



Financial Planning Committee Minutes of Regular Meeting

Date of Meeting: February 14 & 15, 2023

Location: Electronic Meeting

Members Present: Joe Bernardo, Local Trustee (Chair)
Mairead Boland, Local Trustee (Vice Chair)
Tobi Elliott, Executive Committee Representative
Kristina Evans, Trust Programs Committee Representative
David Graham, Local Trustee
Peter Luckham, Executive Committee Representative
David Maude, Executive Committee Representative
Laura Patrick, Regional Planning Committee Representative
Tim Peterson, Executive Committee Representative
Susan Yates, Islands Trust Conservancy Board Representative

Staff Present: Russ Hotsenpiller, Chief Administrative Officer
Julia Mobbs, Director, Administrative Services
Stefan Cermak, Director, Planning Services
Clare Frater, Director, Trust Area Services
David Marlor, Director, Legislative Services
Kate Emmings, Manager, Islands Trust Conservancy
Nancy Roggers, Finance Officer
Robert Barlow, Legislative Services Clerk/Recorder

Others Present: Two members of the public were present.

1. CALL TO ORDER

Chair Bernardo called the meeting to order at 10:43 a.m. on Tuesday February 14, 2023.

2. AGENDA

2.1 Review of the Agenda

The following material was a late item added to agenda item 6.2.1:

- Resolution-without-meeting (FPC RWM 2023-01) to appoint Trustee Yates and rescind Trustee Scott's appointment to the Audit Committee

2.2 Approval of Agenda

By general consent the Committee approved the agenda.

3. PUBLIC COMMENT PERIOD

ADOPTED

No member of the public present indicated a wish to speak.

4. DELEGATIONS

None.

5. CORRESPONDENCE

None.

6. ADMINISTRATIVE COORDINATION

6.1 Draft Minutes of Previous Meeting

6.1.1 Financial Planning Committee minutes of January 18, 2023

By general consent the Committee approved the minutes as presented.

6.2 Resolutions Without Meeting

6.2.1 FPC RWM 2023-01 Appoint Trustee Yates and Rescind Trustee Scott's appointment to the Audit Committee

Presented for information as a late item.

6.3 Follow up Action List (FUAL)

The Follow-up Action List was presented for information.

7. BUSINESS – WORK PROGRAM ITEMS

7.1 Q3 Financial Report – Request for Decision

Director Mobbs presented the Request for Decision.

FPC-2023-005It was MOVED and SECONDED,
that Financial Planning Committee forward the December 31, 2023 financial report to Trust Council for approval.

CARRIED

7.2 Q3 Financial Forecast - Briefing

Director Mobbs presented the Quarter Three Financial Forecast Briefing for Fiscal Year 2022/2023, indicating that the forecast is not required to be forwarded to Trust Council but historically it has been forwarded for their information. Chair Bernardo indicated a

ADOPTED

desire that future financial forecast reports be presented as an RFD with a recommendation to forward the report to Trust Council for information.

FPC-2023-006

It was MOVED and SECONDED,

that Financial Planning Committee forward the Q3 Financial Forecast to the March 31, 2023 Trust Council meeting for information.

CARRIED

7.3 Areas of Overspending - Briefing

Director Mobbs introduced the Areas of Overspending briefing, indicating that policy requires reporting on areas of significant overspending and that legal costs (general and litigation defence) had significant overspending.

7.4 2023/24 Draft Budget Changes Since Last Review - Briefing

Director Mobbs provided highlights of the briefing, indicating that:

- total revenues have increased
- BIM tax levy has decreased
- reduction of fees revenue mostly because of reduced applications
- changes in expenses were driven by the Consumer Price Index, increases for excluded staff salaries, and upgrade to the expense claims system (\$15,000 is for a contractor to implement that upgrade)
- Local Trust Area general tax increase has increased
- as a result of the reviews of their respective budget submissions by Trust Committees and the Islands Trust Conservancy Board, there is a reduction in spending of approximately \$31,000
- budgets for committee meetings has changed to reflect recent decisions by committees of their meeting schedule and format (in-person or electronic)
- a final decision whether to renew or not to renew the lease for the meeting space on Galiano Island will have an impact on the budget
- trustee remuneration has increased
- co-op students are hired as employees, so the cost of their wages is included in the budget for staff salaries and benefits

Committee discussion included potential impacts on the budget of:

- any decision that will be made by Trust Council in regards to the next steps of the Policy Statement Amendment Project
- the number of land use applications received in the year
- adoption by local trust committees of the fee bylaws
- the goals of Financial Planning Committee's review of the draft budget and how to provide a rationale for FPC's recommendations to Trust Council.

Committee recessed at 12:09 a.m. and resumed at 12:45 p.m.

ADOPTED

7.5 Budget Materials for Trust Council

Committee discussion continued regarding potential impacts on the budget of:

- historical underspending on projects
- having a more robust corporate planning process, including the connection between the strategic plan and budgeting
- suspending or pausing projects to free up staff time to do other tasks, and to allow the new term of trustees to establish their priorities
- defining the level of taxation that would be acceptable or reasonable or defensible
- using surplus funds as a means to minimize any potential tax increase
- reducing the number of Trust Council in-person meetings
- reducing all projects by a specified percentage

Trustee Peterson left the meeting at 2:44 p.m. and Trustee Graham left the meeting at 2:58 p.m.

Chair Bernardo recessed the meeting at 3:01 p.m. and stated that the meeting would resume electronically on Wednesday, February 15, 2023 at 1:00 p.m.

Chair Bernardo called the meeting to order at 1:00 p.m. on Wednesday February 15, 2023.

The Chair sought consensus from the Financial Planning Committee on aiming to finish the meeting by 2:30 pm.

By general consent the Committee meeting will end at 2:30 p.m.

7.5 Budget Materials for Trust Council - continued

Chair Bernardo conducted an unofficial straw vote to determine which of the budget items listed and discussed previously the Committee wanted to remove from the budget.

The following motions were made to amend the recommended 2023/24 budget:

FPC-2023-007

It was MOVED and SECONDED,

that Financial Planning Committee amend the draft 2023/24 budget that is being recommended to Trust Council by removing the following items:

1. \$27,500 for one in-person Trust Council meeting
2. \$10,000 for the History and Heritage Conservation Grants in Aid.

CARRIED

FPC-2023-008

It was MOVED and SECONDED,

that Financial Planning Committee include an additional draw from the General Revenue Surplus Fund of \$100,000 in the draft 2023/24 budget that is being

ADOPTED

recommended to Trust Council and the funds be allocated to Local Trust Committee projects.

CARRIED

7.5.1 Draft Budget Session Outline

Director Mobbs introduced the agenda item, indicating that significant changes requested by the Financial Planning Committee would need to be sent to the Executive Committee for approval of Trust Council agenda amendment.

7.5.2 Draft Budget Assumptions and Principles - Briefing

Director Mobbs introduced the briefing, indicating that recent changes to assumptions and principles are reflected in blue font for ease of Trust Council review.

7.5.3 Draft Budget 2023/24 Overview- Briefing

Director Mobbs stated that she would update the document to reflect the decisions of the Committee prior to the budget material being forwarded to Trust Council.

By general consent the budget material for Trust Council will be updated to describe the historical underspending on projects separated by Local Trust Committee projects, strategic plan projects and operational projects.

FPC-2023-009

It was MOVED and SECONDED,

that Financial Planning Committee forward the budget materials at agenda item 7.5 as amended to Trust Council for approval.

CARRIED

7.6 Special Tax Requisition Request - RFD

Director Mobbs indicated that the Salt Spring Island (SSI) Local Trust Committee has submitted a request for the continued work of the Salt Spring Island Watershed Protection Alliance (SSIWPA) to be funded via special tax requisition of \$43,500. Legislation requires that if a special tax requisition levy is requested that it be applied to all areas within the local trust area.

7.6.1 Public Feedback on SSIWPA

Director Frater described the public feedback process and noted that Islands Trust received 140 survey responses and 4 emails and also noted that 30% of responses received were from Piers Island.

FPC-2023-010

ADOPTED

It was MOVED and SECONDED,

that Financial Planning Committee recommend to Trust Council that the Salt Spring Island Local Trust Committee's request for a 2023/24 special tax requisition to fund work associated with delegated powers under Bylaw No. 154 be approved in the amount of \$43,500.

CARRIED

7.7 Ministry Bylaws for Trust Council

7.7.1 Financial Plan Bylaw – Request for Decision

FPC-2023-011

It was MOVED and SECONDED,

that Financial Planning Committee forward Bylaw 191 (Financial Plan Bylaw 2023-2024) to Trust Council for approval.

CARRIED

7.7.2 Revenue Anticipation Borrowing Bylaw – Request for Decision

Director Mobbs spoke to the Request for Decision, noting that Islands Trust has not had to borrow money for a number of decades.

FPC-2023-012

It was MOVED and SECONDED,

that Financial Planning Committee forward Bylaw 192 (Revenue Anticipation Borrowing Bylaw 2023-2024) to Trust Council for approval.

CARRIED

7.8 Property Tax Assessment Notice Insert - Briefing

Director Frater presented the briefing, indicating that for the last two years Islands Trust has submitted an insert to the Province that is included with tax notices that are mailed out by the Province. Committee suggestions to include the following topics with this year's insert:

- advertise the Natural Area Protection Tax Exemption Program (NAPTEP)
- support participation in Trust meetings by adding information about how to do that
- promote subscriber service availability to provide notices of meetings
- add "in co-operation with other agencies" language to the statements about Islands Trust mandate
- add an explanatory section on how to read the tax notice

By general consent any interested trustee can work directly with Director Frater to discuss the contents of the Property Tax Assessment Notice Insert.

Chair Bernardo asked the Committee whether extending the meeting to 3:00 p.m. was agreeable.

ADOPTED

By general consent the Committee extended the end time of the meeting to 3:00 p.m.

7.9 Release of Draft 2023/24 Budget – Motion by Trustee Evans

Trustee Evans suggested that the draft budget be provided to the public by news release that includes the highlighted major drivers of changes, such as staff wage increases, and that at each quarter a news release would show the comparison of the budget with actual spending.

Committee discussion included a suggestion that any such draft budget news release would make it clear how the public could provide their comments about the draft budget.

Trustee Peterson left the meeting at 2:29 p.m. and Trustee Yates left the meeting at 2:31 p.m.

FPC-2023-013

It was MOVED and SECONDED,

that Financial Planning Committee request the draft budget to be released via a news release in-lieu of public consultation.

CARRIED

FPC-2023-014

It was MOVED and SECONDED,

that Financial Planning Committee request that the Executive Committee authorize the inclusion of the quarterly financial results in the Trust Council Highlights News Release on an on-going basis.

CARRIED

8. BUSINESS – OTHER

8.1 Electronic Meetings and Staff Time - Briefing

Director Cermak presented the Electronic Meetings and Staff Time Briefing, noting that it was forwarded from the Denman Island Local Trust Committee to the Financial Planning Committee for information.

8.2 Request from Governance Committee - Briefing

As a member of the Governance Committee, Chair Bernardo indicated that the Governance Committee has resolved to explore corporate planning and has asked staff to work with the Financial Planning Committee and, as required, other standing committees to develop an outline of a corporate planning process that meets best practices for enterprises of a size and character similar to the Islands Trust and return to the Governance Committee with its findings by April 14, 2023.

ADOPTED

FPC-2023-015

It was MOVED and SECONDED,

that Financial Planning Committee appoint trustees Patrick, Boland and Evans to serve as a working group to assist staff in outlining a corporate planning process.

CARRIED

FPC-2023-016

It was MOVED and SECONDED,

that Financial Planning Committee schedule a special meeting to be held virtually on April 6, 2023, at which the agenda will be limited to receiving and considering the working group and staff's joint report on the work conducted to date in regards to a corporate planning process.

CARRIED

9. BUSINESS – NEW

None.

10. WORK PROGRAM

10.1 Work Program Update – Request for Decision

Chair Bernardo indicated that the Work Program update is to be forwarded to Trust Council.

11. NEXT MEETING

A special meeting on April 6, 2023 is to be conducted electronically as per agenda item 8.2.

The next regular meeting is scheduled for Wednesday, May 31, 2023, from 10:30 a.m. to 3:00 p.m. to be conducted electronically. It was noted that the Audit Committee will meet on the same day from 9:30 a.m. to approximately 10:30 a.m.

12. CLOSED MEETING

The Committee did not close the meeting.

13. RISE AND REPORT

There was no Rise and Report.

14. ADJOURNMENT

By general consent the meeting adjourned at 2:57 p.m.

ADOPTED

Trustee Bernardo, Chair

Certified Correct:

Robert Barlow, Legislative Services Clerk/Recorder