap of almost a million dollars between the estimated cash need and the then-current GRSF balance. This analysis generated a desire to bolster the GRSF and resulted in Council decisions to include higher-than-typical tax increases in the following years' budgets: 12.4% in 2006/07; 15.3% in 2007/08; and 6.0% in 2008/09. See Attachment 3 *Approved Budget History 1994/95 – 2020/21* for reference to this historical information, as well as information on approved budget expenditure levels, tax increases/decreases.

Three years later, by the end of fiscal 2008/09, the GRSF fund balance had reached \$1.48M (per the audited financial statements), representing 26% of approved expenditures as opposed to the former 10% of approved expenditures. This 26% represents approximately 3 months of annual spending, which is in line with current policy minimum surplus balance recommendations.

Although the original argument for the surplus balance discussed cash on hand needed for 4 months before property tax receipt, a report to FPC and TC in November 2008 and December 2008 respectively, outlined the fact that many larger expenditures at the Trust tend to be incurred in the latter part of the fiscal year (such as audit fees, insurance costs, project costs), and as such the reserves and surplus policy was amended to reflect a recommended minimum balance in the GRSF based on 3 months of expenses as opposed to 4 months, and also as opposed to a fixed amount. While not mentioned in the former review, it is also worth noting that typically there is a delay in when expenses are incurred and when they are paid, as per normal course of business. As such, payment of expenses from July of any given year may not be paid until August, which also supports rationale for 3 months of expenses in surplus versus 4 months.

C) History of the Surplus Fund Balance versus Cash Balances in Quarter One

The minimum balance in the surplus fund was set based on the aforementioned rationale, at a time when surplus balances were deficient enough that cash available for first quarter payables was inadequate. A comparison of surplus balances versus cash on hand for first quarter payables in more recent years with higher surplus balances in place generates the following information. Note that both cash and short-term investments are considered in this assessment as short-term investments are highly liquid assets that are readily accessible if required.

	31-Jul-20	31-Jul-19	31-Jul-18	31-Jul-17	31-Jul-16
Cash	997,123	1,312,470	714,940	806,338	597,492
ST investments	742,124	577,339	1,519,134	1,511,335	995,750
Total	1,739,247	1,889,809	2,234,074	2,317,672	1,593,242

Based on the above cash and short-term investment information, Islands Trust has not been in danger of exhausting available resources in the first quarter of the fiscal year in the last five years. As such, the changes made to policy as a result of the 2006 review, and the subsequent 2008 amendment to policy have had the desired impact on Trust operations and have even more than adequately addressed the reasons for the creation of the minimum balance.

Islands Trust staff prepare cash flow projections at the start of each fiscal year to facilitate investment decisions. Recent monthly cash flow requirement estimates range from \$620,000 to \$880,000 per month. Based on these estimated monthly cash needs, the July 31, 2020 balance of cash and investments represents an additional 2.0 – 2.8 months of cash flow above requirements. This does not take into account the fact that cash revenue is received on a monthly basis from application fees, interest income, and potential grant funding. As such, there currently appears to be very little risk of the Trust once again finding itself in a place where meeting cash needs in the first quarter is problematic.

D) Use of Surplus Funds

Trust Council policy 6.5.1 *Reserves and Surplus* provides the guidelines under which reserves and surplus should be managed at Islands Trust. This policy can be referenced at Attachment 2 to this briefing.

Section 3.2 of the policy states that *“The General Revenue Surplus Fund may be used to fund significant and/or unanticipated general expenditures, for major emergent operating issues and for onetime and intermittent projects that would create a potential deficit situation at yearend. Trust Council must approve the amount of surplus to be used.”*

Where draft budgets at Islands Trust have generated a deficit, this deficit must be covered by an increase in property taxes or an appropriation from surplus funds. In alignment with Policy 6.5.1 s.3.2, surplus appropriations have generally been allocated to specific projects and initiatives. In the event that the budget still remains unbalanced, an allocation of surplus funds has also been made to cover non-specific ‘general operations’, arguably in keeping with s3.2 when considered ‘significant general expenditures’. As mentioned previously, this practice of covering general operations is not considered a best practice by senior finance staff. This is because general operational expenditures tend to be annual expenditures that will require funding every year. It is not reasonable to expect that surplus funds can cover ongoing annual expenditures in perpetuity, and as such there will come a point where an increase in taxation will likely be required to fund the expense. This has the possibility of resulting in a sizeable increase to taxes in a single year.

E) Budgeted Use of Surplus versus Actual Results

Islands Trust has a history of budgeting for appropriations from surplus to cover annual expenditures. Actual results have tended to vary from budget such that planned appropriations have not been required, and in many instances, a contribution to surplus has resulted at the end of the fiscal year as opposed to an appropriation. In some instances, these contributions have been significant. Historical analysis of planned appropriations from/contributions to surplus and related notes can be found in Attachment 4 *Summary of Historical Surplus Activity*.

What factors have contributed to such sizeable differences between budgeted and actual results? First, the budget is prepared and balanced on a cash-basis, to ensure enough liquid funds are available to cover real spending in any given year. However, year-end financial results are reported on a financial accounting basis, which treats capital asset purchases in a different manner. In the budget, capital assets are recorded as an expense requiring funding; however accounting treatment removes capital assets from expenses and capitalises the asset on the Statement of Financial Position, with the related expense being recorded piecemeal over several years in the form of amortization expense. Consequently, in years where capital assets purchases in the budget are sizeable, the potential for differences between cash basis budgeting and accounting basis actual financial reporting is higher.

Prior to 2010, the treatment of capital assets in the budget (cash basis) and in the financial statements (accounting basis) were largely the same. Accounting standards treated the purchase of capital assets as immediate expenses, and thus when an asset was purchased it was expensed right away with no amortisation taking place over time. This accounting methodology was the same as the budget methodology, so any differences between budgeted surplus appropriations/contributions and actual appropriations/contributions were based purely on actual spending differing from budgeted spending (and/or differences in revenues generated).

Underspending against approved budget has been another factor that has contributed to the increase of the surplus funds over time, despite budgets anticipating appropriations. Where a budget requires an appropriation from surplus to balance, but spending is sufficiently lower than planned, the budgeted appropriation is often not required, and in many cases there is actually contribution to the surplus fund where the budget planned for an appropriation. As budget practices are refined, and spending levels more closely align with plans, this trend may be reduced which could put strain on the ability to maintain minimum recommended surplus balances at current policy levels as well as grow the budget at historical rates.

F) Future Possibilities for Surplus Funds

Future possibilities for surplus funds may include:

No change to current use of surplus funds; no change in policy recommended minimums.

If actual appropriations from surplus continue to be significantly less than planned, and unplanned contributions continue as they have historically, the minimum recommended balance may be precariously maintained, however it is noted that maintaining this minimum balance is becoming more and more difficult as annual expenditures grow. Because the minimum recommended balance is based on planned expenditures, as the budget grows, so does the minimum balance.

A change in policy directing a more limited, or less limited, use of surplus funds in the annual budget.

Amendment to language in Policy 6.5.1 s.3.2 could potentially allow for a stricter use of surplus funds to further limit their use, or a more flexible use of surplus funds.

A change in policy to amend the minimum recommended balance in the general revenue surplus fund.

Discussion has been raised in recent years at various Committee and Council meetings regarding the level of the recommended minimum balance in Policy 6.5.1 and whether or not this amount should be amended to reflect a lesser amount (ie: 2 months instead of 3 months). Based on review of cash

resources available immediately prior to receiving property tax revenues (see section D), amendment of minimum balances would likely not generate risk of running out of cash prior to receipt of tax funds in the fiscal year. Reducing the minimum balance may require greater scrutiny of planned appropriations from surplus at the time of budget development, especially as we begin to see actual financial results more closely align with budget. It should be noted that recent budget years have not been able to achieve the minimum recommended balance and have fallen short by a few percentage points.

ATTACHMENT(S):

- 1. 2006 Briefing Note Re: General Revenue Fund**
- 2. Policy 6.5.1 Reserves and Surplus**
- 3. Approved Budget History 1994/95 – 2020/21**
- 4. Summary of Historical Surplus Activity**

FOLLOW-UP:

Staff will refine analysis and will update to include additional information requested by FPC as directed. Other follow-up as directed.

Prepared By: Julia Mobbs, Director, Administrative Services

Reviewed By/Date:

ISLANDS TRUST BRIEFING

DATE: February 21, 2006

TOPIC: AMOUNT REQUIRED IN THE GENERAL REVENUE FUND (SURPLUS)

DIRECTED TO: Trust Council

CONFIDENTIAL: NO

DESCRIPTION OF ISSUE:

In previous fiscal years the Islands Trust had a combination of general ledger accounts for Surplus and Reserves that made up the General Revenue Fund (GRF). A recent policy decision combined these accounts into one account called the General Fund Fund. However, the GRF is also often referred to as “the Surplus”.

The GRF is the money that is set aside for a “rainy day” when unexpected costs appear, or revenues drop in an unplanned manner. The question addressed in this briefing note is: how much money should the Islands Trust have in the GRF?

BACKGROUND:

The balance sheet of any organization must balance, for every debit there is an equal and offsetting credit. Cash, investments, accounts receivable and furniture and equipment are the assets (debits) and these are offset by a combination of liabilities and equity (credits). A well managed and fiscally sound organization will have both liabilities and equity. In local government organizations equity has two components the amount that represents the organizations investment in physical assets and the amount of the general revenue fund aka surplus. Why would the Islands Trust need to have an amount in the GRF? The answers to this question are as follows:

- to operate without having to borrow funds,
- to have sufficient funds on hand be able to undertake capital works
- to have sufficient funds available to undertake necessary legal action
- the revenues that were collected from taxation in previous years to fund projects or activities that were not completed in that year and will be completed in the next or a future year, the best example of this is the OCP and LUB programs.
- to accumulate funds for major planned expenditures such as the tri-annual elections
- to have sufficient funds on hand to offset a sudden loss of revenue

Is the present balance in the General Revenue Fund (GRF) adequate? The simple answer is NO.

The amount of the GRF at March 31, 2006 is estimated to be:

Balance at March 31, 2005 per audited financial statements	\$403,181.00
Estimated excess of expenditure over revenue for 2005/06	<u>-51,000.00</u>
Estimated fund balance March 31, 2006	<u>\$352,181.00</u>

Property taxes are the largest component of the Trust's revenue and they are received in one lump sum in late July or early August and the provincial government grant is received in one lump sum, last year in September. It is a reasonable assumption to assume that all other revenues, fees, sales, interest and other income is received equally each month throughout the year and that all expenses are paid in more or less equal amounts each month. Using the 2005/06 budget as the basis for calculation you get the following estimate of the balance needed in the GRF at March 31 and hence the cash or short term investments that must be on hand to enable the Trust to pay its bills for the 4 months from April 1 until August 1st when the property taxes are received and not have to borrow to do so.

Total budgeted expenditures for fiscal 2005/06		\$4,294,410.00
Less budgeted contribution to reserves, non cash item		<u>-66,000.00</u>
Net budgeted cash expenditures		4,228,410.00
Monthly amount 1/12th		352,367.50
Budgeted Revenue		
Fees and sales	\$150,000.00	
Interest income	45,000.00	
Other revenue	<u>3,500.00</u>	
	198,500.00	
Monthly amount 1/12th		16,541.67
Net amount required each month to pay expenses		335,825.83
Amount needed for April to July, 4 months so 4 x		1,343,303.32

The above amount is the base amount that is needed at the end of the year to enable the trust to pay its bills for the first four months of each fiscal year. By dragging payables this can be reduced somewhat. However this does not leave any extra to pay unbudgeted expenses such as the legal fees that were incurred in the recent Komas Bluffs case on Denman. It does not include the amount of about \$24,000 per year that should be accumulated each year for three years to fund the tri-annual elections for example. It does not include an amount to cover any major capital expenditures for furniture or equipment for new offices or office relocation. It does not include the carry over amounts for incomplete projects such as the OCP and LUB projects. There is also no amount for the rainy day fund or to cover a sudden loss of revenue.

The difference between the estimated balance in the GRF at March 31, 2006 and the balance needed to enable the Trust to pay its bills without borrowing is approximately 1 million dollars. At \$100,000 per year and no draw downs on the GRF it will take until 2016 to build the GRF up to 1.3 million. This is a moving target though as the expenses of the Trust will also increase each year due to inflation.

The problem has been that the GRF has been used to fund expenditures with no related planned surpluses or in the old vernacular contributions to reserves to replenish the fund.

History

The attached appendix gives the history of the GRF since April 1, 1990 when the Trust took over financial operations and responsibilities previously carried out by the Ministry of Municipal Affairs. Reserves were created and were reflected as a liability on the balance sheet until 2001. Generally accepted accounting policies changed and in 2001 the reserves were included in the General Revenue Fund. The various reserve pots were accounted for within the general revenue fund and shown by way of a note to the financial statements. These reserve pots were established by Trust policy in 1992. There was a target set in the policies for the total amount of reserves and surplus needed and that was set at one third of the annual operating budget which equates to the 4 months expenditures needed as noted above. Throughout the years if money was needed to fund an expenditure it was taken from the reserves or surplus. At year end various trust council resolutions would be passed to approve the transfers of funds within the various reserve pots. This in essence was a make work project for staff and the auditors. The reserve policies were rewritten in 2003 and stricter controls were put in place for how the funds could be accessed. The process was that they could only be accessed by a resolution of trust council. The policies retained the historical amounts that had been set when the reserves had been established. Within a few short months funds were needed for a legal matter and funds were taken from the reserves. After much debate the reserve policies were amended and the not withstanding clause was added. It read "the executive committee may, where expediency is necessary, approve adjustments to the budget of up to \$20,000 per instance. Any such adjustment must be reported to Trust Council at the next scheduled Trust Council meeting. In September 2005 Trust Council approved the recommendation of the FPC that the reserve pots no longer be accounted for separately within the general revenue fund and that a report on the adequacy of the general revenue fund be made to Trust Council at the March budget meeting and again in June when the financial statements were presented. The policies were rewritten accordingly and approved at December 2005 Trust Council.

ATTACHMENT(S): Yes. History of GRF balances.

FOLLOW-UP:

The level of GRF contributions will be part of the 2006/07 budget debate at the Trust Council Budget Session March 9/10, 2006.

PREPARED BY: Alison Morse

REVIEWED BY EXECUTIVE COMMITTEE:

SUBMITTED BY: Financial Planning Committee

February 21, 2006

REVIEWED BY: _____
(Chief Administrative Officer)

OTHER REVIEW:

FPC February 21, 2006



Policy:	6.5.1
Approved By:	Trust Council
Approval Date:	December 5, 1992
Amendment Date(s):	September 14, 2001; December 5, 2003; September 17, 2004; December 9, 2005; December 12, 2008; September 11, 2013; June 21, 2017
Policy Holder:	Director of Administrative Services

RESERVES AND SURPLUS

Purpose

To establish the framework for the use of reserves and managing annual year-end operating surpluses.

A. Definitions

Reserve – Funds set aside for a specified purpose.

General Revenue Surplus Fund – The accumulated excess of revenue over expenditures from the operations of the Trust, excluding transfers to Specific Reserve Funds.

Specific Reserve Fund – A fund established for a specific purpose.

Surplus – Unappropriated funds in a Reserve Fund.

B. Policy

1. All Reserve Funds must be established, maintained and used for a specified purpose.
2. Islands Trust will strive to develop appropriate reserves to meet future obligations and operating needs. Reserves may be established to (1) ensure predictable and stable taxation; (2) provide for operating emergencies; (3) finance new capital assets; and (4) safeguard and maximize existing assets.
3. General Revenue Surplus Fund
 - 3.1 The General Revenue Surplus Fund is created through a transfer of excess revenue over expenditures from the operations of the Trust. In addition, the annual budget may include a line item “Contribution to Surplus” to deliberately increase the amount in the General Revenue Surplus Fund.
 - 3.2 The General Revenue Surplus Fund may be used to fund significant and/or unanticipated general expenditures, for major emergent operating issues and for one-time and intermittent projects that would create a potential deficit situation at year-end. Trust Council must approve the amount of surplus to be used.
 - 3.3 The recommended minimum amount of money to be contained within the General Revenue Surplus Fund is three months of expenses net of three months of revenue, excluding revenue from property taxes or the provincial grant.
 - 3.4 Contributions to or withdrawals from the General Revenue Surplus Fund are approved through the annual Financial Plan Bylaw.

4. Specific Reserve Funds

- 4.1 In addition to the General Revenue Surplus Fund, Trust Council may approve the establishment of specific reserve funds, as recommended by the Chief Administrative Officer and approved by the Financial Planning Committee.
- 4.2 Specific Reserve Funds are established for a specific purpose and are created through a transfer from the General Revenue Surplus Fund.
- 4.3 These funds will be reviewed by the Financial Planning Committee on an annual basis during the budget process.

5. Special Property Tax Requisitions

- 5.1 Any funds generated through a special tax requisition within a local trust area which are unspent at the conclusion of the fiscal year will be held in reserve for the use of the relevant local trust committee in the subsequent fiscal year, as indicated in section B.6(c) and (d) of Islands Trust Council Policy 6.3.2.

6. Reporting

- 6.1 The balance in each of the funds identified in Sections 3., 4., and 5. will be reported to the Financial Planning Committee along with quarterly financial reports

C. Legislated References

Islands Trust Act Regulations, s.13

Policy and Procedures Manual:

Replaces Policy 6.5.1 (General Reserve), 6.5.2 (Capital Reserve), and 6.5.3 (Legal Reserve)

Policy 6.3.2 Special Property Tax Requisition

D. Links to Supporting Forms, Documents, Websites, Related Policies and Procedures

n/a

Approved Budget History 1994/95 to 2020/21

YEAR	Approved Expenditures Budget	Increase/ (Decrease) \$	Increase/ (Decrease) %	Approved Property Taxes	Increase/ (Decrease) \$	Increase/ (Decrease) % ^①	Islands Trust Municipal Property Taxes ^②	Increase/ (Decrease) \$	Increase/ (Decrease) %	% of Total Approved Budget	Provincial Grant	Increase/ (Decrease) \$ since 1991 ^④	Provincial Grant as % of Budget	Surplus Funds ^⑤	Surplus balance as a % of Approved Expenditures	CPI % ^③
2020/21	8,194,811	254,925	3.2%	6,783,140	86,388	0.3%	303,021	(26,613)	-8.1%	3.7%	180,000	(314,145)	2.2%	1,792,308	22%	3.1
2019/20	7,939,886	(121,248)	-1.5%	6,696,752	195,051	2.0%	329,634	35,701	12.1%	4.2%	180,000	(314,145)	2.3%	1,955,673	25%	2.3
2018/19	8,061,134	357,622	4.6%	6,501,701	189,369	2.0%	293,933	51,253	21.1%	3.6%	180,000	(314,145)	2.2%	1,962,300	24%	1.9
2017/18	7,703,512	411,503	5.6%	6,312,332	62,498	0.0%	242,680	19,262	8.6%	3.2%	180,000	(314,145)	2.3%	2,035,610	26%	1.8
2016/17	7,292,009	102,564	1.4%	6,249,834	61,881	0.0%	223,418	9,652	4.5%	3.1%	180,000	(314,145)	2.5%	2,105,231	29%	1.1
2015/16	7,189,445	130,365	1.8%	6,187,953	61,269	0.0%	213,766	(887)	-0.4%	3.0%	180,000	(314,145)	2.5%	2,062,981	29%	1.0
2014/15	7,059,080	106,888	1.5%	6,126,684	60,660	0.0%	214,653	(10,961)	-4.9%	3.0%	119,122	(375,023)	1.7%	1,991,566	28%	0.0
2013/14	6,952,192	119,719	1.8%	6,066,024	136,826	1.3%	225,614	60,240	36.4%	3.2%	85,184	(408,961)	1.2%	1,818,233	26%	1.3
2012/13	6,832,473	(20,852)	-0.3%	5,929,198	58,842	0.0%	165,374	(55,506)	-25.1%	2.4%	186,998	(307,147)	2.7%	1,879,948	28%	2.1
2011/12	6,853,325	400,351	6.2%	5,870,356	115,275	1.0%	220,880	(3,637)	-1.6%	3.2%	247,710	(246,435)	3.6%	1,879,000	27%	2.1
2010/11	6,452,974	139,938	2.2%	5,755,081	307,890	4.7%	224,517	15,674	7.5%	3.5%	50,545	(443,600)	0.8%	1,903,985	30%	2.0
2009/10	6,313,036	151,087	2.5%	5,447,191	102,935	0.9%	208,843	11,150	5.6%	3.3%	318,331	(175,814)	5.0%	1,695,396	27%	0.4
2008/09	6,161,949	659,495	12.0%	5,344,256	348,461	6.0%	197,693	19,633	11.0%	3.2%	156,000	(338,145)	2.5%	1,631,592	26%	0.8
2007/08	5,502,454	716,662	15.0%	4,995,795	737,918	15.3%	178,060	21,745	13.9%	3.2%	138,000	(356,145)	2.5%	1,192,903	22%	1.6
2006/07	4,785,792	455,382	10.5%	4,257,877	535,112	12.4%	156,315	31,170	24.9%	3.3%	120,000	(374,145)	2.5%	691,110	14%	2.0
2005/06	4,330,410	178,385	4.3%	3,722,765	281,105	6.2%	125,145	12,180	10.8%	2.9%	178,000	(316,145)	4.1%	456,532	11%	2.5
2004/05	4,152,025	205,300	5.2%	3,441,660	317,280	5.2%	112,965	14,155	14.3%	2.7%	236,000	(258,145)	5.7%	403,181	10%	1.8
2003/04	3,946,725	(50,450)	-1.3%	3,124,380	222,510	5.7%	98,810	9,950	11.2%	2.5%	294,000	(200,145)	7.4%	646,311	16%	2.9
2002/03	3,997,175	71,715	1.8%	2,901,870	51,901	-0.2%	88,860	11,031	14.2%	2.2%	352,000	(142,145)	8.8%	697,761	17%	1.6
2001/02	3,925,460	134,580	3.6%	2,849,969	164,296	4.1%	77,829	10,064	14.9%	2.0%	352,000	(142,145)	9.0%	916,178	23%	1.5
2000/01	3,790,880	244,365	6.9%	2,685,673	(208,512)	-9.2%	67,765	67,765		1.8%	352,000	(142,145)	9.3%	874,931	23%	1.3
1999/00	3,546,515	6,925	0.2%	2,894,185	42,750	0.0%					352,000	(142,145)	9.9%	876,226	25%	0.2
1998/99	3,539,590	5,565	0.2%	2,851,435	55,910	1.0%					423,000	(71,145)	12.0%	838,124	24%	0.8
1997/98	3,534,025	(16,300)	-0.5%	2,795,525	155,635	3.9%					423,000	(71,145)	12.0%	704,415	20%	0.9
1996/97	3,550,325	263,290	8.0%	2,639,890	197,790	5.1%					469,435	(24,710)	13.2%	416,493	12%	2.1
1995/96	3,287,035	380,675	13.1%	2,442,100	320,175	10.1%					469,435	(24,710)	14.3%	356,511	11%	
1994/95	2,906,360	2,906,360		2,121,925							469,435	(24,710)	16.2%	149,913	5%	

- The percentage change applies to property owners overall, and includes a reduction based on tax revenue from new construction and land development (non-market growth). Non-market growth reduces tax increases for existing taxpayers. The estimated non-market growth rate for 2020/21 based on BC Assessment data. The yearly property tax impact on individual property owners may vary compared to the overall tax increase depending on a number of factors such as relative changes in assessment values throughout the Trust.
- Bowen Island became an island municipality within Islands Trust in December 1999. In the 2000/01 fiscal year, property taxes for Islands Trust began to be calculated on a different formula as defined in the *Islands Trust Act*. In general, island municipalities within the Trust pay a portion of Trust Council and Trust Conservancy Board costs based on the municipalities' assessed value in proportion to the total assessed value of the whole Trust Area. The relatively large year-to-year increases reflect the increased proportion of the Islands Trust budget devoted to Trust Council and Trust Fund Board.
- Available at <http://www.bcstats.gov.bc.ca/pubs/> using Victoria annual CPI. For the most recent year, the CPI to December of the prior year is used.
- This section of the table shows the decreasing proportion of the provincial grant and the increasing support from Islands Trust property owners, however, it is not intended to infer any direct relationship between tax increases and grant decreases. In 1991, the provincial grant was \$494,145 (or about 32% of expenditures totalling \$1.53 million).
- Surplus Funds are funds kept in reserve to fund operations, elections and any significant unexpected expenses. The minimum level of surplus in the General Revenue Surplus Fund consist of three months of expenses net of three months of revenue, excluding revenue from property taxes or the provincial grant. This minimum balance is guided by Trust Council policy and is at their discretion.

ISLANDS TRUST
GRSF AND SURPLUS HISTORY

As of March 31	Annual surplus (deficit) per FS	Contribution to (Apropriation from) Surplus	Transfer (to) from Capital Fund	Transfer (to) from reserves/ ssiwpa/ ltc projects	Adjustments/ Change in TCA	Notes	Annual Net Change in GRSF	General Revenue Fund Balance	Capital Fund	Invested in TCA	SSIWPA	LTC project specific reserve fund	Fund Balances /Accumulated Surplus balance	Acc. Surplus Change: Increase (Decrease)
Opening balance														
1991	102,358	-	-	-	-		102,358	102,358	-				102,358	
1992	61,914	(86,880)	-	-	-		(24,966)	77,392	86,880				164,272	61,914
1993	1,398	-	-	-	-		1,398	78,790	86,880				165,670	1,398
1994	29,073	(76,790)	-	-	-		(47,717)	31,073	163,670				194,743	29,073
1995	111,210	(20,000)	-	-	27,630	legal	118,840	149,913	183,670				333,583	138,840
1996	295,228	(16,000)	-	(72,630)	-		206,598	356,511	199,670				556,181	222,598
1997	396,932	(158,500)	-	(178,000)	-		60,432	416,943	358,170				775,113	218,932
1998	65,080	(105,500)	-	(238,079)	-		(278,499)	138,444	463,670				602,114	(172,999)
1999	117,232	(40,432)	-	(77,080)	-		(280)	138,164	504,102				642,266	40,152
2000	65,802	(92,330)	-	(30,000)	-		(56,528)	81,636	423,311				504,947	(137,319)
2001	112,769	-	(108,135)	788,661	-		793,295	874,931	473,020				1,347,951	843,004
2002	158,558	-	(117,311)	-	-		41,247	916,178	574,306				1,490,484	142,533
2003	1,629	-	(220,046)	-	-		(218,417)	697,761	775,418				1,473,179	(17,305)
2004	68,970	-	(120,420)	-	(47,976)	change in PSAS - EFBO	(99,426)	598,335	820,930				1,419,265	(53,914)
2005	35,068	-	(230,222)	-	-		(195,154)	403,181	1,001,811				1,404,992	(14,273)
2006	163,838	-	(110,487)	-	-		53,351	456,532	1,041,032				1,497,564	92,572
2007	324,542	-	(89,964)	-	-		234,578	691,110	1,058,026				1,749,136	251,572
2008	653,481	-	(151,688)	-	-		501,793	1,192,903	1,167,481				2,360,384	611,248
2009	409,826	-	(121,237)	-	-		288,589	1,481,492		150,100			1,631,592	(728,792)
2010	63,804	-	-	-	150,100	change in PSAS - TCA	213,904	1,695,396		115,536			1,695,396	63,804
2011	208,591	-	-	-	(114,224)	impact of TCA	94,367	1,789,763		114,224	-		1,903,987	208,591
2012	212,323	-	-	-	114,126	impact of TCA	326,449	2,116,212		84,444	-		2,200,656	296,669
2013	203,067	-	-	-	2,946		206,013	2,322,225		81,498	-		2,403,723	203,067
2014	21,354	-	-	-	21,441		42,795	2,365,020		60,057	-		2,425,077	21,354
2015	41,392	-	-	(42,981)	14,927		13,338	2,378,358		45,130	42,981	-	2,466,469	41,392
2016	53,250	-	-	-	1,509		54,759	2,433,117		43,621	42,981	-	2,519,719	53,250
2017	400,768	-	-	35,875	(21,431)		415,212	2,848,329		65,052	7,106	-	2,920,487	400,768
2018	(71,064)	-	-	130	(60,722)		(131,656)	2,716,673		125,774	6,976	-	2,849,423	(71,064)
2019	21,847	-	-	(59,652)	(201,716)		(239,521)	2,477,152		327,490	24,341	42,287	2,871,270	21,847
2020	11,653	-	-	(139,910)	(130,064)		(258,321)	2,218,831		457,554	85,266	121,272	2,882,923	11,653

REQUEST FOR DECISION

To: Financial Planning Committee **For the Meeting of:** November 12, 2020
From: Trust Area Services **Date Prepared:** November 2, 2020
SUBJECT: 2021/22 Budget Public Consultation Process

RECOMMENDATION: That the Financial Planning Committee approve the 2021/22 Budget Public Consultation materials.

TRUST AREA SERVICES DIRECTOR COMMENTS: Consultation on the Islands Trust Council’s proposed budget offers an annual opportunity to hear from constituents about their priorities, desired services, and service levels.

1 PURPOSE: To seek endorsement from Financial Planning Committee on public consultation materials for the 2021/22 budget consultation program.

2 BACKGROUND:

The Financial Planning Committee has the responsibility to co-ordinate an effective annual budget process, which includes designing the process for public input.

Up until 2016, the Islands Trust provided limited information to the public through the website on the draft budget. The opportunity for the public to provide input was advertised via one black and white ad in the Island Tides newspaper and through the Trust Council subscriber list. The public was encouraged to email or write in with their comments.

In 2016, 2017, and 2018, the Islands Trust offered enhanced information about the proposed budget via a designed publication available as a download from the website, and sought to increase public participation through an online survey that was offered in addition to a dedicated email address. To raise awareness about the consultation the Islands Trust advertised in multiple island-based print and electronic newspapers and information websites.

In looking at the 2018 analytics, it appeared that many people were filling in the survey without having first read the background document. In 2019 and 2020 the background information was provided within the survey itself so the public could make direct connections between the background information and the questions. There was also an effort to ask questions relevant to strategic plan development and Trust Council committee projects. In 2020, the Trust used Facebook for the first time to promote the survey which resulted in a fourfold increase in responses from 2019.

Results of recent year consultation are as follows:

Year	Surveys	E-mails
2015	0	35
2016	121	13
2017	66	0
2018	78	7
2019	178	37
2020	745	6

This year, building on the success of last year, the survey will communicate key concepts about the Islands Trust and the budget. This year the survey features charts about actual expenditures of the last five years.

Past Consultation Promotion

In support of the 2020/21 consultation process, Islands Trust issued a news release, sent subscriber messages and purchased ads in four newspapers (Bowen Undercurrent, Gulf Islands Driftwood, Gabriola Sounder and Denman-Hornby Grapevine), six ads in various monthly publications, and one online banner display ad on the Salt Spring Exchange website. During the consultation period, the Gulf Islands Driftwood, My Comox Valley Now, and My Coast Now published articles about the budget consultation based on the Islands Trust's news release. The Nanaimo Bulletin published a report based on the news release and featured an interview with Trustee Colborne.

A social media campaign complemented the print advertising. It involved two tweets and two Facebook posts one week apart.

In June 2020, Trust Council received a delegation from the Saturna Island Resident and Ratepayers Association (SIRRA) highlighting their concerns with budget trends and budget consultation questions (see the correspondence attached). In July 2020, the Islands Trust Chair wrote to thank SIRRA for taking the time to present to Trust Council about their concerns. The Chair advised that staff will review the requests set forth in the presentation and explore ways in which we could address some of these concerns. The Chair of the Financial Planning Committee also reached out to SIRRA to discuss the concerns raised.

3 IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL: This project will be a Trust Area Services priority for December-February and will require support from the CAO and Directors of Administrative Services and Local Planning Services to respond to questions received from the public. This initiative will reduce capacity for other communications initiatives that may emerge during this time.

FINANCIAL: The public consultation program is expected to cost up to \$3,000 for advertising in newspapers and online. There is funding available for this program in the Trust Area Services communication budget.

POLICY: None.

IMPLEMENTATION/COMMUNICATIONS:

Trust Area Services staff have drafted the public consultation materials based on the proposed 2021/22 budget with contributions from all departments.

Staff will generate public awareness about the public consultation through advertising, subscriber notices, Twitter, Facebook, and a news release. The online survey will be open for seventeen days, Friday, January 22 – Sunday, February 7. The deadline will be the same for anyone providing budget input using the dedicated email address. All budget related communications will adhere to *Freedom of Information and Protection of Privacy Act* legislation.

Two to three social media posts will be created and available for trustees to re-share from Islands Trust socials, if they wish – this promotes the consultation process through their personal social media accounts and thereby makes use of their strong local ties to the communities. Unless explicit direction is provided by the committee, the team intends to boost Facebook posts in 2021, citing the previous year’s successful increase in respondent numbers.

To enhance our survey marketing, we will ask a variety of community organizations, such as the Salt Spring Island Watershed Protection Alliance, to help us distribute promotional materials.

All submissions through the survey and email are monitored. Any interactions regarding the budget consultation on the Islands Trust Twitter and Facebook accounts, and where possible on other online platforms, will be tracked. Any questions received through this process that are not relevant to the budget process but can be addressed by other staff will be forwarded.

After the deadline, staff will compile all public input along with the basic statistical analysis that is provided by the survey software for the Financial Planning Committee and Trust Council’s review. Staff will also prepare a briefing that highlights any overarching themes.

FIRST NATIONS: The proposed budget supports implementation of the Reconciliation Action Plan.

OTHER: None.

4 RELEVANT POLICY(S):

- Financial Planning Committee Terms of Reference
- Communications Policy

5 ATTACHMENT(S):

1. Final 2021-2022 Budget Public Consultation Project Charter
2. Draft Survey
3. Draft Advertising Plan
4. Draft Newspaper Advertisement
5. Draft Social Media Editorial Calendar

RESPONSE OPTIONS

Recommendation: That the Financial Planning Committee approve the 2021/22 Budget Public Consultation public consultation materials.

Alternative:

- 1) Provide feedback on the draft survey, advertising plan, and advertisements.
-

Prepared By: Gillian Nicol, Program Coordinator, Trust Area Services

Reviewed By/Date: Erin Coulson, Acting, Communications Specialist, Trust Area Services, November 4, 2020
Clare Frater, Director, Trust Area Services, November 4, 2020
Julia Mobbs, Director, Administrative Services, November 4, 2020

2021/22 Budget Public Consultation Project Charter

Purpose Develop a 2021/22 budget public consultation program that incorporates a visually appealing, clear, concise survey which has information about Islands Trust and the budget process.

Background The Financial Planning Committee is responsible for the annual coordination of an effective budget process, which includes public consultation. This year, public consultation will be done through a survey, which will be promoted through social media, subscriber notifications, the newspaper and with assistance from partner organizations such as the Salt Spring Island Watershed Protection Alliance. The survey will feature a video about the Islands Trust, hyperlinks to relevant information and a number of charts and graphs that provide visual representation of budget related concepts.

Objectives

- Create consultation materials that are informative.
- Provide engagement opportunities that solicit public input on community priorities and service levels.
- Increase the number of people participating in the survey.

In Scope

- Review previous experiences
- Develop consultation materials
- Promote consultation in print and online advertising, and social media
- Develop social media graphics, and text
- Respond to questions that arise during consultation.

Out of Scope

- Town halls in each local trust area/ Bowen (except SWIPPA focussed town hall on Salt Spring Island)

Workplan Overview

Deliverable/Milestone	Date
• Trust Council to review and possibly amend draft budget	• December 1-3, 2020
• Liaise with in-house graphic design to create consultation materials	• December —mid-January 2021
• Draft consultation material content to FPC for review/comment	• Mid-January, 2021
• Launch 2021/22 budget consultation (after amending materials if required)	• 3rd week January 2021
• Close 2021/22 budget consultation and update website	• 2nd week Feb, 2021
• Consultation input to FPC for consideration/forwarding to Trust Council	• February XX, 2021 (date TBA)
• Trust Council reviews input and adopts 2021/22 budget	• March XX-XX, 2021 (date TBA)
• Issue news release about 2021/22 adopted budget and update website	• March XX, 2021 (date TBA)

Project Team

Director, Trust Areas Services	Project Manager
Communications Specialist SIPA	Consultation Content
Director, Administrative Services	Approve content and liaison with FPC

Budget

Source: TAS Communications budget

Item	Cost
Graphic Design and Advertising	\$2,500
TOTAL	\$2,500

Approved by:

Clare Frater, DTAS

Date: Aug. 4, 2020

Endorsement:

Resolution #
FPC-2020-029

DRAFT

Islands Trust 2021/22 Budget Survey

We Need Your Input!

Thank you for taking the time to complete our Budget 2021/22 survey.

Before you start, there are some things you need to know:

Survey Closes

Sunday, February 7th, 11:59 p.m.

Anonymous Survey and Personal Information

When you complete the survey you are anonymous.

Survey results, and any other input we get about Budget 2021/22, may be shared publically at Islands Trust meetings, on our website, through social media, or in our publications or documents.

Any personal information gathered through this survey is subject to the *Freedom of Information and Protection of Privacy Act*. Enquiries about the collection or use of information in this survey can be directed to the Islands Trust's Legislative Services Manager at 250.405.5188.

The Islands Trust will not collect, use, or disclose personal information using this SurveyMonkey survey. Please be aware, however, that IP addresses are collected by SurveyMonkey, itself.

There can be only one survey response per computer. If you share a computer with someone who also wants to respond, please work together on your response, or email your comments to us at budget@islandstrust.bc.ca.

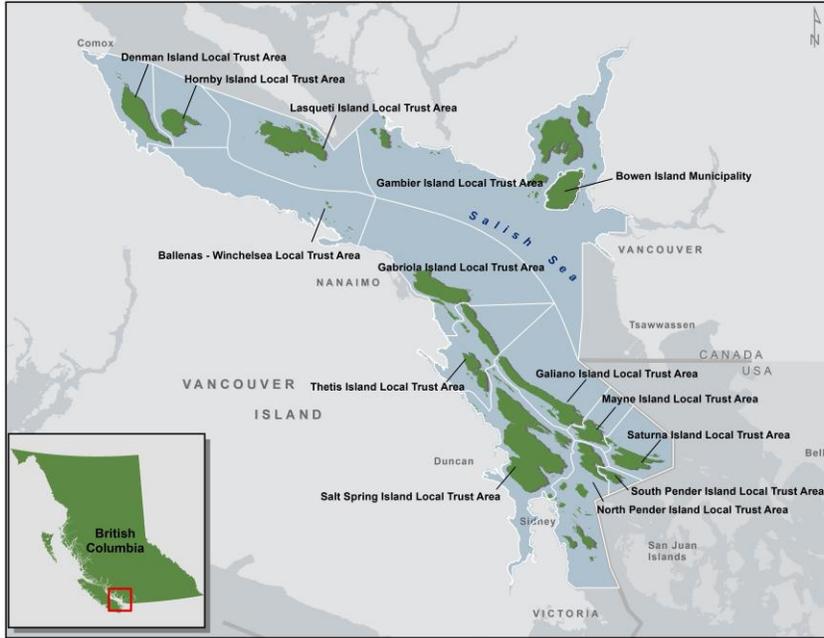
Tell us about yourself

The Islands Trust Area occupies almost 5,200 square kilometres within the Salish Sea.

QUESTION:

What is your connection to the islands? Check as many as apply:

- I am a member of a Coast Salish First Nation
- I am a part-time resident
- I am a full-time resident
- I am a visitor
- Other Please explain: _____
- I do not wish to answer



The Islands Trust Area is made up of 13 local trust areas (like communities within a district) and Bowen Island Municipality.

QUESTION:

Which one do you feel most connected with?

- Ballenas-Winchelsea
- Bowen
- Denman
- Gabriola
- Galiano
- Gambier
- Hornby
- Lasqueti
- Mayne
- North Pender
- Salt Spring
- Saturna
- South Pender
- Thetis
- The entire Islands Trust Area
- Other _____

Proposed 2021/22 Budget

Islands Trust works to preserve and protect over 450 islands in the Salish Sea with First Nations, residents, property owners, and all British Columbians. Each year the Islands Trust Council develops our budget in consultation with the people we serve. This year we want your input more than ever.

In developing the proposed budget for 2021/22 (\$XX), the Islands Trust Council assumes that the Islands Trust will maintain existing service levels and implement the newly adopted [Strategic Plan](#). View breakdown of the budget numbers here.

Highlights of the proposed 2021/22 budget:

- XX% increase in total expenditures
- XX% projected tax increase overall for the Islands Trust Area (other than Bowen Island Municipality)
- XX% projected general tax increase in Bowen Island Municipal tax levy
- \$XXX draw from the Surplus Funds
- Climate actions funded through regular operations and Strategic Plan projects
- Trust Council’s Reconciliation Action Plan funded through regular operations and program funding
- Wage increases per union agreements and Public Service policies:
 - XX% wage increase for all union staff per the British Columbia Government Employees Union (BCGEU) Collective Agreement and a \$62,000 increase to the staff overtime budget to reflect changes in the Collective Agreement.
 - XX% effective wage increase for excluded staff per the Public Service Agency Management Classification and Compensation Framework Rules.
 - XX% increase to trustee base remuneration. [Learn more](#).

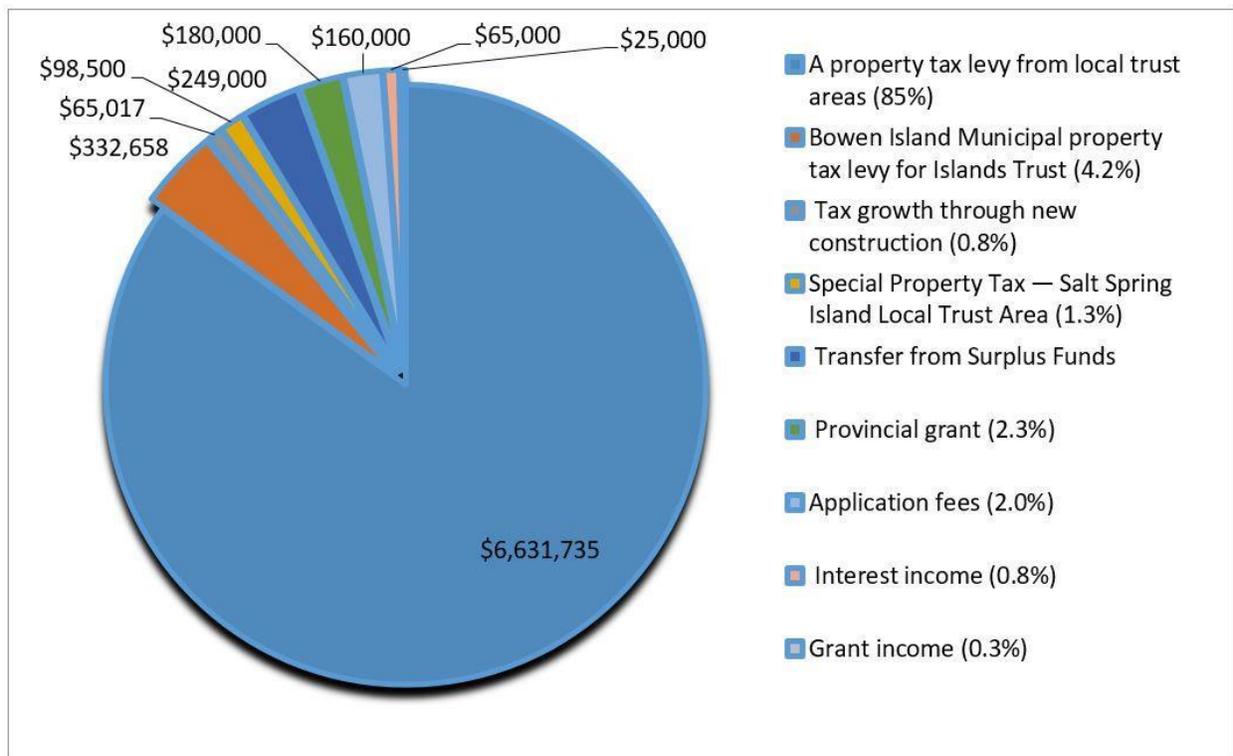
Annual % change in property taxes since 2012/13 (excludes Bowen Island Municipality)

Fiscal Year	Percent Change
2012/13	0%
2013/14	1.3%
2014/15, 2015/16 2016/17, 2017/18	0%
2018/19, 2019/20	2%
2020/21	0%
2021/2022 (proposed)	XX%

Revenue: Where We Get Our Funding

In the 2021/22 fiscal year, our proposed budget would be funded from:

- Property taxes in local trust areas
- Bowen municipal property tax levy
- Provincial grant
- Applications fees (development permits and rezoning applications)
- Transfer from Islands Trust surplus funds
- Salt Spring Island Local Trust Area special tax levy



QUESTION 1:

What Budget Principles do you Support?

- Increase taxes to add new programs/services or to improve existing services or programs
- Keep taxes the same to maintain staffing, services, and programs at current levels
- Keep taxes the same, but decrease spending in some areas while increasing spending in other areas
- Decrease taxes by reducing services and programs from current levels
- Don't know / other

Why did you make this choice? _____

Salt Spring Island Special Tax Levy

A special property tax levy is a mechanism by which the Islands Trust funds a special initiative taking place in a single local trust area through a tax levied on property owners only in that local trust area. This taxing power can be used when a local trust committee wishes to undertake a large initiative with local significance or to take on additional operations. Since 2014, the Salt Spring Island Local Trust Committee has funded, through a special local tax requisition, the [Salt Spring Island Watershed Protection Alliance](#) to support work related to the preservation and protection of freshwater resources on Salt Spring Island.

QUESTION 2 (SSILTA only):

Do you support a special property tax requisition in the Salt Spring Island Local Trust Area to fund the coordination of initiatives to preserve and protect freshwater on Salt Spring Island?

- Yes
- No
- I don't know
- I don't have an opinion

QUESTION 3 (SSILTA only):

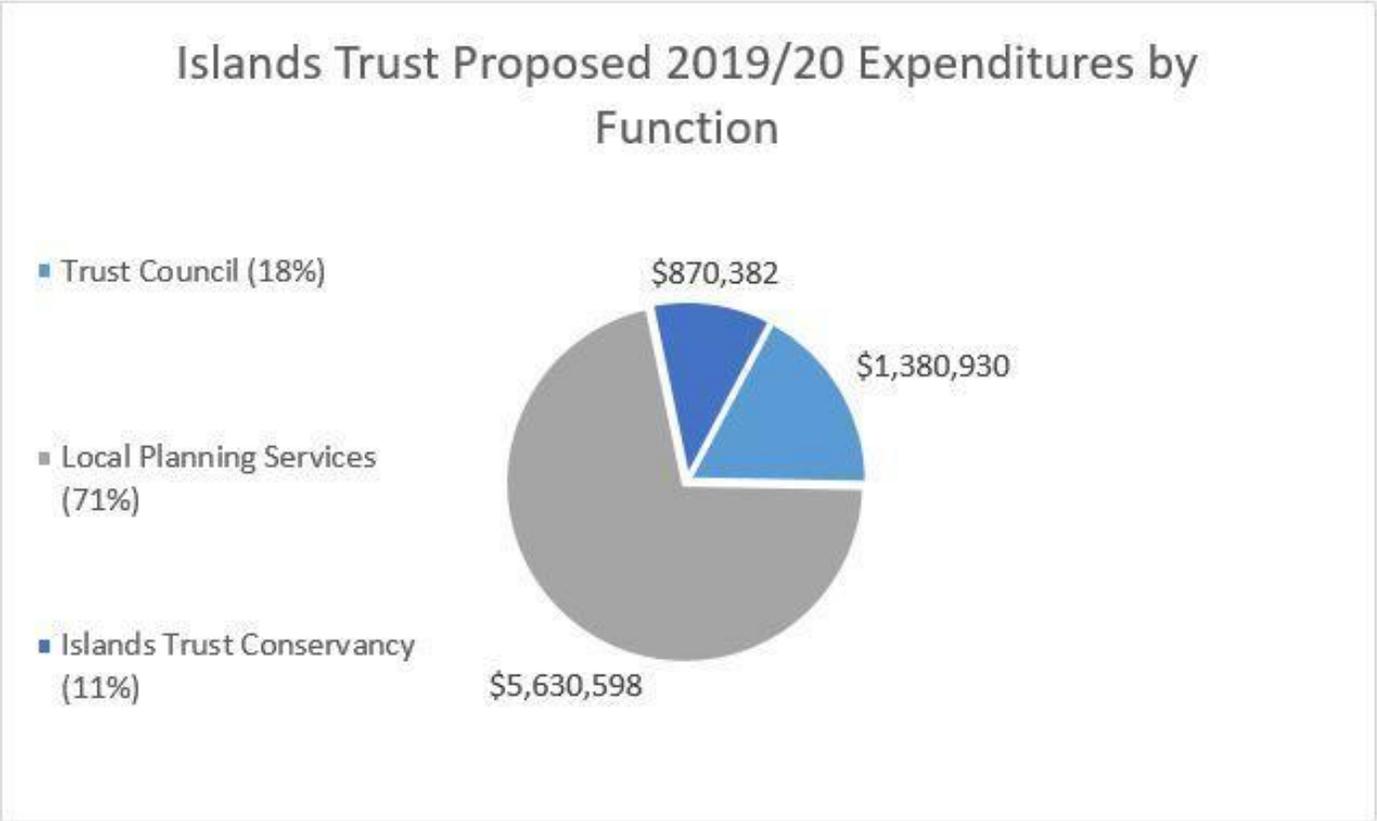
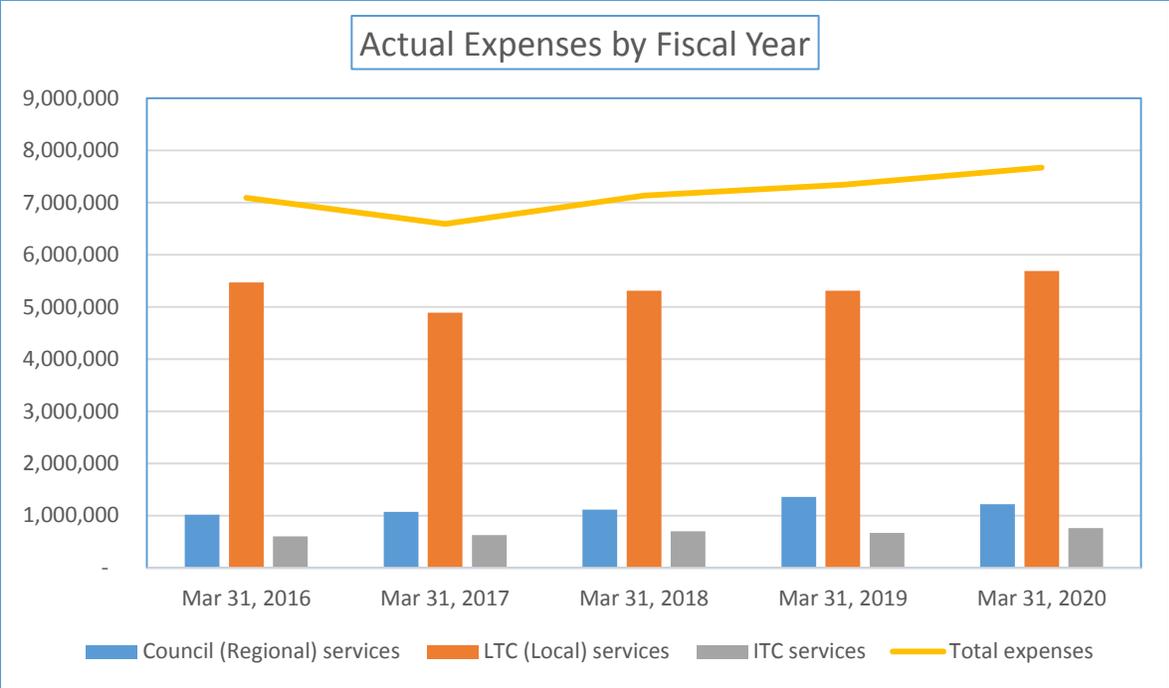
The special property tax requisition to fund the coordination of initiatives to preserve and protect freshwater on Salt Spring Island in 2021/22 is proposed to be \$75,500.

Is this amount:

- Too much
- Too little
- Just right
- I don't know
- I don't have an opinion

Expenditures: Where Our Money Goes

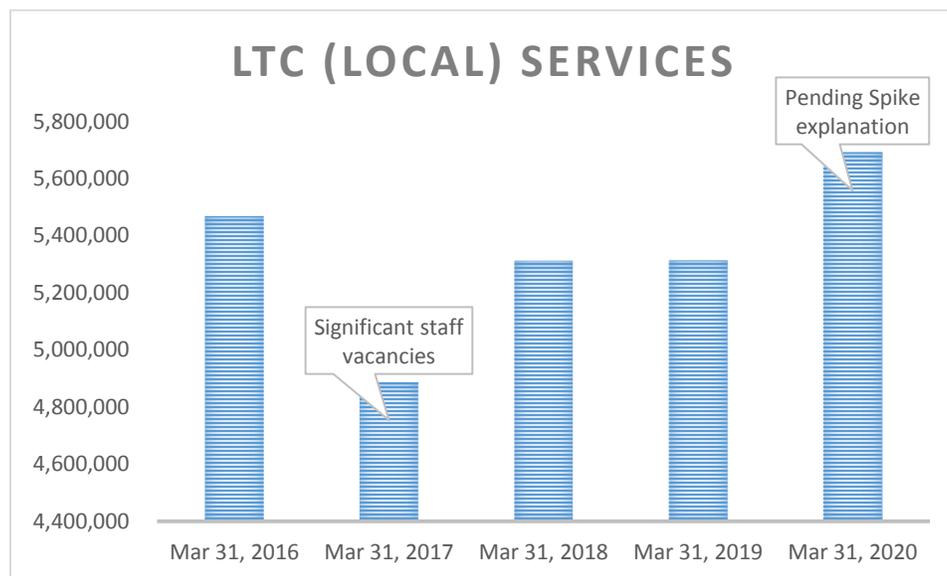
The Islands Trust preserves and protects the Trust Area through: environmentally sound land use planning, land protection through the Islands Trust Conservancy, and working locally and across agencies to collaborate, plan, and advocate on important matters in our jurisdiction. Actual historical spending trends help to inform the draft budget.



Local Planning Services

In the Islands Trust Area, the focus of all land use planning is the preservation of the environment, cultural heritage, and community sustainability. Land use planning activities include:

- Proactive land use planning (maintain and update 20 official community plans and 20 land use bylaws)
- Application processing (e.g. property rezonings, development permits, public hearings about proposed bylaws)
- Local trust committee meetings
- Community information meetings (e.g. land use planning issues, freshwater protection issues and options, climate change)
- Bylaw compliance and enforcement



QUESTION 4:

Would you like to see increased funding for local land use planning services?

Yes

No

I think funding is appropriate

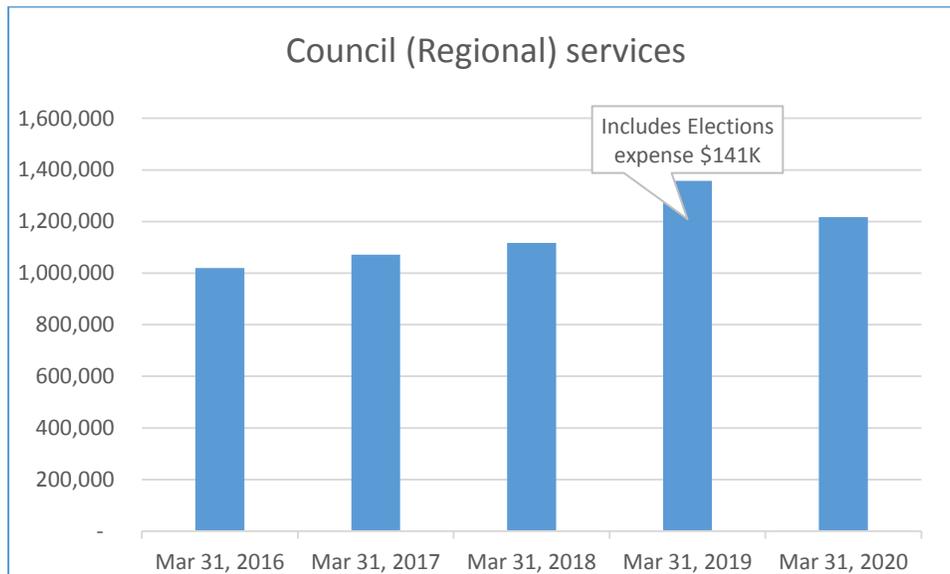
I do not wish to comment

Please explain your answer: _____

Regional Programs

The Islands Trust Council supports the preserve and protect mandate through region-wide programs and services. These include:

- Public education programs (e.g. Community Stewardship Award program; educational workshops on topics such as water, climate action, species at risk)
- Legislative services (e.g. Freedom of Information requests)
- Communications (e.g. website, social media, advertising, publications, news releases)
- Intergovernmental relations (e.g. reconciliation, agreements with other levels of government, hosting of coordination events)
- Trust Area-wide policy management, including the Policy Statement (e.g. updating, interpreting)
- Advocacy (e.g. lobbying about topics such as marine shipping safety, climate action)
- Islands Trust Council meetings and Council committee meetings



QUESTION 5:

Would you like to see increased funding for regional programs and services?

Yes

No

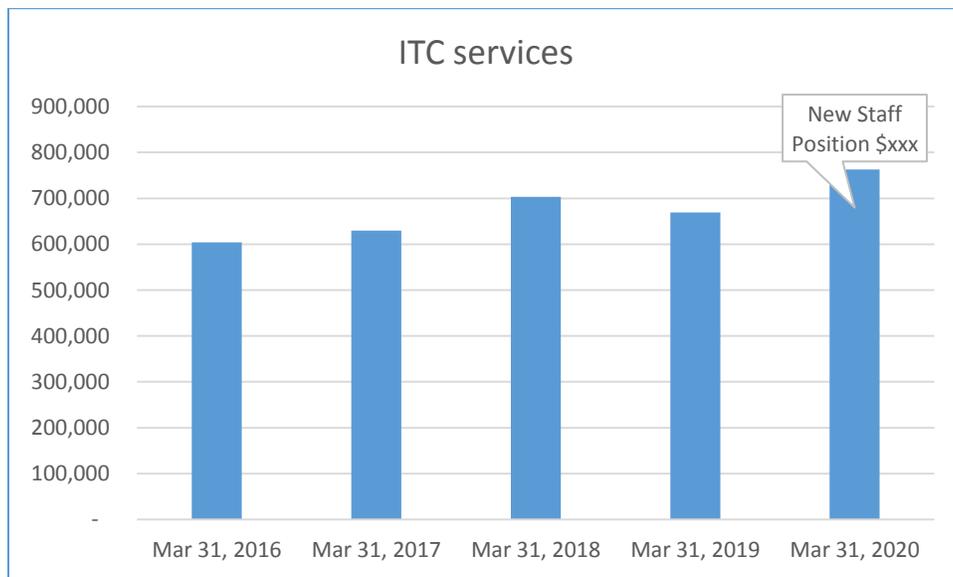
I think funding is appropriate

I do not wish to comment

Please explain your answer: _____

Islands Trust Conservancy

The ecosystems of the Islands Trust Area are among the most at risk in Canada. The Islands Trust Conservancy protects natural landscapes (1,300 hectares) across the region as nature reserves and empowers property owners to protect private land through innovative programs, covenants and volunteer conservation initiatives. The Conservancy's administration costs, including the costs of managing the 106 protected areas, are paid for through the Islands Trust budget. Land purchases and covenants are generously funded through donations and grants. In 2021-22, the Islands Trust Conservancy will also receive \$205,000 in external funding for a Species at Risk Program through Environment and Climate Change Canada which is part of a three year grant totalling \$597,000.



QUESTION 6:

Would you like to see increased funding for the Islands Trust Conservancy?

Yes

No

I think funding is appropriate

I do not wish to comment

Please explain your answer: _____

QUESTION 7:

The Islands Trust mandate to preserve and protect the Islands Trust Area has a climate action focus that is strengthened by the [Islands Trust Council's Strategic Plan 2018-2022](#). The following strategic climate action projects are proposed for 2021/22 for a combined cost of \$XX (excluding overhead costs such as staff resources associated with the projects).

Please rate the following planned climate-action activities according to their importance to you:

- Stewardship education programming – program activities still to be determined.
- Reconciliation Action Plan implementation
- Islands Trust Policy Statement updating with input from First Nations, the public and referral agencies.
- Secretariat program which gives administrative support for regional coordination groups
- Climate change indicator development
- Technology requirements for online streaming of Islands Trust in-person public meetings to foster transparency and public engagement
- Writing a model Development Permit Area bylaw language for local trust committees/Bowen Island Municipality to use to protect Coastal Douglas-fir zones
- Mapping the extent of eelgrass beds throughout the Trust Area
- Finish groundwater mapping and develop water budgets for groundwater aquifers in the Trust Area
- Develop a model bylaws for local trust committees/Bowen Island Municipality that address groundwater use, rainwater catchment and greywater recycling to use promote freshwater sustainability
- Develop model bylaws for local trust committees/Bowen Island Municipality to use to exchange bonus density for affordable housing
- Develop heritage conservation permit area, mapping and model bylaw language, for local trust committees/Bowen Island Municipality to use to protect heritage areas

I do not have an opinion

I do not wish to answer

Tell Us More

There are so many ways to communicate and we want to know what works best for you.

QUESTION:

How do you prefer to receive information from the Islands Trust? Select all that apply.

- Local newspaper

- Email
- Direct mail
- Islands Trust website
- Facebook
- Twitter
- Online Community bulletin boards
- Meetings of the local trust committee
- Meetings of Bowen Island Municipality
- Other (please specify)

QUESTION:

How did you hear about this survey?

- Community blog or website (apart from Islands Trust)
- Email from Bowen Island Municipality
- Email from the Islands Trust
- Facebook
- Twitter
- Other social media
- Islands Trust website
- Local trustee
- Newspaper advertisement
- Newspaper article
- Word of mouth
- Other _____

QUESTION:

Please indicate your age:

12-24

25-39

40-59

60-79

80+

I don't wish to answer.

QUESTION:

Did we forget to ask something that is meaningful to you?

Please provide any additional thoughts.

Thank you for taking the Budget 2021/22 Survey. Gathering input from the people we serve helps us to understand different viewpoints and make decisions that reflect them. Your contribution to the budget process is greatly appreciated!

Send Us Feedback Anytime

We'd like to hear from you! Any time you'd like to give us feedback, go to:

<http://www.islandstrust.bc.ca/connect/share-your-ideas/>.

You can connect with our Conservancy at: <http://www.islandstrustconservancy.ca/contact-us.aspx>

Stay Up-to-Date

Want to stay up-to-date with the Islands Trust? You can sign up for news and information at:

<http://www.islandstrust.bc.ca/connect/stay-informed/subscribe-or-unsubscribe/>

If it's Conservancy news and information you want, go to:

<http://www.islandstrustconservancy.ca/subscription/>

DRAFT Advertising Plan for 2021-2022 Budget Consultation

Local Trust Area and Municipality	Media	Type of Media	Size of Ad	Insert (approximates)
Bowen Island Municipality	Bowen Island Undercurrent (weekly)	Print	¼ of a page	\$260.00
Denman Island LTA	The Flagstone (monthly)	Print	½ of a page	\$50.00
	The Island Grapevine (weekly)	Print	¼ of a page	\$330.00
Gabriola Island LTA	Gabriola Sounder (weekly)	Print	¼ of a page	\$240.00
Galiano Island LTA	Active Page (monthly)	Print	½ of a page	\$110.00
Gambier Island LTA	Coast Reporter (monthly)	Print	¼ of a page	\$355.00
Hornby Island LTA	The First Edition (monthly)	Print	½ of a page	\$55.00
	Hornby Tribute (weekly)	Print	¼ of a page	\$25.00
	The Island Grapevine (weekly)	Print	¼ of a page	\$0*
Lasqueti Island LTA	Our Isle and Times (monthly)	Print	½ of a page	\$10.00
Mayne Island LTA	Mayneliner (monthly)	Print	½ of a page	\$86.00
North and South Pender LTA	Pender Post (monthly)	Print	½ of a page	\$60.00
Salt Spring Island LTA	Driftwood (weekly)	Print	¼ of a page	\$300.00
	Salt Spring Exchange	Online	Banner	\$395.00
	Island Tides (bi-weekly)	Print	¼ of a page	\$517.00
Saturna Island LTA	Saturna Scribbler (monthly)	Print	½ of a page	\$175.00
Total (estimate)				\$2,968.00

*Cost is zero because the Island Grapevine goes out to both Denman and Hornby islands.

Have Your Say!

2021/22 Islands Trust Budget

We're putting together the Islands Trust budget 2021/22. We want your input!

Please complete our survey and tell us what you think.

islandstrust.bc.ca/budget

The deadline for survey completion is February 7, 2021

E: budget@islandstrust.bc.ca

T: 250.405.5151



Islands Trust

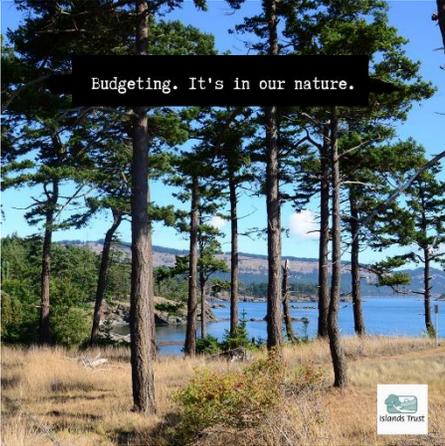
Preserving and protecting over 450 islands and surrounding waters in the Salish Sea. Learn more about what we do at islandstrust.bc.ca

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EDITORIAL CALENDAR:

Budget Consultation 2021/22

TOOLS E: Event SM: Social media W: Web NR: News Release (all posted on web) O: Other

	TOPIC	TOOL & LEAD	IMAGE	TEXT	NOTES
22 Fri	Budget	SM & Web: GN & EC NR: EC		<p>WE WANT YOUR INPUT!</p> <p>We are working on the 2021/22 Islands Trust budget.</p> <p>Please tell us what you think of the budget by filling out our survey at: islandstrust.bc.ca/budget</p> <p>The deadline to participate is Sunday, February 7, 2020</p> <p>#Budget #IslandsTrust #IslandTrustConservancy #PreserveAndProtect</p>	Staff will reach out to a range of audiences across the islands to help promote the budget survey through their social medias, email lists, etc.
3 Wed	Budget	SM: GN EC		<p>Budgeting. It is in our nature.</p> <p>We are working on the 2021/22 Islands Trust budget.</p> <p>Please tell us what you think of the budget by filling out our survey at: islandstrust.bc.ca/budget</p> <p>The deadline to participate is Sunday, February 7, 2020</p> <p>#Budget #IslandsTrust #IslandTrustConservancy #PreserveAndProtect</p>	Staff will reach out to a range of audiences across the islands to help promote the budget survey through their social medias, email lists, etc.