Financial Planning Committee
Agenda

Date: Tuesday, January 17, 2017

Time: 10:00 am - 2:00 pm

Location: Islands Trust Victoria Boardroom
200-1627 Fort Street, Victoria, BC

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6. NEXT MEETING

The next meeting will be held Tuesday, February 28, 2017.

7. 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:	**November 16, 2016**
Location:	**Islands Trust Victoria Boardroom** **200-1627 Fort Street, Victoria, BC**
Members Present	**Peter Grove, Chair** **Alison Morse, Vice-Chair** **George Harris, Local Trustee (by phone)** **Peter Luckham, EC Rep (by phone)** **Laura Busheikin, EC Rep (by phone)** **George Grams, EC Rep** **Susan Morrison, EC Rep**
Regrets	**Paul Brent, LPC Rep** **Brian Crumblehume, TPC Rep**
Staff Present	**Cindy Shelest, Director Administrative Services** **Nancy Roggers, Finance Officer** **Russ Hotsenpiller, Chief Administrative Officer** **David Marlor, Director Local Planning Services** **Lisa Gordon, Director Trust Area Services** **Emma Restall, Executive Coordinator**

1. CALL TO ORDER

The meeting was called to order at 9:37 am

2. APPROVAL OF AGENDA

Added 5.1 – Committee Input to Strategic Planning Process

By general consent, the agenda was approved as amended

3. ADOPTION OF MINUTES / COORDINATION

3.1 Minutes of Meetings - October 19, 2016

The following changes to the minutes were requested:

- Change Paul Brent to LPC Rep
- Insert information about Director of Administrative Services hiring under new business section

By general consent, the minutes of October 19, 2016 were adopted.

3.2 Follow up Action List

Director Shelest provided an update on each of the items in the FUAL. She advised that revisions to the purchasing procedure will come to the Committee in in 2017. There are minimal changes at present, however she would like additional time to review the best practices toolkit recently released by the Local Government Management Association.

4. BUSINESS

4.1 Adjustments to 2016/17 Budget

4.1.1 North Pender LTC Budget Revisions

Director Shelest advised that the documents outline adjustments to the 2016-17 budget.

The briefing was received for information

4.1.2 Saturna Budget Reallocation

The briefing was received for information.

4.2 2016/17 2nd Quarter Results - Decision

Director Shelest reviewed the second quarter financial results. We are currently running close to budget. The financial results indicated that we are underspent in salaries and projects. She requested questions be brought forward.

FPC-2016-0032
that the Financial Planning Committee recommend that the September 30, 2016 quarterly financial report be forwarded to Trust Council.

CARRIED

4.3 2016/17 Forecast

Director Shelest advised that actuals for the first half are provided to Managers who then provide their input for the forecast. She highlighted the major areas where we are underspent as outlined in the briefing. This forecast indicates we will not need to transfer any funds from the general revenue surplus fund. There will be a second forecast done based on third quarter financial results which will come to the Committee in February, 2017.

The Committee requested that the description of the Executive Committee cost overrun be changed to reflect that they are due to increased travel costs.

FPC-2016-0033
that the Financial Planning Committee forward the revised briefing on the 2016/17 Financial Forecast to Trust Council for information.

CARRIED

4.4 2017/18 Proposed Budget - Changes since last FPC

Director Shelest advised that there were revisions to the budget based on the items indicated in the briefing document. A more detailed plan on meeting technology requirements is being prepared and will come forward to the next meeting.

4.5 2017/18 Proposed Budget to Trust Council

4.5.1 Budget Session Outline

Director Shelest reviewed the proposed outline for the budget discussion at December Trust Council.

The Committee requested wording changes relating to the timeline for the Bowen Island Municipal calculation.

Director Marlor advised that a business case is being drafted and coming forward to December Trust Council. Chief Administrative Officer Hotsenpiller advised that a new staff position recommendation is coming from a Trustee rather than from staff to this Committee. If approved by Trust Council the budget will be amended and presented to the Committee at their January meeting before it goes out for public consultation.

The Committee discussed the Executive Committee expenditures as to whether or not they should be adjusted based on higher than expected cost for travel this year. Director Shelest advised that the Committee would have a chance to review this following the third quarter financial results and forecast which will be presented in February, 2017.

4.5.2 Budget Overview

4.5.3 Budget Assumptions and Principles

Director Shelest advised that only minor changes have been made and that the BC Assessment information would be released in late December.

Chief Administrative Officer Hotsenpiller spoke to costs associated with the potential incorporation of Salt Spring Island advising the Committee that a request has been submitted to the Provincial Government to fund $125,000 of the related costs and that there may be $75,000 to $100,000 that Islands Trust would have to fund over and above that amount. The Committee requested that Section M of the budget and assumptions and principle document be revised to indicate that these funds have been requested.

4.5.4 Budget Detail

Director Shelest advised the Committee that the Bowen Island municipal contribution calculation will be verified before the next meeting.

4.5.5 Project Requests

4.5.5.1 Summary of all Projects

Director Gordon advised that the Trust Program Committee had passed a resolution to use $25,000 requested in the 2017/18 budget for marine and fresh water initiatives.

4.5.5.2 LTC Project Request Details

The Committee enquired about the continuation of LTC projects from this fiscal year that may not be completed by the end of the fiscal year. Director Marlor advised that this had occurred due to changes to Local Trust Committee priorities. He also indicated that estimates of costs may change during the year. Estimates in the current document are based on what LTCs have indicated.

The Committee requested that the percentage of assessed value be indicated on the summary of LTC projects rather than percentage of population.

Break at10:35
Reconvene at 10:45

4.5.5.3 SSI Special Property Tax Requisition

4.5.5.4 Electronic Data Management

FPC-2016-0034
that the Financial Planning Committee forward all of the documents in Section 4.5 to Trust Council as amended

CARRIED

4.6 Staff Response to KPMG Report

Director Shelest gave an overview of the background of the KPMG information systems assessment. She advised the Committee that there are three significant areas being worked on:

- Project management framework – The employee who currently works as the Computer Applications Support Technician has completed courses towards his project management (PM) certification and has begun implementation of the PM framework to current projects.
- Information systems strategic plan (ISSP) – The Acting Information Systems Manager is having conversations with staff about their future IS needs and developing a plan.
- Review of technology to support electronic meetings.

The Committee discussed the following:

- information sharing with Provincial Government of fresh water mapping and accessibility for making land use decisions
- budget implications of data sharing of Provincial Government information
- engagement of Trustees in information systems meetings.

Chief Administrative Officer Hotsenpiller advised that the ISSP would be for the next five to seven years. It will incorporate requirements in the current strategic plan which sets the current strategic direction. The ISSP will be coming to Trust Council. He further advised that the location of the Victoria may also determine so factors of the ISSP.

FPC-2016-0035
that the Financial Planning Committee forward the staff response to KPMG Information Systems Assessment and related documents to Trust Council for information.

CARRIED

4.7 Proposed Amendments to Trust Council Policy 6.5.i General Revenue Fund Surplus

Director Shelest advised that she attended a Government Finance Officers Association (GFOA) reserve and reserve funds workshop last week. She presented the concepts learned there and ideas from the Management Team about potential treatment and presentation of the general revenue fund surplus for things like elections, LTC projects, legal, and other major projects.

The Committee discussed the following:

- leave as is - no separate funds - additional administrative burden
- treatment of extraordinary items like the election
- CAO having repeated conversations for major projects that they have already made decisions on. We end up taxing more than once for the same thing for a portion of a project that didn't get completed many years earlier.
- work in progress report for projects

The Committee requested that Chair Grove and Vice Chair Morse work with staff to define a list of recommendations for further discussion.

4.8 FPC Report to Trust Council

Director Shelest advised that the General Revenue Fund Surplus Policy will be added to the Committees work priorities.

FPC-2016-0036
that the Financial Planning Committee forward the FPC Report to Trust Council as amended.

CARRIED

5. NEW BUSINESS

5.1 Committee input to Strategic Plan Planning Process

Director Gordon advised the Committee that the briefing contains a list of items from the strategic plan that relate to their Committee and requested their review and direction as to any changes. The Committee advised that they have no changes to the current list.

6. NEXT MEETING

The next meeting will be take place on Tuesday, January 17, 2017.

7. ADJOURNMENT

By general consent, the meeting adjourned at 11:53 pm.

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Peter Grove, Chair

/Certified Correct

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Nancy Roggers, Secretary and Recorder

Islands Trust

Follow Up Action Report

Financial Planning Committee

21-Oct-2015

Activity	Responsibility	Target Date	Status
FPC requested staff review Islands Trust Policy 6.5.iii Purchase Procedure in light of present practices and come back to the Committee with recommendations	Cindy Shelest	17-Jan-2017	Done

19-Oct-2016

Activity	Responsibility	Target Date	Status
Staff to recommend changes to the general revenue fund surplus policy	Cindy Shelest	17-Jan-2017	Done

16-Nov-2016

Activity	Responsibility	Target Date	Status
The Committee requested that Chair Grove and Vice Chair Morse work with staff to define a list of recommendations [with respect to the General Revenue Fund Surplus] for further discussion.	Cindy Shelest	28-Feb-2017	On Going

06-Dec-2016

Activity	Responsibility	Target Date	Status
December Trust Council - Budget Discussion Review expenditures related to budget item TPC Water and Marine Conservation project and investigate potential reductions for 2017/18	Cindy Shelest	10-Mar-2017	On Going

BRIEFING

To: Financial Planning Committee **For the Meeting of:** January 17, 2017

From: Cindy Shelest, Director Administrative Services **Date prepared:** January 9, 2017

SUBJECT: **REVISIONS TO THE PROPOSED 2017/18 BUDGET SINCE NOVEMBER 2016 MEETING**

DESCRIPTION OF ISSUE:

The purpose of this briefing is to advise Financial Planning Committee of the changes that have been incorporated into the proposed 2017/18 Budget since their last meeting.

BACKGROUND:

Since Financial Planning Committee met in November and reviewed the 2017/18 Proposed Budget, the following activities have taken place:

- *The proposed budget was presented to Trust Council at their December 2016 meeting*
- *A resolution passed by Trust Council on December 7 to provide funding of $83,670 in the 2017-18 budget to fund a temporary, full-time Senior Freshwater Specialist position from June 1, 2017 to March 31, 2018 was incorporated*
- *The Director of Administrative Services met on December 20, 2016 with Bowen Island Municipality staff and Trustees to review the municipal contribution calculation*
- *On January 3, 2017 BC Assessment Converted Net Taxable Values were made available, which altered the municipal contribution calculation for Bowen Island Municipality*
- *On January 3, 2017 BC Assessment Non-Market Change reports were made available and will be provided for FPC's review at the January 17, 2017 meeting*
- *Increased funding for Trust Council meetings was provided*
- *Actual Economic Stability Fund Dividends payable to BCGEU staff in February 2017 were included in base salaries*
- *Additional funding for Bylaw Enforcement Officer training was included*
- *Additional funding for furniture for Trust Fund Board was included*
- *An additional transfer from the General Revenue Surplus Fund was included to maintain a zero % tax increase*

The result of these changes is an increase in the transfer from the General Revenue Surplus Fund of $76,500 and a balance in the Fund of $1,993,219 or 108% of the recommended balance.

ATTACHMENT(S):

Detailed 2017-18 Budget
Business Case – Bylaw Enforcement Officer training
Business Case – Furniture for Trust Fund Board
Assessment Values

AVAILABLE OPTIONS: Receive for information prior to reviewing approving the budget for public consultation.

FOLLOW-UP:

The updated proposed 2017/18 Budget will be presented to the Financial Planning Committee on January 17, 2017, for review, revisions, and forwarding to public consultation.

Prepared By: Cindy Shelest, Director Administrative Services

Reviewed By/Date: Russ Hotsenpiller, Chief Administrative Officer

ISLANDS TRUST 2017/18 Budget DRAFT 3 for Public Consultation	2015/16 ACTUAL	2016/17 BUDGET	2016/17 FORECAST	2017/18 BUDGET Dec TC	2017/18 BUDGET Public Cons.	Increase (Decrease) 2017/18 from 2016/17
Revenue						
Fees & Sales	132,273	110,000	110,000	110,000	110,000	-
Provincial Grant	123,052	180,000	177,880	180,000	180,000	-
Property Tax Levy - General	6,187,953	6,249,833	6,249,834	**6,312,331**	**6,312,331**	62,498
Property Tax Levy - Bowen	213,766	223,418	223,418	**235,000**	**253,021**	29,603
Special LTC Tax Requisition	119,500	110,500	110,500	98,500	98,500	(12,000)
Transfer from Special Tax Surplus	42,981		0			-
Transfer from GR Surplus Fund		318,257		**450,000**	**526,500**	208,243
Interest Income	61,233	50,000	50,000	50,000	50,000	-
Grant income for projects	307,846	50,000	25,000	150,000	150,000	100,000
Other Income			7,000			
Total Revenue	7,188,604	**7,292,008**	**6,953,632**	**7,585,831**	**7,680,352**	388,344
Expenses						
Amortization	48,990	65,000	65,000	65,000	65,000	-
Applications sponsored by EC	11,550	5,000	5,000	5,000	5,000	-
Audit	35,462	25,000	25,000	25,000	20,000	(5,000)
Bank Charges & Interest	4,385	8,000	4,000	5,000	5,000	(3,000)
Board of Variance	1,453	1,500	500	1,500	1,500	-
Carbon Offset Purchases	986	1,500	1,500	1,500	1,500	-
Committee Expense - FPC	5,905	7,000	7,000	7,000	7,000	-
Committee Expense - LPC	2,422	3,000	3,000	3,000	3,000	-
Committee Expense - TPC	4,060	4,000	4,000	4,000	4,000	-
Communications	26,123	28,000	28,000	28,000	28,000	-
Contingency	7,882	15,000	15,000	15,000	15,000	-
Contract Services	127,956	83,000	160,000	110,000	110,000	27,000
Elections		5,000	5,000	5,000	5,000	-
Equipment Leases	15,975	15,000	15,000	17,000	17,000	2,000
Insurance	94,195	95,000	107,000	110,000	110,000	15,000
Information Systems	207,308	200,000	200,000	200,000	200,000	-
Islands Trust Fund Administration	84,939	98,000	89,000	103,000	103,000	5,000
Land Title Registrations	2,715	3,000	5,000	3,000	3,000	-
Legal	292,495	254,978	156,000	255,000	255,000	22
Local Trust Committee	90,051	100,900	89,500	105,400	103,900	3,000
Meetings	107,571	113,300	120,000	120,000	125,000	11,700
Memberships	9,455	17,500	13,000	15,000	15,000	(2,500)
Notices - Statutory & Non-Statutory	15,710	18,000	36,500	18,000	18,000	-
Office	411,004	421,000	415,000	435,000	435,000	14,000
Postage, Courier & Delivery	11,570	10,000	10,000	10,000	10,000	-
Recruitment	18,586	5,000	7,000	5,000	5,000	-
Safety	5,971	5,000	5,000	5,000	5,000	-
Salaries & Benefits - Administration	1,974,877	2,149,907	4,157,026	2,157,503	2,243,580	93,673
Salaries & Benefits - Planning	1,779,858	1,930,324		1,940,514	1,935,735	5,411
Salaries & Benefits - Bylaw	248,725	270,681		270,681	272,904	2,223
Stationery & Supplies	19,929	23,642	23,642	25,000	25,000	1,358
Subscriptions	5,000	5,000	5,000	5,000	5,000	-
Telephone	69,769	90,150	78,000	82,500	82,500	(7,650)
Training	115,330	132,450	126,000	132,500	140,000	7,550
Travel	76,332	81,500	85,000	85,500	85,500	4,000
Trustee Remuneration	527,976	529,576	529,578	540,233	540,233	10,657
Operating Budget Subtotal	6,462,515	6,820,908	6,595,246	6,915,831	7,005,352	184,444
CAPITAL						
Information Systems related	22,829	71,500	71,500	71,500	71,500	-
Office	18,825	15,000	15,000	30,000	35,000	20,000
Reserve for potential office moves		10,000	10,000	-		(10,000)
Capital Subtotal	41,654	96,500	96,500	101,500	106,500	10,000
PROJECTS						
Project - Funded by Grants		50,000	25,000	150,000	150,000	100,000
Project - Funded by Special requisition		110,500	110,500	98,500	98,500	(12,000)
Strategic Plan objectives		135,000	60,000	213,000	213,000	78,000
LTC Projects		144,100	94,500	172,000	172,000	27,900
Projects Total	588,171	439,600	290,000	633,500	633,500	193,900
Total Expenditures	7,092,340	7,357,008	6,981,746	7,650,831	7,745,352	388,344
Net Surplus (Shortfall)	96,264	(65,000)	(28,114)	(65,000)	(65,000)	-
Add non-cash Item - amortization		65,000	65,000	65,000	65,000	
Surplus (deficit)		0	36,886	0	0	

BUSINESS CASE

Islands Trust

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

Initiated by: David Marlor	**Budget Source:** **(describe)** LPS Training Budget
Operational Unit: LPS	
Name of Request *(identify the problem, opportunity or need):* Dispute Resolution Certificate Training for Bylaw Enforcement Staff	
Date initiated: 2015-09-21	**Date required:** 2016-04-01

1. **BACKGROUND** *(A brief description of the current situation.)*

The Executive Committee has staff to report back on the potential use of a dispute reoslution mechanism as a way of addressing bylaw complaints. Staff has identified that certification of the bylaw officers in dispute resolution would improve credibility with trustees and the public,

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?)*

To improve bylaw enforcement in the Islands Trust Area and inprove the image of the Islands Trust in relaiton to Bylaw Enforcement.

3. **PROJECTED RESULTS/DELIVERABLES** *(How does this address the objectives described above?)*

Certification would take three years. Total cost of the course work for the three officers would be $7500 per year.

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. Not approve funding and not require officers to take the certification

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

Officers are trained and using dispute resolution in the field.

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

None. Bylaw Officers are interested in taking the certification.

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?)*

Improve employee retention and public image of the Islands Trust. No cost savings expected, though may result in more bylaws being resolved voluntarily.

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)*

Through the normal training request system currently in place for employees.

Initiator ____________________ Date ____________________

Director ____________________ Date ____________________

REVIEWED BY MANAGEMENT TEAM:	
Date received:	**Approved:** ☐ **YES** ☐ **NO**
Next steps:	

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	
Initiated by: Jennifer Eliason, ITF Manager	**Budget Source:** **(describe)** Annual Budget - office equipment Total Estimated Cost: $3,000.00
Operational Unit: Islands Trust Fund	
Name of Request *(identify the problem, opportunity or need):* Three sit-stand desks to allow staff the options of sitting or standing while at their workstation, improving ergonomics and reducing musculoskeletal strain.	
Date initiated: January 4, 2016	**Date required:** April 1, 2017 (or earlier if budget allows)

1. **BACKGROUND** *(A brief description of the current situation.)*

Islands Trust staff spend up to 35 hour at week their workstation, and ergonomics is an important element of the Islands Trust Occupational Health and Safety (OHS) Program.

Two ITF staff have been provided with a sit-stand desk, and are experiencing positive health-related results. All five ITF staff members have had the opportunity to try a sit-stand desk to see if this office furniture would improve their workstation ergonomics, and have confirmed that using a sit-stand desk:

- Improves the ergonomic configuration of their workstation,
- Increases their workplace productivity,
- Improves posture at work and outside of work,
- Reduces musculoskeletal strain, and
- Increases their overall workplace well-being.

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?)*

This budget request is consistent with Islands Trust commitment to providing and maintaining and Occupational Health and Safety Program, which contributes to the safety and well-being of all staff. The Islands Trust Occupational Health and Safety Program Elements includes Ergonomics. It is supervisors' responsibility to obtain the proper equipment to eliminate or minimize all identified ergonomicproblems. It is the responsibility of the employee to report any ergonomic concerns to supervisors and Occupational Health and Safety Committee Members. Therefore, this budget request for three sit-stand desks is an attempt to align both supervisor and employee responsibilities in regards to workplace ergonomics, outlined in the Islands Trust OHS and Wellness Manual.

3. PROJECTED RESULTS/DELIVERABLES *(How does this address the objectives described above?)*

The BC Public Service Agency confirms that "When we work comfortably and without risk of injury we are more productive, attend work more regularly and are less likely to be injured on the job." All ITF staff members have confirmed that using a sit-stand desk allows them to work more comfortably. Regular use of a sit-stand desk will improve workplace ergonomics, reduce back and shoulder strain and contribute to the safety and well-being of staff members.

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 - i.e. do nothing - and the anticipated results of that action.)*

Status Quo – This option would involve no further financial investment from the Islands Trust. The ITF unit would continue to use the two sit-stand desks that are currently in the ITF office. Responsibilities of employees and supervisors would remain the same (as outlined in the OHS manual), and thus employees may continue to request the proper equipment to eliminate or minimize all identified ergonomic problems.Two ITF currently experiencing back and shoulder issues will likely continue to experience negative symptoms, which could worsen with time.

Purchase one or two sit-stand desks – This option would involve partial financial investment from the Islands Trust (cost ~$1,000 or 2,000). The resultant implications would be similar to the status quo outlined above for at least some ITF staff.

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

It is critical that staff who have access to a sit-stand desk actually use this office furniture, in order for Islands Trust to receive the return on investment. There is a risk that staff who receive a sit-stand desk may not actually use it (i.e. leave desk in a seated position). This risk has been mitigated by organizing a formalized 'trial period' for each staff member at the ITF office. Each staff member had the opportunity to use the sit-stand desk for a week or more. The trial period allowed three staff members to confirm that a sit-stand desk is the proper equipment to eliminate or minimize all identified ergonomic problems.

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

Other stakeholders include other Islands Trust staff. Members of the Islands Trust OHS Committee are also important stakeholders. It is recognized that all Islands Trust offices deserve OHS Committee funding, and that funding may be limited. However, by exercising a ‘ trial period’ we have confirmed that this investment will benefit ITF staff and the organization as a whole, as productivity and well-being will be increased. If the ITF unit changes locations, the sit-stand desks will be easily transportable.

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?)*

This budget request for three sit-stand desks will require a one-time cost of up to $3,000 (possibly less depending on models selected). This represents an investment in the safety and well being of Islands Trust staff. Use of a sit-stand desk will improve the workstation ergonomic configuration and reduce musculoskeletal strain. It is expected that staff will be more resilient and take less sick days due to musculoskeletal strain or injury. The sit-stand desk also increases workplace productivity, resulting in more efficient workers that can produce more deliverables in a shorter period of time. The use of a sit-stand desk increases workplace well-being, which will help ensure that staff maintain a positive working attitude and committed to the Islands Trust as an organization.

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

The recommended decision is approval of this budget request for three sit-stand desks for the use by the ITF unit. The Islands Trust will receive many benefits from this investment, as outlined above.

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

The sit-stand desks can be purchased via a directly awarded purchase order.

Jennifer Eliason	January 4th, 2017
Initiator	**Date**
Clare Frater	January 4th, 2017
Director	**Date**

REVIEWED BY MANAGEMENT TEAM:	
Date received:	**Approved:** □ **YES** □ **NO**
Next steps:	

Islands Trust
2017 (ie. for taxes collected in 2017, but assessment date is Dec 2016)

NEED TO UPDATE BASED ON DECEMBER ASSESSMENT DATA

Updated Jan 4, 2017

Summary of Converted Assessed Values

	2017	% of total		% of LTC Total Only	
Denman LTC	35,880,856	3.1%		3.9%	
Gabriola LTC	123,643,744	10.8%		13.3%	
Galiano LTC	62,045,846	5.4%		6.7%	
Gambier LTC	64,135,834	5.6%		6.9%	
Hornby LTC	48,230,746	4.2%		5.2%	
Lasqueti LTC	14,881,345	1.3%		1.6%	
Mayne LTC	60,680,945	5.3%		6.5%	
North Pender LTC	93,641,409	8.2%		10.1%	
SaltSpring LTC	362,548,993	31.7%		39.1%	
Saturna LTC	24,283,820	2.1%		2.6%	
South Pender LTC	15,382,809	1.3%		1.7%	
Thetis LTC	21,950,966	1.9%		2.4%	
Exec	812,560	0.1%		0.1%	
LTC Total	928,119,873	81.3%		100.0%	99.9%
Bowen Island Muncipality	213,784,781	18.7%	- to Bowen Calculation sheet		
Total Islands Trust Area	1,141,904,654	100.0%			

Islands Trust
2016 (ie. for taxes collected in 2016, but assessment date is Dec 2015)
Summary of Converted Assessed Values

	2016	% of total		% of LTC Total Only	
Denman LTC	33,350,681	3.2%		3.9%	
Gabriola LTC	114,822,057	11.1%		13.3%	
Galiano LTC	57,313,015	5.6%		6.6%	
Gambier LTC	60,305,331	5.9%		7.0%	
Hornby LTC	46,826,492	4.5%		5.4%	
Lasqueti LTC	14,076,885	1.4%		1.6%	
Mayne LTC	53,617,130	5.2%		6.2%	
North Pender LTC	90,092,091	8.7%		10.4%	
SaltSpring LTC	332,331,189	32.3%		38.5%	
Saturna LTC	23,520,492	2.3%		2.7%	
South Pender LTC	14,880,060	1.4%		1.7%	
Thetis LTC	21,417,841	2.1%		2.5%	
Exec	721,570	0.1%		0.1%	
LTC Total	863,274,834	83.8%		100.0%	99.9%
Bowen Island Muncipality	166,546,945	16.2%	- to Bowen Calculation sheet		
Total Islands Trust Area	1,029,821,779	100.0%			

2015 (ie. for taxes collected in 2015, but assessment date is Dec 2014)
Summary of Converted Assessed Values

	2015	% of total		% of LTC Total Only	
Denman LTC	32,568,435	3.2%		3.8%	
Gabriola LTC	113,543,644	11.2%		13.3%	
Galiano LTC	56,973,272	5.6%		6.7%	
Gambier LTC	57,756,983	5.7%		6.8%	
Hornby LTC	45,072,630	4.5%		5.3%	
Lasqueti LTC	13,780,340	1.4%		1.6%	
Mayne LTC	52,661,665	5.2%		6.2%	
North Pender LTC	89,422,995	8.8%		10.5%	
SaltSpring LTC	330,359,140	32.7%		38.8%	
Saturna LTC	23,617,575	2.3%		2.8%	
South Pender LTC	15,295,923	1.5%		1.8%	
Thetis LTC	20,518,937	2.0%		2.4%	
Exec	638,765	0.1%		0.1%	
LTC Total	852,210,304	84.3%		100.0%	99.9%
Bowen Island Muncipality	158,375,333	15.7%	- to Bowen Calculation sheet		
Total Islands Trust Area	1,010,585,637	100.0%			

BC ASSESSMENT
www.bcassessment.ca

NMC Roll Comparison by Property Class

2017 Net General Taxable Values
Completed Roll run on 07/Dec/2016

Printed Date: 14/Dec/2016

Area 01 - Capital
Jurisdiction 764 - Gulf Islands Rural

NMC by Neigh
NMC Detail

Property Class	2016 Cycle 10	2017 Completed	NMC Land	NMC Impr	NMC Total	% Chg Due to NMC	% Chg Due to Market	% Chg
Res Vacant	$384,763,067	$390,243,882	-$1,411,600	$0	-$1,411,600	-0.37%	1.79%	1.42%
Res Single Family	$4,269,294,088	$4,729,018,850	$40,554,400	$32,533,050	$73,087,450	1.71%	9.06%	10.77%
Res ALR	$114,986,165	$122,493,464	$4,266,700	$0	$4,266,700	3.71%	2.82%	6.53%
Res Farm	$0	$0	$0	$0	$0			
Res Strata	$82,082,850	$87,617,250	$2,738,700	-$2,748,000	-$9,300	-0.01%	6.75%	6.74%
Res Other	$131,126,157	$137,488,512	$4,018,700	$315,700	$4,334,400	3.31%	1.55%	4.85%
01 - Residential Total	**$4,982,252,327**	**$5,466,861,958**	**$50,166,900**	**$30,100,750**	**$80,267,650**	**1.61%**	**8.12%**	**9.73%**
02 - Utilities	$12,007,021	$12,672,213	-$201,509	-$143,900	-$345,409	-2.88%	8.42%	5.54%
03 - Supportive Housing	$0	$0	$0	$0	$0			
04 - Major Industry	$0	$0	$0	$0	$0			
05 - Light Industry	$2,410,500	$2,945,600	$23,700	$493,200	$516,900	21.44%	0.76%	22.20%
06 - Business And Other	$158,283,250	$159,442,117	$400,527	$922,339	$1,322,866	0.84%	-0.10%	0.73%
07 - Managed Forest Land	$5,596,000	$6,314,600	-$72,500	$0	-$72,500	-1.30%	14.14%	12.84%
08 - Rec/Non Profit	$16,178,000	$17,491,400	$666,500	$0	$666,500	4.12%	4.00%	8.12%
09 - Farm	$4,851,687	$4,558,922	-$310,509	$0	-$310,509	-6.40%	0.37%	-6.03%
S.644LGA/398VC	$0	$0	$0	$0	$0			
Total All Classes	**$5,181,578,785**	**$5,670,286,810**	**$50,673,109**	**$31,372,389**	**$82,045,498**	**1.58%**	**7.85%**	**9.43%**

NMC Roll Comparison by Property Class

2017 Net General Taxable Values
Completed Roll run on 07/Dec/2016

The numbers on this report will remain static as of the Completed Roll non-market change cutoff date (December 5, 2016).

Non Market Change (NMC) Reasons (value*BC*)

Note: If there is more than one reason for a property, only one reason will be reported. The following is the hierarchy for reporting and a short description of each.

Boundary Extension:	Jurisdiction change, usually the result of a municipal incorporation or annexation
Property Class Change:	A change in property class i.e. from Residential to Commercial
Exemption Status Change:	A change in exemption status i.e. taxable to non taxable or vice versa
Additions or Deletions:	Adding a new folio or deleting a folio. A subdivision would result in an Add for the new folios and either an Inventory Change or a Deletion of the parent property depending on how the subdivision was processed.
Inventory Change:	A modification of data that is not related to market shifts that will cause a change to the value of a property i.e. new construction
Zoning Change:	Change in property zoning

BRIEFING

To: Financial Planning Committee **For the Meeting of:** January 17, 2017

From: Cindy Shelest, Director Administrative Services **Date prepared:** January 9, 2017

SUBJECT: **PUBLIC CONSULTATION DOCUMENTS - PROPOSED 2017/18 BUDGET**

DESCRIPTION OF ISSUE:
The purpose of this briefing is to provide Financial Planning Committee with the public consultation documents related to the proposed 2017-2018 Budget.

BACKGROUND:

Trust Area Services staff has drafted the public consultation documents using the proposed 2017-2018 budget information and input from the Director of Administrative Services. The intent is to provide the public with a visually-appealing budget public consultation package that is clear, concise and easy-to-understand. Similar to previous years, the public consultation documents will include an overview document, a Frequently Asked Questions document, and a short survey to elicit responses. Staff will advertise the consultation in select island media.

Staff will follow the existing operational procedure *Public Input to Trust Council's Budget Process* (unchanged from previous year). This will include monitoring the Islands Trust Twitter feed and responding to tweets using the attached Social Media Assessment Tool.

This is the Financial Planning Committee's opportunity to request changes to the content or design of the public consultation package, as well as clarify expectations with respect to staff's response to the public input received.

ATTACHMENT(S):
1) 2017-2018 Budget Public Consultation Summary
2) 2017-2018 Budget Public Consultation FAQ
3) 2017-2018 Budget Public Consultation survey questions
4) Islands Trust Social Media Assessment Tool

AVAILABLE OPTIONS:

1) Receive for information and/or request changes to the content or design of the public consultation documents.
2) Request that the Executive Committee direct staff to monitor additional specified social media sources during the public consultation process.

FOLLOW-UP:

Staff will make the public consultation documents public on Friday, January 20, 2017.

Staff will provide the results of the consultation to the Financial Planning Committee at their February 28 meeting.

Prepared By:	Cindy Shelest, Director Administrative Services
Reviewed By/Date:	Clare Frater, Director Trust Area Services Russ Hotsenpiller, Chief Administrative Officer

Islands Trust

Proposed Budget
2017–2018

This package presents highlights of the *proposed* 2017–2018 budget for the Islands Trust to help fulfil its mandate of preserving the communities, culture and environment of the islands in the Salish Sea.

We invite your feedback on the proposed budget until **February 10, 2017.**

For details, frequently asked questions and for a link to our survey, visit islandstrust.bc.ca/budget.

What happens to your feedback

If we receive your feedback by **February 10, we can include it in the meeting package** for the Financial Planning Committee (FPC) responsible for developing the annual budget process, financial planning and management.

The FPC will consider your input as it makes its budget recommendations to the Islands Trust Council, which will approve the final budget at its quarterly meeting March 14–16, 2017 on Gabriola Island.

How you can give feedback

By completing a short survey via islandstrust.bc.ca/budget

By email budget@islandstrust.bc.ca

By fax 250-405-5155

By mail 200–1627 Fort Street
Victoria, BC V8R 1H8

In person at the Islands Trust Council's March 14–16 meeting on Gabriola Island
See our website for details

Please note: Proposed budget numbers in this document are subject to change before final approval by Trust Council in March 2017.

All feedback is considered public, will be included in public documents (subject to *Freedom of Information and Protection of Privacy* legislation) and posted to the website.

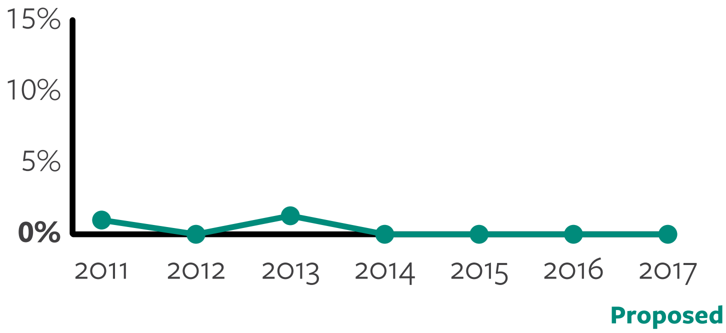
While staff at the Islands Trust do their best to make sure your feedback reaches appropriate departments, please note that if your feedback is not budget-related, there may be other ways to have your say. Learn how you can give feedback on different topics by visiting islandstrust.bc.ca/connect/share-your-ideas/

Thank you

Highlights of the 2017-2018 budget proposal:

- No increase in revenue from property taxes except for Bowen Island (see below)
- A $7.7 million operating budget
- Maintain service levels from 2016–2017
- A proposed increase in expenses of $388,343 over 2016–2017 budget
- Develop projects the Islands Trust Council identified in its 2014–2018 Strategic Plan (see page 4)

Islands Trust revenues from property taxes have been steady since 2011



How does the potential incorporation of Salt Spring Island affect the 2017–2018 budget?

If Salt Spring Island incorporates, the Islands Trust will receive revenues at pre-incorporation levels from the new island municipality for a three-year period. However, Islands Trust will incur some costs during the transition process. The Islands Trust 2017–2018 proposed budget includes $100,000 which is expected in the form of a grant from the Province, for these costs.

If Salt Spring Island incorporates, the Islands Trust Council will use the information in its Transition Plan to make decisions on how to balance taxes and service delivery while delivering its provincial mandate. The Transition Plan is available at islandstrust.bc.ca/ssitransition. Email comments are welcome to transition@islandstrust.bc.ca.

Why do Bowen Island taxpayers pay more despite no overall tax increase?

Before Bowen Island's incorporation as an island municipality, the Province set a formula to calculate Bowen Island's contribution to the cost of operations of Trust Council and the Trust Fund Board.

A key factor in that formula is calculation of assessed property values on Bowen Island in relation to the rest of the Trust Area. This year, the percentage of assessed property values for Bowen Island increased by 2.5 per cent. As a result, if the 2017–2018 proposed budget is approved, property owners from Bowen Island would together contribute a total of nearly $253,000, an increase of about $30,000 over 2016–2017.

Bowen Island taxpayers' membership in the Islands Trust federation supports a suite of federation-wide activities including a unified voice to advocate for the interests of islanders and island ecosystems to other levels of government.

Please visit the budget webpage and read the FAQs for details about Bowen Island's tax calculation.

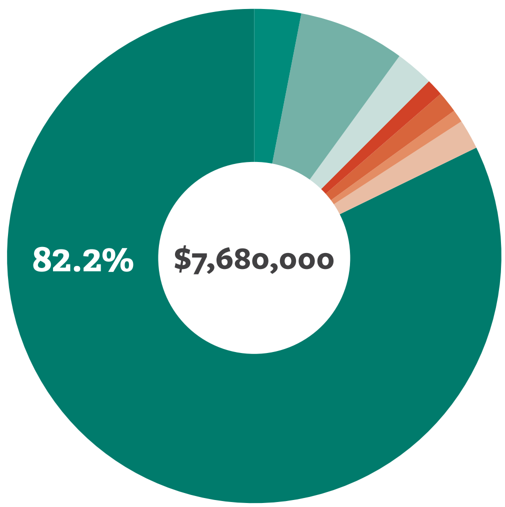
As an Islands Trust area taxpayer, you support the work of the Islands Trust through stewardship, by electing your island representatives and by ongoing participation in conversations that strengthen the collective vision for your island and the Trust Area.

Revenue — where the tax dollars come from

The draft 2017–2018 budget proposes **no increase in Islands Trust revenue from property taxes** over last year. The funding for the proposed increase in expenses will come from a combination of surplus from the prior year, application fees, interest on funds on deposit and grants. To achieve a zero per cent tax increase, the FPC recommends using $526,000 from the General Revenue Surplus Fund, which acts as a reserve for unexpected expenses. This transfer would leave a balance in the Revenue Fund of $1.9 million at March 31, 2018.

Below is the projected Islands Trust revenue for the 2017–2018 fiscal year:

- **Property tax levy from local trust areas**
  82.2% ($6,312,000)
- **Bowen municipal property tax levy for Islands Trust**
  3.3% ($253,000)
- **Transfer from General Revenue Surplus Fund**
  6.9% ($526,000)
- **Provincial grant**
  2.3% ($180,000)

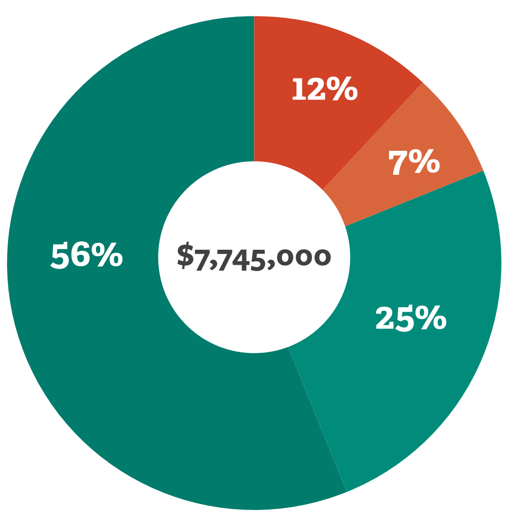


- **Special Property Tax — Salt Spring Island Local Trust Area**
  1.3% ($99,000)
- **Application fees**
  1.4% ($110,000)
- **Interest income**
  0.7% ($50,000)
- **Grant income**
  1.9% ($150,000)

Expenses — where your tax dollars would go in 2017–2018

The proposed Islands Trust expenses are summarized in the following pie chart under the four main areas of operation.

- **Local trust committees**
  56% ($4,343,000)
  Public meetings, land use planning, bylaws, development applications, zoning and bylaw enforcement
- **Trust Council**
  12% ($914,000)
  Trust Area-wide policy, public meetings, finance, communications and advocacy



- **Islands Trust Fund**
  7% ($536,000)
  Protect land through conservation covenants and nature reserves
- **Admin Services**
  25% ($1,952,000)
  Human resources, buildings, technology, accounting and executive administration

TOTAL INCLUDES $65,000 FOR AMORTIZATION OF ASSETS

Proposed island projects in 2017–2018

Northern Local Trust Committees	
Ballenas Winchelsea (First Nations Relations/Crown Islet Advocacy)	$1,000
Denman Island (First Nations Relations/Farm Plan Implementation)	$6,000
Gabriola Island (First Nations Relations/Attainable Housing)	$8,500
Gambier Island (OCP Review/First Nations Relations/Foreshore Protection/ DAI Bylaws)	$15,000
Hornby Island (Vacation Home Rental Review/Heritage Protection/ First Nations Relations)	$2,000
Lasqueti Island (OCP/LUB Review/First Nations Relations)	$8,000
Thetis Island (OCP/LUB Review/RAR Implementation/First Nations Relations)	$7,000
Salt Spring Local Trust Committee	
Ganges Village Planning	$4,000
Watershed Management (not covered by SSIWPA)	$20,000
Integrated Community Sustainability Plan	$20,000
Affordable Housing	$4,000
Other (Bylaw Updates/Marine Conservation/Rural Watersheds/Cottages/ First Nations Heritage)	$12,000
Southern Local Trust Committees	
North Pender Island (Bylaw Updates/Marine Conservation/Rural Watersheds/ Cottages/First Nations Heritage)	$19,000
South Pender Island (LUB Review/OCP/LUB Changes)	$8,500
Galiano Island (Dock Review/Telecommunication Strategy and LUB Changes)	$14,500
Mayne Island (Commercial Land Use/RAR Implementation/OCP and LUB Changes)	$14,500
Saturna Island (LUB Review/First Nations Relations)	$8,000
Total cost of Local Trust Committee projects	**$172,000**

ACRONYMS

DAI
Development Application Information

OCP
Official Community Plan

LUB
Land Use Bylaw

RAR
Riparian Area Regulation

SSIWPA
Salt Spring Island Watershed Protection Authority

Local trust committees requesting funding for these projects, with community involvement during public meetings, use the following criteria:

- Is it a provincial government requirement?
- Does it directly support the Strategic Plan?
- Does it directly support the Policy Statement?
- Is it a continuation of a current OCP/LUB?
- Does it support recently adopted OCP policies?

Details on the projects are available online at islandstrust.bc.ca/budget

Proposed projects related to the 2014–2018 Strategic Plan

In September 2015, the Islands Trust Council adopted its Strategic Plan for 2014–2018, following extensive review and public input.

The proposed projects in the table below support the priorities identified in the Plan.

Review of Victoria office location	$10,000
Engagement with communities, First Nations and other levels of government to identify how to update the Policy Statement	$48,000
Research and advocacy for fresh water and marine conservation	$25,000
Housing needs assessment (in response to public requests for local planning focus on housing)	$40,000
Technology to support electronic meetings	$30,000
Total cost of the Strategic Plan projects	**$153,000**

Details on items in this document and link to the survey are available online at islandstrust.bc.ca/budget

The Islands Trust Council sets priorities and policies, manages finances and provides oversight. Trust Council also provides a unified voice to advocate for the interests of islanders and island ecosystems to other levels of government and industry.

Frequently Asked Questions
Proposed Budget 2017-2018

Why do I pay taxes to the Islands Trust?

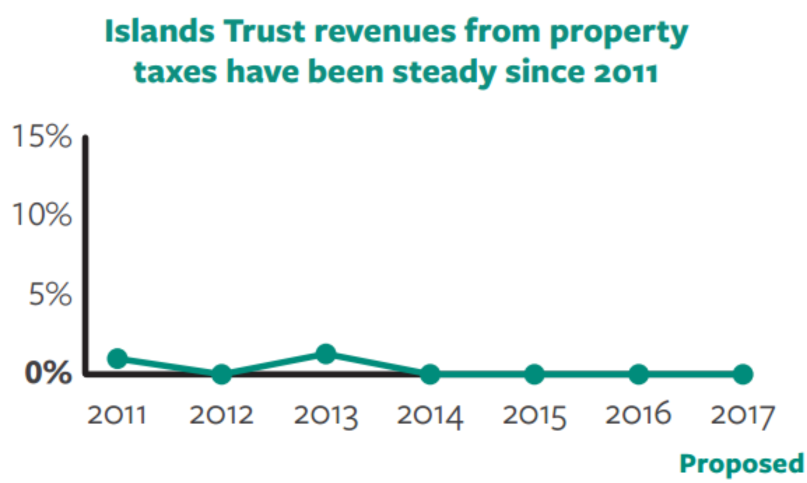
The Islands Trust is one of the many agencies providing services on your island.

The Province of B.C. established the Islands Trust in 1974 to preserve and protect island communities, culture and environment from uncontrolled development, for the benefit of island residents and the province.

The Islands Trust achieves its purpose through land use planning and regulation, collaboration with residents and agencies, and land conservation. Your tax dollars also support a unified voice to advocate for the interests of islanders and island ecosystems to other levels of government and industry.

Will there be a tax increase this year?

The Islands Trust is proposing no increase in revenue from property taxes this year. Your share of the revenue that supports the Islands Trust may go up or down depending on where you live and changes you made to your property. The Islands Trust's revenues from property taxes have been steady since 2011. Please see the question "How is my property tax calculated" for more information.



What services does my island get from the Islands Trust?

The Islands Trust balances the need to preserve the environment with the economic, housing, cultural and social needs of the residents through planning and regulating land use, managing development and through educating and collaborating with residents and agencies.

The Islands Trust provides land use planning and bylaw enforcement (through local trust committees), land conservation (through the Islands Trust Fund) and Trust-wide policy advice and advocacy (through Trust Council).

Local trust committees make decisions about land use planning in their local trust areas, which can include multiple islands. Islands Trust staff support the local trust committees with:

- Long term community planning – undertaking research and developing reports and recommendations for amendments to the official community plans, policies and vision for each island.
- Land use regulations – implementing the community vision through making recommendations for updates and amendments to land use bylaws and regulations, including enforcement of the bylaws.
- Development management – processing development applications, including regulatory changes associated with the proposed new use of land such as rezonings, temporary use permits or development area permits. Staff also review building permit applications made to regional districts, and review and comment on how subdivision and Crown lease applications made to the Province comply with local zoning and policy.

Bowen Island Municipality does its own land use planning and bylaw enforcement.

What portion of my tax dollars go to the Islands Trust Fund?

In 2017-2018, the Islands Trust proposes to allocate seven per cent ($536,000) of its budget to the operations of a land conservancy called the Islands Trust Fund. The Islands Trust Fund has its own board and staff who work with private landowners and conservancy partners to protect ecosystems in the Salish Sea. The Islands Trust Fund protects more than 1,100 hectares of land in 73 conservation covenants and 26 nature reserves. Land is purchased using only donations and grants.

What other agencies provide services on my island?

In the Islands Trust Area (comprised of 13 major and 450 smaller islands), there are seven regional districts, two health authorities and several provincial agencies providing services such as roads, hospitals, fire protection, policing, libraries, solid waste, sewage, water, parks and recreation, subdivision approvals, building permits and building inspections (on some islands).

On Bowen Island, many of the services are provided by the Bowen Island Municipality.

Services offered by a regional district vary from island to island. Learn more about other jurisdictions in the Islands Trust Area.

What new spending is Islands Trust proposing for 2017-2018 and why?

In September 2015, following public input, the Islands Trust Council adopted its Strategic Plan for 2014–2018 and in 2017-2018 proposes to spend a total of $153,000 on the related projects below.

Review of Victoria office location ($10,000)

In 2015, the Islands Trust Council appointed a Select Committee of trustees and staff to review the location of the Victoria office. Once the committee has reviewed all options, it will present its findings to the Islands Trust Council, along with recommendations on the option that best meets the needs of all the islands.

Engagement with communities, First Nations and other levels of government to identify how to update the Policy Statement ($48,000)

The Islands Trust Council decided in December 2015 to perform a targeted update of the Islands Trust Policy Statement. There are significant costs involved in engaging throughout the Trust Area with communities, First Nations and other levels of government, to identify how to update the Policy Statement.

Housing needs assessment ($40,000)

In response to public requests during the 2014-2018 strategic planning process for a focus on housing, the Islands Trust Council hosted a well-attended community housing forum in 2016 to share information and discuss shared challenges and solutions for community housing across our islands. In December 2016, Trust Council amended its 2014-2018 Strategic Plan to include creation of one or more regional housing needs assessment(s) in 2017-2018. Housing needs assessments provide baseline information essential to advancing and implementing affordable housing policies.

Research and advocacy for freshwater and marine conservation ($25,000)

In response to public requests during the 2014-2018 strategic planning process for a focus on freshwater and marine conservation, Trust Council will support education and advocacy projects in 2017-2018.

Technology to support electronic meetings ($30,000)

In 2016, Trust Council amended its *Meeting Procedures Bylaw* to enable trustees to attend Trust Council meetings remotely. In 2017-2018, the Islands Trust will improve its electronic meeting technology to support trustee participation in meetings via videoconferencing.

How is my property tax calculated?

Unlike other local governments, the Islands Trust does not directly collect property tax. The Provincial Surveyor of Taxes sets the rates and collects the tax from Trust Area taxpayers based on the revenue that the Islands Trust Council requests.

The amount of tax charged on a property in a local trust area (all Islands Trust Area properties except those on Bowen Island Municipality) depends on four factors: the assessed value, the mill rate, the type of property and the amount of tax revenue the Islands Trust Council needs from the Province (called the requisition amount) to fulfil its mandate.

Each January, BC Assessment notifies property owners of the property's assessed value, classification and applicable exemptions.

The requisition amount ($7.7 million proposed for 2017-2018) is divided by the total assessed value of all properties in the Islands Trust Area, except Bowen Island, to develop a mill rate (the amount of tax payable per $1,000 of the assessed value of the property). The same mill rate is applied to every taxpayer in all local trust areas.

The classification of each property also affects the tax rate. In local trust areas, properties classified as residential, farm and recreation pay the same rate. Properties classified as business, managed forest, utilities and light and major industry pay more, based on multiples set by the Province.

The Islands Trust is proposing no increase in revenue from property taxes this year. Your share of the revenue that supports the Islands Trust may go up or down depending where you live and changes you made to your property. A taxpayer within the Islands Trust Area may pay more or less tax in 2017 due to the factors explained above.

For questions about your property assessment, you can call the number on your property assessment notice or visit the B.C. Assessment Authority website.

Bowen Island Municipality

Why is the Islands Trust tax a line item on my Bowen Island Municipality Tax notice?

Before Bowen Island's incorporation as an island municipality, the Province set a formula to calculate Bowen Island's annual contribution to the cost of operations of Trust Council and the Trust Fund Board.

A key factor in that formula is calculation of assessed property values on Bowen Island in relation to the rest of the Trust Area. This year, the percentage of assessed property values for Bowen Island increased by 2.5 per cent. As a result, if the 2017-2018 proposed budget is approved, property owners from Bowen Island would together contribute a total of nearly $253,000, an increase of about $30,000 over 2016-2017.

Please visit the budget webpage and read the FAQs for details about Bowen Island's tax calculation.

What services do Bowen Island residents receive based on their participation in the Islands Trust?

Since 1974, Bowen Island has belonged to the federation of islands supported by the Islands Trust whose mandate is to preserve the communities, culture and environment of the islands within the Salish Sea.

Bowen Island benefits from Trust Area-wide programs, including land conservation, policy development, education programs and advocacy about the interests of islanders and island ecosystems to other levels of government.

Salt Spring Island

How does the potential incorporation of Salt Spring Island affect the 2017-2018 budget?

If Salt Spring Island incorporates, the Islands Trust will receive revenues at pre-incorporation levels from the new island municipality for a three-year period. However, Islands Trust will incur some costs during the transition process. The Islands Trust 2017-2018 proposed budget includes $100,000, which is expected in the form of a grant from the Province, for these costs.

If Salt Spring Island incorporates, the Islands Trust Council will use the information in its Transition Plan to make decisions on how to balance taxes and service delivery while delivering its provincial mandate. The Transition Plan is available at www.islandstrust.bc.ca/ssitransition. Email comments are welcome to transition@islandstrust.bc.ca.

Who is involved in the budget planning at Islands Trust?

The annual budget planning process at the Islands Trust starts with islanders who take the time to tell trustees and staff what matters to them, locally and Trust Area-wide.

The Financial Planning Committee is responsible for drafting the annual budget, collating public input and making recommendations to the Trust Council, which approves the budget in March each year.

What is the budget process at the Islands Trust?

The table below helps explain the annual budget planning process, timeline and individuals and groups involved in this year's process:

Aug 24, 2016	The Financial Planning Committee (FPC) reviewed draft budget assumptions and principles.
Fall 2016	Staff reviewed the detailed budget based on previous year spending, future work programs, 2017-2018 Strategic Plan initiatives, and for consistency with the *Islands Trust Act* and the Islands Trust Policy Statement. Senior staff reviewed the budget to look for opportunities to incorporate efficiencies and savings within the organization. The Trust Fund Board and the local trust committees (LTCs) provided their project needs and passed any resolutions required to adopt/modify their budget proposals. Under Policy 6.3.ii LTCs may make Special Property Tax Requisitions, which permits an individual local trust committee to request a special property tax for additional operations that are not included within the general operations of all local trust committees. Salt Spring Island made a request under this policy.
Oct 19, 2016	The Financial Planning Committee reviewed and discussed the first draft of the budget.
Nov 16, 2016	The Financial Planning Committee approved the proposed budget and budget assumptions.
Dec 7, 2016	Trust Council amended and gave direction to Financial Planning Committee on the proposed budget for public input.
Jan 17, 2017	The Financial Planning Committee met to approve the public consultation package, including any last minute changes to the proposed budget.
Jan 20, 2017	The public is invited to review and send feedback on the proposed budget.
Feb 10, 2017	Deadline for public input.
Feb 28, 2017	The Financial Planning Committee reviews the public input and discusses any changes, if needed, to the proposed budget. The Financial Planning Committee forwards the proposed budget with recommendations to Trust Council about the property tax requisition, the Bowen Island Municipality tax levy and any local trust committee special tax requisitions.
Mar 15, 2017	Trust Council considers the Financial Planning Committee's recommendations and all public input at its quarterly business meeting on Gabriola Island. Trust Council may consider amendments to the proposed budget up to the time it adopts a final budget bylaw, expected to happen on the afternoon of March 15th. Trust Council also passes formal resolutions to direct the preparation of the associated financial plan and revenue anticipation borrowing bylaws. Staff forward financial plan and revenue anticipation borrowing bylaws to the Minister of Community, Sport, and Cultural Development for approval.

Thank you for completing this survey. The questions should take five to ten minutes to answer.

We invite your feedback on the Islands Trust Council's proposed 2017-2018 budget untilFebruary 10, 2017.

Please visit www.islandstrust.bc.ca/budget for budget details before answering the questions in this survey. For more information on the Islands Trust and its activities and accomplishments consider reviewing the 2015-2016 Annual Report.

Once you have started the survey, please use the "previous" and "next" buttons to move between pages. If you use your web-browser's back button, you may lose your work. If you need to quit and come back later, the survey should remember your earlier entries.

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 send your comments to budget@islandstrust.bc.ca

Island affiliation

1. Which island or local trust area do you feel most connected with? (You can select more than one.)

- [ ] Bowen
- [ ] Denman
- [ ] Gabriola
- [ ] Galiano
- [ ] Gambier
- [ ] Hornby
- [ ] Lasqueti
- [ ] Mayne
- [ ] North Pender
- [ ] Salt Spring
- [ ] Saturna
- [ ] South Pender
- [ ] Thetis
- [ ] The entire Islands Trust Area

Other (please specify)

2. Thinking about the Islands Trust budget, which of the following budget principles do you support? [SELECT ONE and please explain your choice]

- ◯ Increase taxes to add a new program or improve / increase existing services or programs (e.g. more advocacy, more bylaw enforcement or new long term planning to adapt to changes in the Islands Trust Area)
- ◯ Keep taxes the same. 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

Please explain your choice. In which areas would you reduce or increase spending?

3. Approximately 19% ($1.4 million) of the Islands Trust budget pays for Trust Area-wide functions such as land conservation, communications, advocacy, First Nations relations and policy development. How much value for your tax dollars do you think you receive for this work? (SELECT ONE and please explain your choice)

- ◯ Excellent value
- ◯ Good value
- ◯ Poor value
- ◯ Don't know / Other

Please explain your choice

4. About 56% ($4.3 million) of the Islands Trust budget pays for land use planning (public meetings, development applications, zoning) and bylaw enforcement, except on Bowen Island where the Bowen Island Municipality provides these services. How much value for your tax dollars do you think you receive for this work? (SELECT ONE and please explain your choice)

- ◯ Excellent value
- ◯ Good value
- ◯ Poor value
- ◯ Don't know / Other

Please explain your choice

Evaluation

5. How did you hear about this survey? (You can select more than one answer)

- [ ] Email from the Islands Trust
- [ ] Islands Trust website
- [ ] Newspaper article
- [ ] Local trustee
- [ ] Community blog or website (non-Islands Trust)
- [ ] Community bulletin board
- [ ] Facebook
- [ ] Newspaper or online ad

Other (please specify)

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

- [ ] Local newspaper
- [ ] Email from the Islands Trust
- [ ] Direct mail from the Islands Trust
- [ ] Islands Trust website
- [ ] Facebook
- [ ] Word of mouth
- [ ] Community bulletin boards
- [ ] Meetings of the local trust committee
- [ ] Other (please specify)

7. Is there anything else you would like to tell Trust Council about its proposed 2017-2018 budget?

What's next?

In March, the Financial Planning Committee will review public input and make recommendations to Trust Council.

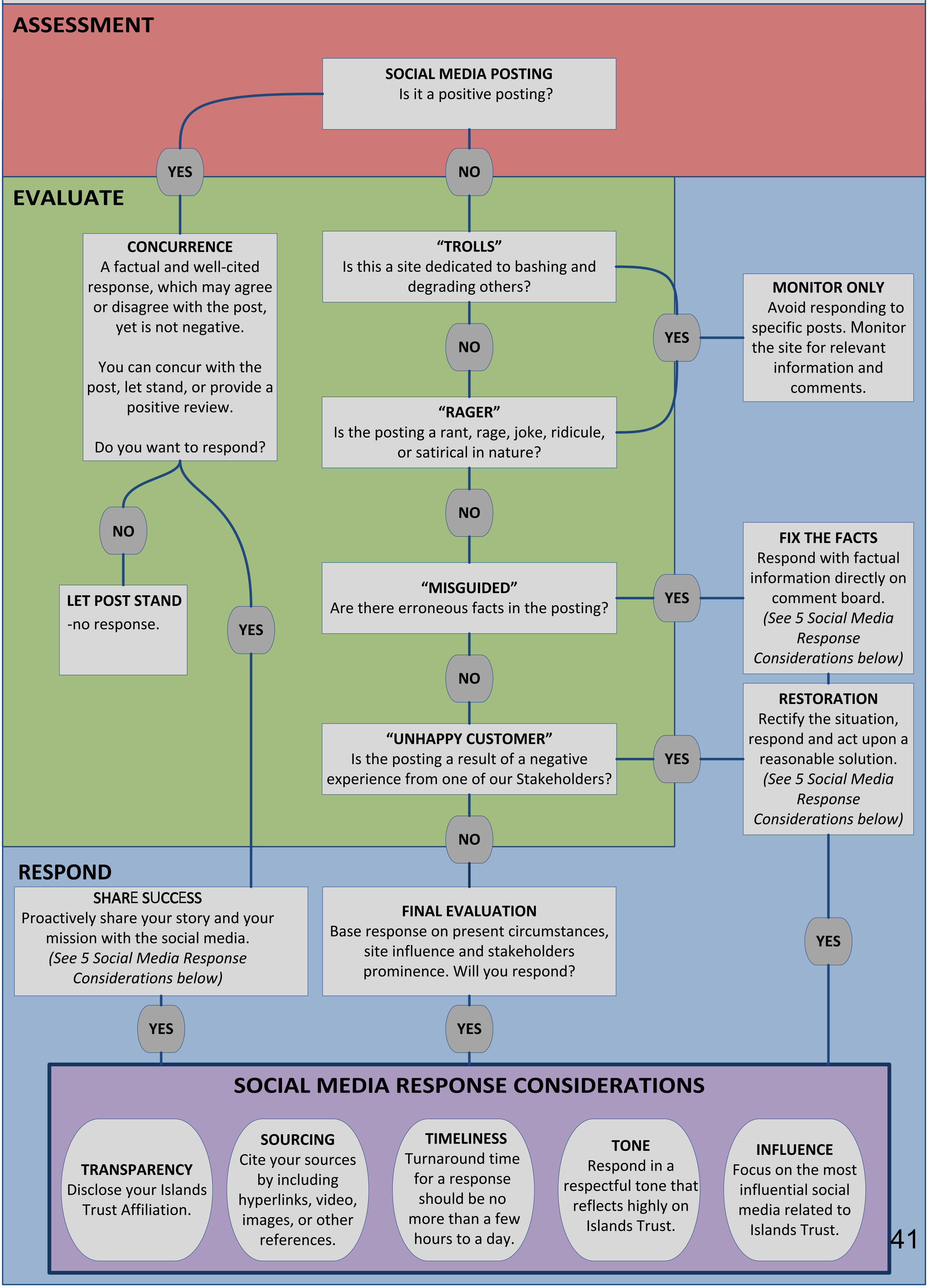
Trust Council will review public input, recommendations from the Financial Planning Committee and approve the final budget at its public meeting March 14-16 on Gabriola Island.

Trust Council's agenda packages, including all public input, are posted on the meeting calendar on the Islands Trust website. To get news of the decisions arising from public meetings, you may customize your e-mail subscriptions here: www.islandstrust.bc.ca/subscribe

If you would like to provide additional comments about the proposed 2017-2018 budget or the consultation process, you can also send an email to budget@islandstrust.bc.ca

Thank you for completing this survey!

ISLANDS TRUST SOCIAL MEDIA ASSESSMENT



REQUEST FOR DECISION

To: Financial Planning Committee **For the Meeting of:** January 17, 2017

From: C. Shelest, Director Administrative Services **Date:** January 10, 2017

SUBJECT: **REVISIONS TO TRUST COUNCIL POLICY 6.5.I GENERAL REVENUE FUND SURPLUS POLICY AND RENAME IT RESERVES AND SURPLUS POLICY.**

RECOMMENDATION: That the Financial Planning Committee endorse the amendment of *Policy 6.5.i* General Revenue Fund Surplus Policy (and rename it Reserves and Surplus Policy) to allow for the creation of Specific Reserve Funds.

CHIEF ADMINISTRATIVE OFFICER COMMENTS: The proposed amendments will allow the creation of Specific Reserve Funds to assist Islands Trust in meeting its future obligations and operations needs while providing additional clarity and transparency around the use of surplus funds.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

The proposed amendments will allow for the creation of Specific Reserve Funds and add additional information to certain procedural aspects of the policies.

FINANCIAL:

The proposed amendments will clarify the establishment and use of surplus funds during the budget process.

POLICY:

This recommendation would amend Policy 6.5.i General Revenue Fund Surplus (proposed to be renamed Reserves and Surplus).

IMPLEMENTATION/COMMUNICATIONS:

After the Financial Planning Committee's January 17, 2017 meeting, the Director of Administrative Services will:

- work with Financial Planning Committee Chair Grove and Vice Chair Morse to identify potential Specific Reserve Funds.
- bring a draft Request for Decision to Trust Council from the Financial Planning Committee to revise Trust Council Policy 6.5.i Reserves and Surplus to the Financial Planning Committee's February 28, 2017 meeting.

OTHER: None.

BACKGROUND

At its November 16, 2016 meeting, the Director of Administrative Services provided the Financial Planning Committee with a presentation on current local government reserves funds policies and practices and identified several potential Specific Reserve Funds that Islands Trust may wish to consider in the future (ie. Election Reserve; LTC Project Reserve; and Legal Reserve Funds). The Committee discussed the current policy with respect to Island s Trust's General Revenue Surplus Fund and the use of surplus funds. The Committee requested that Chair Grove and Vice Chair Morse work with staff to define a list of recommendations for further discussion. To facilitate this activity, staff are proposing amendments to the existing policy to permit the use of Specific Reserve Funds.

REPORT/DOCUMENT:

Policy 6.5.i General Revenue Fund Surplus (proposed to be renamed Reserves and Surplus) illustrating proposed amendments dated January 10, 2017.

KEY ISSUE(S)/CONCEPT(S):

Procedures related to the management of surplus funds.

RELEVANT POLICY:

Policy 6.5.i General Revenue Fund Surplus (proposed to be renamed Reserves and Surplus).

DESIRED OUTCOME:

Clarify and streamline procedures related to surplus funds.

RESPONSE OPTIONS

Recommended:

That the Financial Planning Committee endorse the amendment of *Policy 6.5.i* General Revenue Fund Surplus Policy (and rename it Reserves and Surplus Policy) to allow for the creation of Specific Reserve Funds.

Alternatives:

Recommend different or additional revisions to the policy.
Recommend no changes to the policy at this time.
Request staff return with further advice regarding the policy.

Prepared By: C. Shelest, Director of Administrative Services

Reviewed By/Date:

Russ Hotsenpiller, Chief Administrative Officer

6.5.i. Policy

RESERVES AND SURPLUS POLICY

Trust Council: December 5, 1992
Amended: September 14, 2001; December 5, 2003;
September 17, 2004; December 9, 2005; December 12, 2008; September 11, 2013,
January 10, 2017

A: PURPOSE:

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

B: REFERENCES:

1. *Islands Trust Act* Regulations, s.13

2. *Local Government Act*: Divisions (1), (2) and (5) and Section 496

3. Policy Manual:

3.1. replaces Policy 6.5.i (General Reserve), 6.5.ii (Capital Reserve), and 6.5.iii (Legal Reserve)
3.2 Policy 6.3.ii Special Property Tax Requisition

C: DEFINITIONS:

1. **Reserve** – Funds set aside for a specified purpose.

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

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

4. **Surplus** – unappropriated funds in a Reserve Fund.

D: 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

    a. 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.
    b. 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.
    c. 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.
    d. Contributions to or withdrawals from the General Revenue Surplus Fund are approved through the annual Financial Plan Bylaw.

4. Specific Reserve Funds

    a. 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.
    b. Specific Reserve Funds are established for a specific purpose and are created through a transfer from the General Revenue Surplus Fund.
    c. These funds will be reviewed by the Financial Planning Committee on an annual basis during the budget process.

5. Special Property Tax Requisitions

    a. 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 C.6(c) and (d) of Islands Trust Council Policy 6.3.ii.

6.5.i. Policy

~~GENERAL REVENUE FUND~~ RESERVES AND SURPLUS POLICY

Trust Council: December 5, 1992
Amended: September 14, 2001; December 5, 2003;
September 17, 2004; December 9, 2005; December 12, 2008; September 11, 2013, January 9, 2017

A: PURPOSE:

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

B: REFERENCES:

1. *Islands Trust Act* Regulations, s.13

2. *Local Government Act*: Divisions (1), (2) and (5) and Section 496

3. Policy Manual:

3.1. replaces Policy 6.5.i (General Reserve), 6.5.ii (Capital Reserve), and 6.5.iii (Legal Reserve)
3.2 Policy 6.3.ii Special Property Tax Requisition

C: DEFINITIONS:

1. **Reserve** – Funds set aside for a specified purpose.
2. **General Revenue Surplus Fund** – ~~The General Revenue Fund holds~~ the accumulated excess of revenue over expenditures from the operations of the Trust, excluding transfers to Specific Reserve Funds.~~the capital fund.~~
~~1.~~3. **Specific Reserve Fund** – A fund established for a specific purpose.
~~2.~~4. **Surplus** – ~~The Surplus represents all~~ unappropriated funds in ~~t~~ a Reserve~~he General Revenue~~ Fund.
~~3. **Reserve** – A Reserve is a vehicle for appropriating a portion of the General Revenue Fund for future use. General Revenue Fund Reserves are established for specific and identified future uses.~~

D: 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.

~~The Islands Trust will endeavour to balance its annual budget. The *Islands Trust Act* requires that a deficit that is incurred must be carried forward as an expenditure in the next year, or funded through additional revenue.~~

~~1.~~3. General Revenue Surplus Fund

a. The General Revenue Surplus Fund is created through a transfer of excess revenue over expenditures from the operations of the Trust ~~a reduction in budgeted operating expenditures or by increasing revenues above the budgeted amount.~~ In addition~~Also~~, the annual budget may~~can~~ include a line item "Contribution to Surplus" to deliberately increase the amount in the General Revenue Surplus Fund.

b. 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.

c. 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.

~~a.~~d. Contributions to or withdrawals from the General Revenue Surplus Fund are approved through the annual Financial Plan Bylaw.

~~2. The General Revenue Fund may consist of Surplus and Reserves. Trust Council has decided (September 2005) that Reserves with specified purposes will not be created.~~

4. Specific Reserve Funds

a. 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.

b. Specific Reserve Funds are established for a specific purpose and are created through a transfer from the General Revenue Surplus Fund.

~~a.~~c. These funds will be reviewed by the Financial Planning Committee on an annual basis during the budget process.

~~3. A surplus can be used to fund significant and/or unanticipated general expenditures that would create a potential deficit situation at year-end. Trust Council must approve the amount of surplus to be used. Notwithstanding this, 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.~~

4. ~~Surpluses shall be included and reported within the General Revenue Fund, and any changes to the surpluses will be indicated in the notes to the Financial Statements.~~

5. Special Property Tax Requisitions

   a. ~~Despite sections D.3 and D.4 of this policy, a~~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 C.6(c) and (d) of Islands Trust Council Policy 6.3.ii.

~~5.~~6. ~~The Financial Planning Committee recommends to Trust Council that the minimum amount of money that should be contained within the General Revenue Fund Surplus is three months of expenses net of three months of revenue, excluding revenue from property taxes or the provincial grant.~~

Islands Trust

REQUEST FOR DECISION

To: Trust Council

For the Meeting of: March 14-16, 2017

From: Financial Planning Committee

Date: January 17, 2017

SUBJECT: **REVISIONS TO TRUST COUNCIL POLICY 6.5.III PURCHASING PROCEDURE AND RENAME IT PROCUREMENT PROCEDURE.**

RECOMMENDATION: That the Islands Trust Council amend *Policy 6.5.iii* Purchasing Procedure and rename it Procurement Procedure to update it for several items raised by Trustees and Staff since the policy was last updated in March 2014.

CHIEF ADMINISTRATIVE OFFICER COMMENTS: The proposed amendments to the Purchasing Procedure Policy will clarify and streamline procedures related to procurement within the Islands Trust. They are intended to ensure that related expenditures are consistent with the Islands Trust Act and with purchasing procedures already adopted by Trust Council.

The policy has been amended to include a broader ability for Local Trust Committees to provide input to service procurement including environmental, social policy and local purchasing considerations. There is also language to support the provision of local expertise in contracting services.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:
The proposed amendments will clarify procurement procedures and add additional information to certain procedural aspects of the policies.

FINANCIAL:
The proposed amendments will clarify procurement processes within Islands Trust.

POLICY:
This recommendation would amend Policy 6.5.iii Purchasing Procedure (proposed to be renamed Procurement Procedure).

IMPLEMENTATION/COMMUNICATIONS:
The revised policies will be circulated to holders of the Islands Trust Policy Manual and placed on the Islands Trust website. It will also be reviewed with Islands Trust staff with procurement responsibilities.

OTHER: None.

BACKGROUND

On March 5, 2014, Trust Council approved a major revision to the Purchasing Procedure Policy. Since that time Trustees and Staff have provided feedback to the Director of Administrative Services with respect to potential changes and/or enhancements to the policy. The Financial Planning Committee's FUAL includes an item to request staff review Islands Trust Policy 6.5.iii Purchase Procedure in light of present practices and come back to the Committee with recommendations

Further, on April 4, 2016 EC meeting direction was given to provide a report on potential improvements to consultant evaluation procurement policy. These improvements were in support of providing greater flexibility to utilize local expertise and professional capacity with local trust areas.

REPORT/DOCUMENT:
Policy 6.5.iii Purchasing Procedure (proposed to be renamed Procurement Procedure) illustrating proposed amendments dated January 9, 2017.

KEY ISSUE(S)/CONCEPT(S):
Procedures related to the procurement of goods and services and consistency with relevant financial policies.

RELEVANT POLICY:
Policy 6.5.iii Purchasing Procedure (proposed to be renamed Procurement Procedure)

DESIRED OUTCOME:
Clarify and streamline procedures.

RESPONSE OPTIONS

Recommended:

That the Islands Trust Council amend *Policy 6.5.iii* Purchasing Procedure Policy and rename it Procurement Policy to update it for several items raised by Trustees and Staff since the policy was last updated in March 2014.

Alternatives:

Recommend different or additional revisions to the policy.
Request staff return with further advice regarding the policy.

Prepared By: C. Shelest, Director of Administrative Services

Reviewed By/Date: Financial Planning Committee/January 17, 2017
Executive Committee/March 1, 2017

____
Russ Hotsenpiller, Chief Administrative Officer

6.5.iii. Procurement Policy

PROCUREMENT POLICY

Trust Council: March 25, 1996
Amended: March 29, 2007; December 9, 2009;
September 16, 2010; September 11, 2013; March 5, 2014; January 9, 2017

PURPOSE

In accordance with the *Islands Trust Act*:

1. To set out purchasing procedures that support the costs of operations which the Islands Trust is authorized to recover through property tax requisition under *Section 47(2)* of the *Islands Trust Act*;
2. To set out the responsibilities and accountability associated with the efficient, economical and transparent acquisition of goods and services;
3. To ensure that the most appropriate method of procurement is used to acquire goods and services at the best value including consideration of environment and local economy;
4. To ensure properly delegated purchasing authority is maintained; and
5. To ensure consistency with relevant financial policies, procedures and controls, and to provide linkage to the current operating and capital budgets.

RELATED POLICY

Islands Trust Act
BC Government Purchasing Handbook
Ministry of Finance Core Policy 6.0 Purchasing
Islands Trust Policy 5.1.ii, Staff Training and Conference Attendance
Islands Trust Policy 6.12.i Trustee Training/Conference Attendance
Islands Trust Policy 7.2.iii Trustee Travel Guidelines

DETAILS

1. Delegation of Authority

The Treasurer is accountable for the management of the acquisition of goods and services for the Islands Trust and the implementation of the day-to-day administration of the purchasing policies. To meet this objective, the Treasurer will establish such processes and procedures as are determined appropriate to the efficient and effective operation of purchasing services.

It is the intention of the policy to provide internal control measures through the separation of duties and responsibilities relating to the acquisition of goods and/or services. The table in Appendix B establishes the signing authority delegation for procurement processes.

Trustees do not have authority to make commitments or indications of preference to a supplier of good or services, to avoid any real or perceived perception that trustees are improperly influencing a decision of staff to select contractors in accordance with this policy.

Staff with purchasing authority have the following responsibilities:

- Ensure that appropriate approvals have been obtained and are adequately documented.
- Communicate with Administrative Services on anticipated purchasing commitments and creation of service contracts.
- Ensure that no expenditure exceeds approved budgets.
- Ensure that no expenditure is made that is not included in the annual budget.
- Ensure that expenditures are consistent with the required or permitted operations of Islands Trust bodies, as identified in the *Islands Trust Act*.
- Be familiar with the provisions of the Government of British Columbia’s Standards of Conduct for Public Service Employees in Government Procurement Processes

2. Creation of Purchase Orders and Service Contracts

Purchase orders can be created by any employee authorized by the Director, Administrative Services.

Service Contracts will be created by the Finance Clerk based on information provided by staff.

3. Regular Disbursements

Expenditures occurring on a monthly or recurring basis and disbursed in the same, or similar, amounts do not require an approved purchase order or service contract. These expenditures will be approved by the Director, Administrative Services as required. Example expenditures of this type would be rent, telephone charges and BC Mail.

4. Legal Services

The Chief Administrative Officer (or designate) will manage all legal matters through an organizational process. The process involves on-going monitoring of legal costs, monitoring of legal services quality, and regular reporting to Trust Council.

The Chief Administrative Officer will determine if expenditures require review or approval by the Executive Committee or Trust Council.

5. Financial Assistance to Community Organizations and Other Groups or Individuals

Financial assistance to community organizations or other groups or individuals is only permitted if made by the Islands Trust Council, its delegate, or the Executive Committee acting on its behalf, pursuant to Section 8(2)(h) of the *Islands Trust Act* which states that Trust Council may:

“(f) engage in activities to gain knowledge about the history and heritage of the trust area and to increase public awareness, understanding and appreciation of its unique amenities and environment,

(g) conserve heritage property”.

Local Trust Committees may not provide financial assistance to community organizations or other groups or individuals unless Trust Council has, by bylaw, delegated its authority under Section 8(2)(h) of the *Islands Trust Act*.

6. Disclosure of Contracts

If a trustee (or a person who has been a trustee in the previous six months) has a direct or indirect pecuniary interest in a contract with the Islands Trust, their conduct is governed by Section 107 of the *Community Charter*.

If a staff member has a direct or indirect pecuniary interest in a contract with the Islands Trust, their conduct is governed by the Code of Conduct of the Public Service Agency of BC.

7. Local Trust Committee Expenses

a) Disbursements must only be made as authorized by Part 4 of the *Islands Trust Act* and typically include the following:
   - i) Advisory Planning Commission expenses (meeting and secretarial costs)
   - ii) LTC meeting costs including advertising, hall rental, external facilitation costs, and secretarial costs
   - iii) Local mail-outs and/or trustee newsletters
   - iv) Open house costs
   - v) Purchases of goods or services that support the land use planning and regulatory operations of the LTC.

b) Disbursements must be made in accordance with the budget allocation, be processed via the Trust’s financial system, and comply with all financial policies and procedures, including use of purchase orders or service contracts where required, and appropriate approvals by the Treasurer and/or designate;

c) Any disbursement over $500 which is to be charged against the local trust committee expense budget, with the exception of those items noted in Section 7.a)i) through 7.a)iv) above, should be approved by resolution of the local trust committee;

d) Expenditures cannot exceed the annual budget allocation provided to each local trust committee by Trust Council. However, if a local trust committee anticipates extraordinary costs they should approach the Executive Committee to request a budget adjustment;

e) Trustee travel and other expenditures must comply with Islands Trust Policy 7.2.iii Trustee Travel Guidelines; and

f) Trustee expenses related to attendance at training and/or conferences must comply with Islands Trust Policy 6.12.i Trustee Training/Conference Attendance.

8. Competitive Process

The table in Appendix A establishes the dollar limits for different types of competitive processes.

An individual project with a total value greater than $25,000 that will be completed over two fiscal years will require a formal competitive process with a Request for Proposal.

A competitive process can be held at the discretion of the Manager with budget authority even if the estimated value of the goods or services falls below the dollar thresholds in Appendix A.

All competitive processes must be coordinated by the Finance Officer to ensure that best competitive practices are followed.

When a direct award is made, staff are still expected to obtain goods and services at the best available price while taking into consideration the quality and followup service available (if applicable) for the goods and services. To expedite routine or regular purchases, a qualified vendors' list may be established. Vendors on the qualified vendors' list will be selected in accordance with established procedures.

9. Direct Awards

If one or more of the following circumstances exist, the Chief Administrative Officer, in conjunction with the Director of Administrative Services, determines whether to approve a purchase by direct award:

- The requirement is valued at less than $25,000.
- An emergency exists and requirements cannot be satisfied in time by means of a competitive process.
- A process delay would interfere with Islands Trust's ability to maintain security or order, or to protect human, animal, or plant life or health.
- The required service is confidential.
- There is a single supplier that clearly provides the best value in the circumstances of a particular purchase.
- Where the competitive process is impractical because of the need to obtain unique third party skills, there is a requirement for contractor continuity, or there is a strong case for the cost effectiveness of maintaining a current contractor for a specific task.
- For work to be performed on or about a leased building that may be performed only by the lessor of the lessor's approved suppliers.
- The Islands Trust receives grant funding on behalf of a third party who initiated the project or funding request and is named in the funding proposal. In this circumstance, the Director of Administrative Services may, at his or her discretion, directly award a contract to the third party, a contractor or community group after confirming the chosen contractor or

community group demonstrates the capability and qualifications to complete the work funded by the grant. If the work is being conducted on behalf of a local trust committee, the proposed work must be within the legislated role of the local trust committee *(Islands Trust Act, Section 24)*.

- For projects covered under a partnership agreement, where the Islands Trust is not the only source of funds and the other funding source(s) has already selected the contractor. In this circumstance, the Director of Administrative Services may, at his or her discretion, directly award a contract to the selected contractor after confirming the contractor demonstrates the capability and qualifications to complete the work.

10. Selection Criteria

In a competitive process selection criteria shall be established before a competitive process is posted. The selection criteria should consider all the relevant factors in a purchasing decision including, price, quality, qualifications, delivery time, quality of the response, environmental and social policy considerations, local purchasing and any other factors as determined by the Manager with budget authority for the purchase.

A Local Trust Committee may request that the Regional Planning Manager provide the selection criteria for their review prior to posting the competition.

All details of the selection process shall be retained by the Finance Clerk.

11. Consultant Evaluations

A firm's performance is assessed for services based on the quality of the project in terms of how successfully it fulfills the stated objectives for the project. In the case of studies and briefs, where there is no built work involved, the product refers to the actual work produced by a consultant. Quality of 'services' assesses the firm's ability to manage and deliver professional services in a comprehensive, effective, reliable and timely manner throughout each stage of the project.

12. Contract Renewals

Once a competitive process is held (where required) and a vendor selected, contracts may be signed with the selected vendor to allow for renewal periods of up to five years provided that satisfactory service continues to be received. At the completion of the renewal period, a new competitive process should be held, if required by the Purchasing Policy in place at the time.

A competitive process for a particular business service can be delayed for up to one year at the discretion of the Chief Administrative Officer if high quality service is being provided at a reasonable price by the current service provider.

13. Fiscal Year

Contracts should not extend beyond the end of the current fiscal year-end to provide for budget approvals. Should the situation arise where this is required, approval by the Chief Administrative Officer is required.

14. Environmental Considerations

When making purchases every effort will be made to select suppliers whose environmental practices are consistent with those of the Islands Trust.

Environmental considerations include such things as the suppliers' efforts towards recycling; use of environmentally friendly products; and manufacturing goods from recycled or recyclable materials.

In addition, purchases of equipment and supplies should have Canadian content wherever possible, practical and economical.

15. Social Policy Considerations

When making purchases every effort will be made to select suppliers whose products or services align with the attributes of social procurement policy.

Social procurement considerations include contributions towards a stronger local economy; enhancing the number of local jobs; and enhancing community arts and culture infrastructure.

16. Local Purchasing Considerations

When making purchases every effort will be made to purchase local goods and services including:

- Local food procurement – Islands Trust staff engaged in the purchase of food for operational needs will ensure that when practical, both operationally and economically, at least 40% of purchases will be local. Suppliers will be made aware of this policy and will be encouraged, again where practical, to increase the availability and variety of local foods. "Local" is defined as food that is produced within British Columbia with preference given to items produced in the Islands Trust Area or on Vancouver Island.
- Community Stewardship Awards – Islands Trust staff engaged in procuring Community Stewardship Awards, or other awards that from time to time may be required, will ensure that awards represent the unique nature of the Islands Trust Area and, where practical, are constituted from products distinct to the Islands Trust Area.
- Contractors and service providers with a presence in the Islands Trust Area and/or whose employees reside in the Islands Trust Area.

17. Staff Travel and Training

Travel expenses are submitted via Islands Trust Expense Claim. All those claiming expenses are expected to ensure that the most cost effective method of travel is provided. Approved Expense Claims are considered equivalent to an approved purchase order or service contract.

Training requests are approved via an authorized “Training/Conference Request Form” (see Policy 5.1.ii, Staff Training and Conference Attendance). All staff travel and training requests must be approved by the appropriate Manager.

Managers have the responsibility to ensure all Employee Expense Claims are in accordance with established processes (ie. BCGEU travel allowance chart).

APPENDIX A – METHOD OF PROCUREMENT AND APPROVAL AUTHORITY

Methods of Procurement:

1. Petty Cash – each office administrator is provided a petty cash fund for use within the office for purchase of goods of a minor nature. Reconciliations are provided to the Finance Officer on a regular basis.
2. Purchase Order – this process exists for goods under the threshold identified in the table below. Purchase orders, once initiated, are approved by the manager having budget authority for that area.
3. Expense Claim - employees have authority to purchase goods under the threshold amount themselves . Approval from their manager should be sought in advance of encumbering the organization and is required on all expense claims.
4. Corporate Credit Card – employees may be approved for a corporate credit card. Transactions are reconciled on a monthly basis and approved by their manager.
5. Service Contract – a legal contract setting out the Terms and Conditions of services being procured.
    a. Competitive – services being provided, of any dollar amount, may be procured through a competitive process (ie. Invitation to Quote), however, a services greater than $10,000 **must** be procured through a competitive process (as indicated in the table below).
    b. Direct Award – in certain situations, a direct award may be permitted to a specific supplier. See Section 9 for details of this process.
6. Lease or other Legal Contract – usually for goods or services of a longer-term (ie. Greater than one fiscal period).

Spending Level (per fiscal year)	**Commitment Type**	**Method of Purchase**	**Approval Authority**
Under $1,000	Goods	Petty Cash Corporate Credit Card Employee Expense Claim	Purchases should be approved verbally or by email from the manager with relevant budget approval authority.
$1,000 - $10,000	Goods	Purchase Order	Purchases should be approved verbally or by email from the manager with relevant budget approval authority.
$ Under$10,000	Services	Service Contract	Staff submit a Request for Service Contract to Finance. All Service Contracts are approved by the Director of Administrative Services.
$10,000 - $25,000	Goods and Services	Service Contract	Staff work with the Finance Officer to provide an Invitation to Quote to at least three (3) qualified vendors or selection from a Qualified Vendors list. All Service Contracts are approved by the Director of Administrative Services.
Over $25,000	Goods and Services	Service Contract	Staff work with the Finance Office to post a Request for Proposals. All Service Contracts over $25,000 require approval by the Chief Administrative Officer.
Long term Commitments	Capital Assets or Facilities	Lease or Legal Contract	Any Long Term commitments require approval by the Chief Administrative Officer. The Chief Administrative Officer will determinate if approval by the Executive Committee and/orTrust Council is necessary.

Any	Legal Services	Legal Services Requisition	Staff work with their Director to submit a Legal Services Request.
Any	Travel and Training	Expense Claim Corporate Credit Card	See Section 17 for required approval process.
Any regular recurring payments	Regular disbursements	Invoice	Approval by Director of Administrative Services. See definition in Section 3.

6.5.iii. Procurement Policy~~edure~~

P~~URCHASING~~ROCUREMENT ~~PROCEDURE~~POLICY

Trust Council: March 25, 1996
Amended: March 29, 2007; December 9, 2009;
September 16, 2010; September 11, 2013; March 5, 2014; January 9, 2017

PURPOSE

In accordance with the *Islands Trust Act*:

1. To set out purchasing procedures that support the costs of operations which the Islands Trust is authorized to recover through property tax requisition under *Section 47(2)* of the *Islands Trust Act*;
2. To set out the responsibilities and accountability associated with the efficient, economical and transparent acquisition of goods and services;
3. To ensure that the most appropriate method of procurement is used to acquire goods and services at the best value including consideration of environment and local economy;
4. To ensure properly delegated purchasing authority is maintained; and
5. To ensure consistency with relevant financial policies, procedures and controls, and to provide linkage to the current operating and capital budgets.

RELATED POLICY

Islands Trust Act
BC Government Purchasing Handbook
Ministry of Finance Core Policy 6.0 Purchasing
Islands Trust Policy 5.1.ii, Staff Training and Conference Attendance
Islands Trust Policy 6.12.i Trustee Training/Conference Attendance
Islands Trust Policy 7.2.iii Trustee Travel Guidelines

DETAILS

1. Delegation of Authority

The Treasurer is accountable for the management of the acquisition of goods and services for the Islands Trust and the implementation of the day-to-day administration of the purchasing policies. To meet this objective, the Treasurer will establish such processes and procedures as are determined appropriate to the efficient and effective operation of purchasing services.

It is the intention of the policy to provide internal control measures through the separation of duties and responsibilities relating to the acquisition of goods and/or services. The table in Appendix B establishes the signing authority delegation for procurement processes.

Trustees do not have authority to make commitments or indications of preference to a supplier of good or services, to avoid any real or perceived perception that trustees are improperly influencing a decision of staff to select contractors in accordance with this policy.

Staff with purchasing authority have the following responsibilities:

- Ensure that appropriate approvals have been obtained and are adequately documented.
- Communicate with Administrative Services on anticipated purchasing commitments and creation of service contracts.
- Ensure that no expenditure exceeds approved budgets.
- Ensure that no expenditure is made that is not included in the annual budget.
- Ensure that expenditures are consistent with the required or permitted operations of Islands Trust bodies, as identified in the *Islands Trust Act*.
- Be familiar with the provisions of the Government of British Columbia's Standards of Conduct for Public Service Employees in Governmenet Procurement Processes

2. Creation of Purchase Orders and Service Contracts

Purchase orders can be created by any employee authorized by the Director, Administrative Services.

Service Contracts will be created by the Finance Clerk based on information provided by staff.

3. Regular Disbursements

Expenditures occurring on a monthly or recurring basis and disbursed in the same, or similar, amounts do not require an approved purchase order or service contract. These expenditures will be approved by the Director, Administrative Services as required. Example expenditures of this type would be rent, telephone charges and BC Mail.

4. Legal Services

The Chief Administrative Officer (or designate) will manage all legal matters through an organizational process. The process involves on-going monitoring of legal costs, monitoring of legal services quality, and regular reporting to Trust Council.

The Chief Administrative Officer will determine if expenditures require review or approval by the Executive Committee or Trust Council.

5. Financial Assistance to Community Organizations and Other Groups or Individuals

Financial assistance to community organizations or other groups or individuals is only permitted if made by the Islands Trust Council, its delegate, or the Executive Committee acting on its behalf, pursuant to Section 8(2)(h) of the *Islands Trust Act* which states that Trust Council may:

"(f) engage in activities to gain knowledge about the history and heritage of the trust area and to increase public awareness, understanding and appreciation of its unique amenities and environment,

(g) conserve heritage property".

Local Trust Committees may not provide financial assistance to community organizations or other groups or individuals unless Trust Council has, by bylaw, delegated its authority under Section 8(2)(h) of the *Islands Trust Act*.

6. Disclosure of Contracts

If a trustee (or a person who has been a trustee in the previous six months) has a direct or indirect pecuniary interest in a contract with the Islands Trust, their conduct is governed by Section 107 of the *Community Charter*.

If a staff member has a direct or indirect pecuniary interest in a contract with the Islands Trust, their conduct is governed by the Code of Conduct of the Public Service Agency of BC.

7. Local Trust Committee Expenses

a) Disbursements must only be made as authorized by Part 4 of the *Islands Trust Act* and typically include the following:
   - i) Advisory Planning Commission expenses (meeting and secretarial costs)
   - ii) LTC meeting costs including advertising, hall rental, external facilitation costs, and secretarial costs
   - iii) Local mail-outs and/or trustee newsletters
   - iv) Open house costs
   - v) Purchases of goods or services that support the land use planning and regulatory operations of the LTC.

b) Disbursements must be made in accordance with the budget allocation, be processed via the Trust's financial system, and comply with all financial policies and procedures, including use of purchase orders or service contracts where required, and appropriate approvals by the Treasurer and/or designate;

c) Any disbursement over $5~~2~~00 which is to be charged against the local trust committee expense budget, with the exception of those items noted in Section 7.a)i) through 7.a)iv) above, should be approved by resolution of the local trust committee;

d) Expenditures cannot exceed the annual budget allocation provided to each local trust committee by Trust Council. However, if a local trust committee anticipates extraordinary costs they should approach the Executive Committee to request a budget adjustment;

~~d)~~e) Trustee travel and other expenditures must comply with Islands Trust Policy 7.2.iii Trustee Travel Guidelines; and

~~e)~~f) Trustee expenses related to attendance at training and/or conferences must comply with Islands Trust Policy 6.12.i Trustee Training/Conference Attendance.

8. Competitive Process

The table in Appendix A establishes the dollar limits for different types of competitive processes.

An individual project with a total value greater than $25,000 that will be completed over two fiscal years will require a formal competitive process with a Request for Proposal.

A competitive process can be held at the discretion of the Manager with budget authority even if the estimated value of the goods or services falls below the dollar thresholds in Appendix A.

All competitive processes must be coordinated by ~~Administrative Services~~ the Finance Officer to ensure that best competitive practices are followed.

When a direct award is made, staff are still expected to obtain goods and services at the best available price while taking into consideration the quality and followup service available (if applicable) for the goods and services. To expedite routine or regular purchases, a qualified vendors' list may be established. Vendors on the qualified vendors' list will be selected in accordance with established procedures.

9. Direct Awards

If one or more of the following circumstances exist, the Chief Administrative Officer, in conjunction with the Director of Administrative Services, determines whether to approve a purchase by direct award:

- The requirement is valued at less than $25,000.
- An emergency exists and requirements cannot be satisfied in time by means of a competitive process.
- A process delay would interfere with Islands Trust's ability to maintain security or order, or to protect human, animal, or plant life or health.
- The required service is confidential.
- ~~It can be proven that only one supplier or contractor is qualified to provide the service~~ There is a single supplier that clearly provides the best value in the circumstances of a particular purchase.

- Where the competitive process is impractical because of the need to obtain unique third party skills, there is a requirement for contractor continuity, or there is a strong case for the cost effectiveness of maintaining a current contractor for a specific task.
- For work to be performed on or about a leased building that may be performed only by the lessor of the lessor's approved suppliers.
- The Islands Trust receives grant funding on behalf of a third party who initiated the project or funding request and is named in the funding proposal. In this circumstance, the Director of Administrative Services may, at his or her discretion, directly award a contract to the third party, a contractor or community group after confirming the chosen contractor or community group demonstrates the capability and qualifications to complete the work funded by the grant. If the work is being conducted on behalf of a local trust committee, the proposed work must be within the legislated role of the local trust committee *(Islands Trust Act, Section 24)*.
- For projects covered under a partnership agreement, where the Islands Trust is not the only source of funds and the other funding source(s) has already selected the contractor. In this circumstance, the Director of Administrative Services may, at his or her discretion, directly award a contract to the selected contractor after confirming the contractor demonstrates the capability and qualifications to complete the work.

10. ~~Vendor~~ Selection Criteria

In a competitive process, ~~vendor~~ selection criteria shall be established before ~~vendors are notified that~~ a competitive process is ~~taking place~~posted. The selection criteria should consider all the relevant factors in a purchasing decision including, price, quality, ~~(or~~ qualifications~~)~~, delivery time, quality of the response, environmental and social policy considerations, local purchasing and any other factors as determined by the Manager with budget authority for the purchase.

A Local Trust Committee may request that the Regional Planning Manager provide the selection criteria for their review prior to posting the competition.

All details of the ~~vendor~~ selection process shall be retained by the Finance Clerk.

11. Consultant Evaluations

A firm's performance is assessed for services based on the quality of the project in terms of how successfully it fulfills the stated objectives for the project. In the case of studies and briefs, where there is no built work involved, the product refers to the actual work produced by a consultant. Quality of 'services' assesses the firm's ability to manage and deliver professional services in a comprehensive, effective, reliable and timely manner throughout each stage of the project.

~~11.~~12. Contract Renewals

Once a competitive process is held (where required) and a vendor selected, contracts may be signed with the selected vendor to allow for renewal periods of up to five years provided that satisfactory service continues to be received. At the completion of the renewal period, a new competitive process should be held, if required by the Purchasing Policy in place at the time.

A competitive process for a particular business service can be delayed for up to one year at the discretion of the Chief Administrative Officer if high quality service is being provided at a reasonable price by the current service provider.

13. Fiscal Year

Contracts should not extend beyond the end of the current fiscal year-end to provide for budget approvals. Should the situation arise where this is required, approval by the Chief Administrative Officer is required.

~~12.~~14. Environmental Considerations

When making purchases every effort will be made to select suppliers whose environmental practices are consistent with those of the Islands Trust.

Environmental considerations include such things as the suppliers' efforts towards recycling; use of environmentally friendly products; and manufacturing goods from recycled or recyclable materials.

In addition, purchases of equipment and supplies should have Canadian content wherever possible, practical and economical.

15. Social Policy Considerations

When making purchases every effort will be made to select suppliers whose products or services align with the attributes of social procurement policy.

Social procurement considerations include contributions towards a stronger local economy; enhancing the number of local jobs; and enhancing community arts and culture infrastructure.

~~13.~~16. Local Purchasing Considerations

When making purchases every effort will be made to purchase local goods and services including:

- Local food procurement – Islands Trust staff engaged in the purchase of food for operational needs will ensure that when practical, both operationally and economically, at least 40% of purchases will be local. Suppliers will be made aware of this policy and will be encouraged, again where practical, to increase the availability and variety of local foods. "Local" is defined as food that is produced within British Columbia with preference given to items produced in the Islands Trust Area or on Vancouver Island.

- Community Stewardship Awards – Islands Trust staff engaged in procuring Community Stewardship Awards, or other awards that from time to time may be required, will ensure that awards represent the unique nature of the Islands Trust Area and, where practical, are constituted from products distinct to the Islands Trust Area.
- Contractors and service providers with a presence in the Islands Trust Area and/or whose employees reside in the Islands Trust Area.~~, will be encouraged to participate in Islands Trusts' procurement activities through local advertising and communication~~.

~~14.~~17. Staff Travel and Training

Travel expenses are submitted via Islands Trust Expense Claim. All those claiming expenses are expected to ensure that the most cost effective method of travel is provided. Approved Expense Claims are considered equivalent to an approved purchase order or service contract.

Training requests are approved via an authorized "Training/Conference Request Form" (see Policy 5.1.ii, Staff Training and Conference Attendance). All staff travel and training requests must be approved by the appropriate Manager.

Managers have the responsibility to ensure all Employee Expense Claims are in accordance with established processes (ie. BCGEU travel allowance chart).

APPENDIX A – METHOD OF PROCUREMENT~~URCHASING~~ AND APPROVAL AUTHORITY

Methods of Procurement:

1. Petty Cash – each office administrator is provided a petty cash fund for use within the office for purchase of goods of a minor nature. Reconciliations are provided to the Finance Officer on a regular basis.
2. Purchase Order – this process exists for goods under the threshold identified in the table below. Purchase orders, once initiatied, are approved by the manager having budget authority for that area.
3. Expense Claim - employees have authority to purchase goods under the threshold amount themselves . Approval from their manager should be sought in advance of encumbering the organization and is required on all expense claims.
4. Corporate Credit Card – employees may be approved for a corporate credit card. Transactions are reconciled on a monthly basis and approved by their manager.
5. Service Contract – a legal contract setting out the Terms and Conditions of services being procured.
   a. Competitive – services being provided, of any dollar amount, may be procured through a competive process (ie. Invitation to Quote), however, a services greater than $10,000 **must** be procured through a competitive process (as indicated in the table below).
   b. Direct Award – in certain situations, a direct award may be permitted to a specific supplier. See Section 9 for details of this process.
6. Lease or other Legal Contract – usually for goods or services of a longer-term (ie. Greater than one fiscal period).

Spending Level (per fiscal year)	**Commitment Type**	**Method of Purchase**	**Approval Authority~~Commitment Method~~**
Under $1,0~~5~~00	Goods ~~and Services~~	Petty Cash Corporate Credit Card Employee Expense Claim	Purchases should be approved verbally or by email from the manager with relevant budget approval authority.
$1,0~~5~~00 - $10~~2~~,000	Goods ~~and Services~~	Purchase Order	Purchases should be approved verbally or by email from the manager with relevant budget approval authority.
$ Under~~2000 -~~ $10,000	~~Goods and~~ Services	Service Contract	Staff submit a Request for Service Contract to Finance. All Service Contracts are approved by the Director of Administrative Services.
~~Any~~	~~Travel and Training~~	~~Expense Claim~~ ~~Corporate Credit Card~~	~~See Section 13 for required approval process.~~
$10,000 - $25,000	Goods and Services	Service Contract	Staff work with the Finance Officer to provide an Invitation to Quote to at least three (3) qualified vendors or selection from a Qualified Vendors list. All Service Contracts are approved by the Director of Administrative Services.
Over $25,000*	Goods and Services	Service Contract	Staff work with the Finance Office to post a Request for Proposals ~~process required~~. All Service Contracts over $25,000 require approval by the Chief Administrative Officer.
~~Any~~	~~Legal Services~~	~~Legal Services Requisition~~	

Long term Commitments	Capital Assets or Facilities	Lease or Legal Contract	Any Long Term Committees require approval by the Chief Administrative Officer. The Chief Administrative Officer will determinate if approval by the Executive Committee and/orTrust Council is necessary.
Any	Legal Services	Legal Services Requisition	Staff work with their Director to submit a Legal Services Request.
Any	Travel and Training	Expense Claim Corporate Credit Card	See Section 17 for required approval process.
Any regular recurring payments	Regular disbursements ~~(see definition in Section 3)~~	Invoice	Approval by Director of Administrative Services. See definition in Section 3.

~~*An individual project with a total value greater than $25,000 that will be completed over two fiscal years will also require a formal competitive process with a Request for Proposal.~~

~~Note: See Section 8 for circumstances where a Direct Award is permitted.~~

~~APPENDIX B – PURCHASING AUTHORITY~~

~~**Method of Purchase**~~	~~**Purchasing Authority**~~	~~**Special Conditions**~~
~~Petty Cash~~	~~Delegated to Staff~~	~~Quarterly petty cash reconciliations provided to Finance.~~
~~Corporate Credit Card~~ ~~Employee Expense Claim~~ ~~Trustee Expense Claim~~	~~Delegated to Staff and Trustees with Managerial Approval and/or Finance Approval~~	~~Monthly reconciliations submitted to Manager/Finance for approval.~~
~~Purchase Order~~	~~Director of Admin Services or other Manager with departmental budget approval~~	~~Purchase order and proof of receipt required prior to invoice payment.~~
~~Service Contract~~	~~Director of Administrative Services~~	~~Finance Clerk tracks all spending against approved service contracts. Any costs incurred over the established commitment level will require further approvals and contract amendment.~~
~~Lease or Legal Contract~~	~~Director of Administrative Services in conjunction with Chief Administrative Officer~~	~~If necessary, the Chief Administrative Officer will discuss with the Executive Committee and/or Trust Council.~~

Islands Trust

REQUEST FOR DECISION

To: Trust Council **For the Meeting of:** March 14-16, 2017

From: Financial Planning Committee **Date:** January 17, 2017

SUBJECT: TRUST COUNCIL POLICY 7.2.VI MUNICIPAL TAX REQUISITION CALCULATION

RECOMMENDATION: That the Islands Trust Council amend *Policy 7.2.vi Municipal Tax Requisition Calculation,* to incorporate Mapping Services expenses into Information Services expenses in Administration. Sections 2.3.a.i. and 2.3.b.i will be removed and the revised Section 2.3 will include all Administration expenses including Finance, HR and Information Services.

CHIEF ADMINISTRATIVE OFFICER COMMENTS:

The proposed amendments reflect organizational changes implemented last year and are aligned with the process identified in the policy for other administrative units.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

Adoption of a revised policy would update the methodology and approach used by the Treasurer when calculating the tax contribution from taxpayers within an Island Municipality to the operations of the Islands Trust to more accurately reflect the administrative operations of the Islands Trust.

FINANCIAL:

Based on the current draft of the 2017/18 calculation of the Bowen Island Municipal Tax Requisition, this policy change would increase the Bowen Island Municipality contribution by $1,790.

POLICY:

This recommendation would amend **Policy 7**.2.vi *Municipal Tax Requisition Calculation*.

IMPLEMENTATION/COMMUNICATIONS:

- Following the Financial Planning Committee meeting of January 17, 2017, Bowen Island Municipality will be provided Notice of Intention to amend the Policy, as per the protocol agreement between the Islands Trust Council and Bowen Island Municipality.
- The revised policy would be circulated to holders of the Islands Trust Policy manual and placed on the Islands Trust website.
- The Treasurer would follow the procedural steps annually, as indicated.
- The amended policy would be appended to the Protocol Agreement between the Islands Trust Council and Bowen Island Municipal Council.

OTHER: None.

BACKGROUND

During the 2016/17 fiscal year, Mapping Services were incorporated into the Information Services work unit. However, the provision of the Municipal Tax Requisition Calculation Policy to separately calculate the Mapping Services expenses to be included in the municipal pool required separate location codes to be maintained in the Islands Trust general ledger accounts.

While meeting with Bowen Island Municipality's Finance Officer and Trustees Morse and Fast on December 20, 2016, the Islands Trust Director of Administrative Service tabled a request to remove Section 2.3.a.i. which specifically speaks to a separate calculation for Mapping Services and to include mapping expenses in the Administrative Services expenses - Information Services work unit for purposes of the municipal pool calculation. The requested change would allow Islands Trust to simplify its accounting records as well as simplify the municipal tax requisition calculation. It was noted that the 20% allocation of Mapping Services currently used in the calculation is subject to change based on estimates of work provided by Mapping Services and that inclusion in the Administrative Services would provide a more consistent application of Mapping Services expenses over time.

Support from Bowen Island Municipality staff and Trustees was received for this change and staff have drafted the necessary amendments to the policy to effect the change.

REPORT/DOCUMENT:

Policy 7.2 vi *Municipal Tax Requisition Calculation*

KEY ISSUE(S)/CONCEPT(S):

Calculation and communications regarding calculating a Municipality's tax contribution to the operations of the Islands Trust.

RELEVANT POLICY:

The requirements of the protocol agreement between the Island Trust Council and Bowen Island Municipal Council have been followed in regards to the proposed amendments to this policy.

DESIRED OUTCOME:

A more accurate reflection of Islands Trust's operations when calculating an Island Municipality's tax requisition.

RESPONSE OPTIONS

Recommended:

That the Islands Trust Council amend *Policy 7.2.vi Municipal Tax Requisition* Calculation, to incorporate Mapping Services expenses into Information Services expenses in Administration. Sections 2.3.a.i. and 2.3.b.i will be removed and the revised Section 2.3 will include all Administration expenses including Finance, HR and Information Services.

Alternative:

Recommend different revisions to Policy 7.2.vi Municipal Tax Requisition Calculation.
Recommend Policy 7.2.vi Municipal Requisition Cost Allocations not be amended at this time.

Prepared By: C. Shelest, Director of Administrative Services

Reviewed By/Date: Financial Planning Committee/January 17, 2017
Executive Committee/March 1, 2017

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Russ Hotsenpiller, Chief Administrative Officer

7.2.vi. Policy

MUNICIPAL TAX REQUISITION CALCULATION
Trust Council: March 10, 2004
Amended: December 6, 2012; December 4, 2013; January 6, 2017

A. PURPOSE:

To provide guidelines for allocating the Islands Trust annual budget for the purpose of calculating a municipal tax requisition.

B. REFERENCES:

1. *Islands Trust Act*, S. 47
2. *Islands Trust Act, S.* 14
3. *Islands Trust Council Policy 5.*5.5 – Trustee Remuneration
4. *Islands Trust Council – Bowen Island Municipality Protocol Agreement*

C. BACKGROUND:

1. Legislative Framework

1.1 The Islands Trust budget must be developed in accordance with Section 14 of the *Islands Trust Act*:

14(1) On or before March 31 in each year, the trust council must, by bylaw, adopt an annual budget for the trust for the next fiscal year.

(2) Subject to subsection (6), a bylaw under subsection (1) has no effect until it is approved by the minister.

(3) The budget must
- *(a) show separately revenues obtained from appropriations, including operating grants and anticipated recoveries from taxes levied under sections 48 and 49, and other sources,*
- *(b) show appropriated surpluses of prior years, and*
- *(c) set out separately the anticipated expenditure relating to*
  - *(i) operations of the trust council and of the executive committee, except the operations of the executive committee acting as a local trust committee under section 23 (5),*
  - *(ii) general operations of the local trust committees, including the operations of the executive committee acting as a local trust committee under section 23 (5) and excluding the operations referred to in subparagraph (iii),*
  - *(iii) operations of a local trust committee that are additional operations not included within the general operations of all the local trust committees under subparagraph (ii), and*
  - *(iv) administrative operations of the trust fund board.*

1.2 Calculation of the municipal tax requisition must be undertaken in accordance with Sections 47(2)(b) and 47(6) of the *Islands Trust Act*:

47(2) On or before April 25 in each year, the minister may deliver requisitions
(b) to each municipality in the trust area in relation to
(i) the cost of operations of the trust council and the executive committee, except the operations of the executive committee acting as a local trust committee under section 23 (5), and
(ii) the cost of administrative operations of the trust fund board.
47(6) The amount that is to be recovered by means of requisitions under subsections (2)(a (i) and (2)(b) must be apportioned between the municipalities and the local trust areas on the basis of the converted value of land and improvements in the trust area.

Not mentioned in the *Islands Trust Act* are the budgets for Administration. Administrative units in Islands Trust serve other units within Islands Trust. For example, Mapping Services support Local Planning Services (included in Local Trust Committee operations), Trust Area Services (included in Trust Council operations) and the Islands Trust Fund (included in Trust Fund Board administrative operations). Similarly, Finance, Human Resources, and Information Systems serve all the employees and activities in the Islands Trust. In the detailed budget, and in all financial reporting by Islands Trust, General Administrative expenses are allocated to Trust Council, Local Planning Services and the Islands Trust Fund.

2. <u>Islands Trust Financial System</u>

2.1 To achieve the reporting requirements for budgeting purpose, the financial systems used by Islands Trust are organized in two dimensions:

a. General Ledger Account Number – each revenue and expense category has a General Ledger (GL) number associated with it. For example, “Contract Services” has the GL number 56500.
b. Location Code – various operational and political units are assigned Location Codes. For example, Trust Council is Location Code 100.

2.2 When Islands Trust budgets are created, dollar amounts for budgets are recorded in the combination of both the GL Account Number and Location Code. For example a $5,000 budget for Contract Services for use by Trust Council would be recorded as a budget entry to GL account 56500 and Location Code 100 (ie. 56500-100) in the amount of $5,000.

2.3 The Islands Trust fiscal year runs from April 1 to March 31.

D. PROCEDURE:

1. <u>Calculation of a Municipal Tax Requisition</u>

1.1 The calculation of a municipal tax requisition will be undertaken as follows:

a. From the approved budget in a fiscal year, a “Municipal Pool” will be calculated to represent the net amount of expenses and revenues that a municipality is responsible for contributing to, as defined in Section 47(2)(b) of the *Islands Trust Act*.

b. Once the Municipal Pool is calculated, the amount attributed to a municipality will be calculated in accordance with Section 47(6) of the *Islands Trust Act* and will be based on the proportion of the Converted Assessed Values of the municipality compared to the total Converted Assessed Values for the entire Islands Trust Area.

2. Calculation of the Municipal Pool

2.1 Budgeted expenses in the approved Islands Trust budget for a fiscal year that will be wholly included (except as noted in D.2.2.2) in the Municipal Pool include:

a. All Trust Council Expenses (location codes: 100 – Trust Council, 110 – Executive Committee, 150 – Trust Area Services)

b. All Islands Trust Fund expenses (location codes: 210 – Islands Trust Fund, 220 – ITF cost recovery for NAPTEP activities)

2.2 Specific expenses embedded in the location codes noted in D.2.2.1 that will be excluded from the Municipal Pool include:

a. Costs for Elections. Rationale – Islands Trust election costs are for local trust committee (LTC) members only and island municipalities bear the costs of their own elections.

b. Costs for Elected Officials Liability insurance coverage. Rationale – elected officials liability coverage primarily protects trustees for actions that occur while acting on an LTC and the Islands Trust Indemnification Bylaw does not indemnify Municipal Trustees for claims made against them in the course of their municipal duties.

c. Costs for the operation of the Local Planning Committee. Rationale – the Local Planning Committee advises Trust Council regarding land use planning matters, primarily related to the operations of local trust committees.

d. Costs for the employer Canada Pension Plan (CPP) contribution. Rationale – the trustee remuneration amount paid to island municipality trustees is below the income threshold before CPP deductions are authorized on trustee income. The portion of each trustee's remuneration allocated to the Trust Council budget is the same as the amount paid to island municipality trustees. Therefore, the portion of each trustee's remuneration would not attract any CPP deductions, nor the equivalent employer contribution. Note: health and dental benefits are budgeted in the LTC location codes because Municipal Trustees are not eligible for health and dental benefit coverage according to *Islands Trust Council Policy 5.5.5 - Trustee Remuneration.*

2.3 Budgeted Administration expenses from location codes 810, 820, 830 and 999 in the approved Islands Trust budget for a fiscal year are allocated to the Municipal Pool at the Administrative Allocation Rate defined annually in the approved budget as "Total budgeted costs for Trust Council plus Islands Trust Fund divided by the Total Operational Units expenditure budget". An example illustrating calculation of the Administrative Allocation Rate is included in Appendix C.

2.4 As some budget items in location codes 810, 820, 830, or 999 may serve only parts of the organization instead of the whole organization. These budget items will be examined annually to determine the percentage to be allocated to the Municipal Pool. For example, if a particular budget item in Administration only applied to local planning services, then 0% would be allocated to the Municipal Pool.

2.5 Amortization Expense will be included in the Municipal Pool at one-third of the Administrative Allocation Rate (ie. 27.3%/3 = 9.1%). Rationale -- About one-third of current assets being amortized are acquired under capital leases and, other than a small charge to interest from the capital lease payments, the amortization budget is the only budget line recording the expense of these assets. Other assets are budgeted as operating expenses, and they are only capitalized if they meet the tangible capital asset cost threshold of $5,000. Using the example Administrative Allocation Rate, 9.1% of the Amortization budget will be added to the Municipal Pool.

2.6 Contribution to Surplus - When a Contribution to Surplus is budgeted, the treatment regarding the Municipal Pool may vary depending on the purpose of the Contribution to Surplus:

a. A general Contribution to Surplus that supports the overall operation of the Islands Trust will be added to the Municipal Pool as an expense at the Administrative Allocation Rate.

b. If a Contribution to Surplus is specifically targeted to an activity that benefits only a portion of the Islands Trust, then the proportion treated as an expense in the Municipal Pool will be determined at the time by mutual agreement between the Treasurers of the Islands Trust and each island municipality.

2.7 Islands Trust Revenues will be examined annually to determine if any should be allocated to the Municipal Pool in order to offset expenses. The calculation of revenues that will be allocated to the Municipal Pool will be based on logic similar to that used to calculate expenses. A list of the various Islands Trust revenue budget lines and how they are treated in contributing to the Municipal Pool are included in Appendix B.

3. Communications

3.1 The Islands Trust Treasurer will estimate the municipal tax requisition for each fiscal year, based on the initial draft of the Islands Trust budget that is reviewed by Trust Council in December of each year.

3.2 All documents used by the Islands Trust Treasurer to estimate the municipal tax requisition will be provided to the Treasurer of an island municipally for review by December 31 of each year, with a request that the island municipality Treasurer submit any concerns about the accuracy and completeness of the municipal tax requisition calculation by February 28 of the following year.

3.3 During its consideration of its annual budget in March of each year, the Islands Trust Council will be provided with any responses received from island municipality

Treasurers in regards to the accuracy and completeness of the municipal tax requisition calculation.

3.4 This policy will be attached to the *Islands Trust Council – Bowen Island Municipality Protocol Agreement.*

4. Policy Amendment

4.1 This policy will be effective upon adoption and will not be applied retroactively.

4.2 Any changes to the policy will be effective upon adoption and will not be applied retroactively to any prior fiscal years.

APPENDIX A

The following is a list of the Location Codes in the Islands Trust financial system with each location defined in terms of how it would be described in the Islands Trust Act, section 14(3)(c), or as Islands Trust Administration.

Location Description	Location Code	Description of how Location Code fits into Budget Section in Islands Trust Act
Trust Council	100	"operations of Trust Council and Executive Committee"
Executive Committee	110	"operations of Trust Council and Executive Committee"
Trust Area Services	150	"operations of Trust Council and Executive Committee"
Islands Trust Fund	210	"administrative operations of the Trust Fund Board"
ITF - recovery	220	"administrative operations of the Trust Fund Board"
Victoria planning office	510	"general operations of the Local Trust Committees"
Ganges planning office	520	"general operations of the Local Trust Committees"
Gabriola planning office	530	"general operations of the Local Trust Committees"
By law Enforcement	580	"general operations of the Local Trust Committees"
Director of LPS	590	"general operations of the Local Trust Committees"
Executive Islands	610	"general operations of the Local Trust Committees"
Denman	615	"general operations of the Local Trust Committees"
Gabriola	620	"general operations of the Local Trust Committees"
Galiano	625	"general operations of the Local Trust Committees"
Gambier	630	"general operations of the Local Trust Committees"
Hornby	635	"general operations of the Local Trust Committees"
Lasqueti	640	"general operations of the Local Trust Committees"
Mayne	645	"general operations of the Local Trust Committees"
N. Pender	650	"general operations of the Local Trust Committees"
Salt Spring	655	"general operations of the Local Trust Committees"
Saturna	660	"general operations of the Local Trust Committees"
S. Pender	665	"general operations of the Local Trust Committees"
Thetis	670	"general operations of the Local Trust Committees"
Exec on LTCs	675	"operations of the executive committee acting as a local trust committees"; this location code also includes costs for the Executive Committee members serving as chairs of local trust committees (travel costs plus 50% Executive remuneration)
Victoria Admin office	810	Administration
Chief Admin Officer	820	Administration
Finance/HR/Info Systems	830	Administration
Trust-wide general	999	Administration

APPENDIX B: Revenue Budget Lines Categorized for Municipal Pool Calculations

Revenue Category	Municipal Pool Treatment	Rationale
Fees & Sales (eg. Development application fee; sales of OCP maps)	Excluded	Fees and Sales relate solely to activities of the Local Trust Committees, whose activities are excluded from the municipal tax requisition calculation.
Provincial Grant (general Regional District grants or Strategic Community Investment grants)	Included in the Municipal Pool	Provincial funding is for the whole organization, including Local Planning Services. Using the Administrative Allocation Rate would reflect the ratio attributed to Trust Council and Islands Trust Fund.
Property Taxes	Excluded	Property taxes are collected from the non-municipal Local Trust Areas.
Municipal Tax Levy	Excluded	This policy addresses the calculation of the municipal tax levies.
Special tax levies on individual Local Trust Areas	Excluded	Special tax levies relate solely to activities of the Local Trust Committees, whose activities are excluded from the municipal tax requisition calculation.
Appropriations from Surplus	Appropriations specifically identified for Trust Council, Trust Area Services or Islands Trust Fund are included at 100% of the appropriation amount. Appropriations specifically identified for Local Trust Committees or Local Planning Services are excluded. Appropriations specifically identified for Administrative Services, or general appropriations to reduce property taxes are included in the Municipal Pool at the Administrative Allocation Rate	100% of expenses for the same operational units are included in the Municipal Pool. Activities relating to Local Trust Committees or Local Planning Services are excluded from the Municipal Pool. Expenses for Administrative Services are allocated to the Municipal Pool at the same percentage. Non-specific appropriations are allocated to the Municipal Pool at the same rate as Administrative expenses which are also non-specific to a particular operational unit.

Revenue Category	Municipal Pool Treatment	Rationale
Interest income	Included at the percentage defined by the Administrative Allocation Rate.	Administrative revenue is allocated to the Municipal Pool at the same rate as Administrative expenses.
Income from grants	Grant income specifically identified for Trust Council, Trust Area Services or Islands Trust Fund are included at 100% of the budgeted revenue amount. Grant income specifically identified for Local Trust Committees or Local Planning Services are excluded. Grant income specifically identified for Administrative Services, are included in the Municipal Pool at the Administrative Allocation Rate.	Expenses for these operational units are 100% included in the Municipal Pool. Expenses for these operational units are excluded from the Municipal Pool. Expenses for Administrative Services are included in the Municipal Pool at the Administrative Allocation Rate.
Miscellaneous income	Treated the same as general grant income.	
Other Income – NAPTEP, ITF cost recovery	If budgeted, then 100% included in the Municipal Pool.	Islands Trust Fund costs are 100% allocated to the Municipal Pool. (Note: normally income in this category does not contain a revenue budget. The category is used to isolated fees from NAPTEP applications once the funds are received.

APPENDIX C: Example Calculation of the Administrative Allocation Rate

$ Millions	
$ 1.0	Trust Council budget
0.5	Islands Trust Fund budget
$ 1.5	Sub-total for Trust Council and Islands Trust Fund
4.0	Local Planning Services budget
$ 5.5	Total Operational Units expenditure budget
1.5	Administrative Services budget
$ 7.0	Total Expenditure Budget

The Administrative Allocation Rate in this example is $1.5/$5.5 = 27.3%

7.2.vi. Policy

MUNICIPAL TAX REQUISITION CALCULATION
Trust Council: March 10, 2004
Amended: December 6, 2012; December 4, 2013; January 6, 2017

A. PURPOSE:

To provide guidelines for allocating the Islands Trust annual budget for the purpose of calculating a municipal tax requisition.

B. REFERENCES:

1. *Islands Trust Act*, S. 47
2. *Islands Trust Act, S.* 14
3. *Islands Trust Council Policy 5.*5.5 – Trustee Remuneration
4. *Islands Trust Council – Bowen Island Municipality Protocol Agreement*

C. BACKGROUND:

1. Legislative Framework

1.1 The Islands Trust budget must be developed in accordance with Section 14 of the *Islands Trust Act*:

14(1) On or before March 31 in each year, the trust council must, by bylaw, adopt an annual budget for the trust for the next fiscal year.

(2) Subject to subsection (6), a bylaw under subsection (1) has no effect until it is approved by the minister.

(3) The budget must
- *(a) show separately revenues obtained from appropriations, including operating grants and anticipated recoveries from taxes levied under sections 48 and 49, and other sources,*
- *(b) show appropriated surpluses of prior years, and*
- *(c) set out separately the anticipated expenditure relating to*
  - *(i) operations of the trust council and of the executive committee, except the operations of the executive committee acting as a local trust committee under section 23 (5),*
  - *(ii) general operations of the local trust committees, including the operations of the executive committee acting as a local trust committee under section 23 (5) and excluding the operations referred to in subparagraph (iii),*
  - *(iii) operations of a local trust committee that are additional operations not included within the general operations of all the local trust committees under subparagraph (ii), and*
  - *(iv) administrative operations of the trust fund board.*

1.2 Calculation of the municipal tax requisition must be undertaken in accordance with Sections 47(2)(b) and 47(6) of the *Islands Trust Act*:

47(2) On or before April 25 in each year, the minister may deliver requisitions
(b) to each municipality in the trust area in relation to
(i) the cost of operations of the trust council and the executive committee, except the operations of the executive committee acting as a local trust committee under section 23 (5), and
(ii) the cost of administrative operations of the trust fund board.
47(6) The amount that is to be recovered by means of requisitions under subsections (2)(a (i) and (2)(b) must be apportioned between the municipalities and the local trust areas on the basis of the converted value of land and improvements in the trust area.

Not mentioned in the *Islands Trust Act* are the budgets for Administration. Administrative units in Islands Trust serve other units within Islands Trust. For example, Mapping Services support Local Planning Services (included in Local Trust Committee operations), Trust Area Services (included in Trust Council operations) and the Islands Trust Fund (included in Trust Fund Board administrative operations). Similarly, Finance, Human Resources, and Information Systems serve all the employees and activities in the Islands Trust. In the detailed budget, and in all financial reporting by Islands Trust, General Administrative expenses are allocated to Trust Council, Local Planning Services and the Islands Trust Fund.

2. Islands Trust Financial System

2.1 To achieve the reporting requirements for budgeting purpose, the financial systems used by Islands Trust are organized in two dimensions:

a. General Ledger Account Number – each revenue and expense category has a General Ledger (GL) number associated with it. For example, “Contract Services” has the GL number 56500.
b. Location Code – various operational and political units are assigned Location Codes. For example, Trust Council is Location Code 100.

2.2 When Islands Trust budgets are created, dollar amounts for budgets are recorded in the combination of both the GL Account Number and Location Code. For example a $5,000 budget for Contract Services for use by Trust Council would be recorded as a budget entry to GL account 56500 and Location Code 100 (ie. 56500-100) in the amount of $5,000.

2.3 The Islands Trust fiscal year runs from April 1 to March 31.

D. PROCEDURE:

1. Calculation of a Municipal Tax Requisition

1.1 The calculation of a municipal tax requisition will be undertaken as follows:

a. From the approved budget in a fiscal year, a “Municipal Pool” will be calculated to represent the net amount of expenses and revenues that a municipality is responsible for contributing to, as defined in Section 47(2)(b) of the *Islands Trust Act*.

b. Once the Municipal Pool is calculated, the amount attributed to a municipality will be calculated in accordance with Section 47(6) of the *Islands Trust Act* and will be based on the proportion of the Converted Assessed Values of the municipality compared to the total Converted Assessed Values for the entire Islands Trust Area.

2. Calculation of the Municipal Pool

2.1 Budgeted expenses in the approved Islands Trust budget for a fiscal year that will be wholly included (except as noted in D.2.2.2) in the Municipal Pool include:

a. All Trust Council Expenses (location codes: 100 – Trust Council, 110 – Executive Committee, 150 – Trust Area Services)

b. All Islands Trust Fund expenses (location codes: 210 – Islands Trust Fund, 220 – ITF cost recovery for NAPTEP activities)

2.2 Specific expenses embedded in the location codes noted in D.2.2.1 that will be excluded from the Municipal Pool include:

a. Costs for Elections. Rationale – Islands Trust election costs are for local trust committee (LTC) members only and island municipalities bear the costs of their own elections.

b. Costs for Elected Officials Liability insurance coverage. Rationale – elected officials liability coverage primarily protects trustees for actions that occur while acting on an LTC and the Islands Trust Indemnification Bylaw does not indemnify Municipal Trustees for claims made against them in the course of their municipal duties.

c. Costs for the operation of the Local Planning Committee. Rationale – the Local Planning Committee advises Trust Council regarding land use planning matters, primarily related to the operations of local trust committees.

d. Costs for the employer Canada Pension Plan (CPP) contribution. Rationale – the trustee remuneration amount paid to island municipality trustees is below the income threshold before CPP deductions are authorized on trustee income. The portion of each trustee's remuneration allocated to the Trust Council budget is the same as the amount paid to island municipality trustees. Therefore, the portion of each trustee's remuneration would not attract any CPP deductions, nor the equivalent employer contribution. Note: health and dental benefits are budgeted in the LTC location codes because Municipal Trustees are not eligible for health and dental benefit coverage according to *Islands Trust Council Policy 5.5.5 - Trustee Remuneration.*

2.3 Budgeted Administration expenses from location codes 810, 820, 830 and 999~~expenses~~ in the approved Islands Trust budget for a fiscal year ~~that will be partially included in the Municipal Pool include:~~ are allocated to the Municipal Pool at the Administrative Allocation Rate defined annually in the approved budget as "Total budgeted costs for Trust Council plus Islands Trust Fund divided by the Total Operational Units expenditure budget". An example illustrating calculation of the Administrative Allocation Rate is included in Appendix C.

~~Mapping Services expenses (location code 540), less any project budgets that are specifically directed to LTCs.~~
~~Allocated to the Municipal Pool at a rate of 20%. Rationale - Mapping Services staff indicate that 80% of their time is spent servicing LTCs and Local Planning Services, and 20% of their time is spent servicing Trust Area Services and the Islands Trust Fund.~~

~~a. Administration expenses from location codes 810, 820, 830 and 999.~~
~~b. Allocated to the Municipal Pool at the Administrative Allocation Rate defined annually in the approved budget as "Total budgeted costs for Trust Council plus Islands Trust Fund divided by the Total Operational Units expenditure budget". An example illustrating calculation of the Administrative Allocation Rate is included in Appendix C.~~

2.4 As some budget items in location codes 810, 820, 830, or 999 may serve only parts of the organization instead of the whole organization. These budget items will be examined annually to determine the percentage to be allocated to the Municipal Pool. For example, if a particular budget item in Administration only applied to local planning services, then 0% would be allocated to the Municipal Pool.

2.5 Amortization Expense will be included in the Municipal Pool at one-third of the Administrative Allocation Rate (ie. 27.3%/3 = 9.1%). Rationale -- About one-third of current assets being amortized are acquired under capital leases and, other than a small charge to interest from the capital lease payments, the amortization budget is the only budget line recording the expense of these assets. Other assets are budgeted as operating expenses, and they are only capitalized if they meet the tangible capital asset cost threshold of $5,000. Using the example Administrative Allocation Rate, 9.1% of the Amortization budget will be added to the Municipal Pool.

2.6 Contribution to Surplus - When a Contribution to Surplus is budgeted, the treatment regarding the Municipal Pool may vary depending on the purpose of the Contribution to Surplus:
a. A general Contribution to Surplus that supports the overall operation of the Islands Trust will be added to the Municipal Pool as an expense at the Administrative Allocation Rate.
b. If a Contribution to Surplus is specifically targeted to an activity that benefits only a portion of the Islands Trust, then the proportion treated as an expense in the Municipal Pool will be determined at the time by mutual agreement between the Treasurers of the Islands Trust and each island municipality.

2.7 Islands Trust Revenues will be examined annually to determine if any should be allocated to the Municipal Pool in order to offset expenses. The calculation of revenues that will be allocated to the Municipal Pool will be based on logic similar to that used to calculate expenses. A list of the various Islands Trust revenue budget lines and how they are treated in contributing to the Municipal Pool are included in Appendix B.

3. Communications

3.1 The Islands Trust Treasurer will estimate the municipal tax requisition for each fiscal year, based on the initial draft of the Islands Trust budget that is reviewed by Trust Council in December of each year.

3.2 All documents used by the Islands Trust Treasurer to estimate the municipal tax requisition will be provided to the Treasurer of an island municipally for review by December 31 of each year, with a request that the island municipality Treasurer submit any concerns about the accuracy and completeness of the municipal tax requisition calculation by February 28 of the following year.

3.3 During its consideration of its annual budget in March of each year, the Islands Trust Council will be provided with any responses received from island municipality Treasurers in regards to the accuracy and completeness of the municipal tax requisition calculation.

3.4 This policy will be attached to the *Islands Trust Council – Bowen Island Municipality Protocol Agreement.*

4. Policy Amendment

4.1 This policy will be effective upon adoption and will not be applied retroactively.

4.2 Any changes to the policy will be effective upon adoption and will not be applied retroactively to any prior fiscal years.

APPENDIX A

The following is a list of the Location Codes in the Islands Trust financial system with each location defined in terms of how it would be described in the Islands Trust Act, section 14(3)(c), or as Islands Trust Administration.

Location Description	Location Code	Description of how Location Code fits into Budget Section in Islands Trust Act
Trust Council	100	"operations of Trust Council and Executive Committee"
Executive Committee	110	"operations of Trust Council and Executive Committee"
Trust Area Services	150	"operations of Trust Council and Executive Committee"
Islands Trust Fund	210	"administrative operations of the Trust Fund Board"
ITF - recovery	220	"administrative operations of the Trust Fund Board"
Victoria planning office	510	"general operations of the Local Trust Committees"
Ganges planning office	520	"general operations of the Local Trust Committees"
Gabriola planning office	530	"general operations of the Local Trust Committees"
~~Mapping Services~~	~~540~~	~~Administration~~
By law Enforcement	580	"general operations of the Local Trust Committees"
Director of LPS	590	"general operations of the Local Trust Committees"
Executive Islands	610	"general operations of the Local Trust Committees"
Denman	615	"general operations of the Local Trust Committees"
Gabriola	620	"general operations of the Local Trust Committees"
Galiano	625	"general operations of the Local Trust Committees"
Gambier	630	"general operations of the Local Trust Committees"
Hornby	635	"general operations of the Local Trust Committees"
Lasqueti	640	"general operations of the Local Trust Committees"
Mayne	645	"general operations of the Local Trust Committees"
N. Pender	650	"general operations of the Local Trust Committees"
Salt Spring	655	"general operations of the Local Trust Committees"
Saturna	660	"general operations of the Local Trust Committees"
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Exec on LTCs	675	"operations of the executive committee acting as a local trust committees"; this location code also includes costs for the Executive Committee members serving as chairs of local trust committees (travel costs plus 50% Executive remuneration)
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Finance/HR/Info Systems	830	Administration
Trust-wide general	999	Administration

APPENDIX B: Revenue Budget Lines Categorized for Municipal Pool Calculations

Revenue Category	Municipal Pool Treatment	Rationale
Fees & Sales (eg. Development application fee; sales of OCP maps)	Excluded	Fees and Sales relate solely to activities of the Local Trust Committees, whose activities are excluded from the municipal tax requisition calculation.
Provincial Grant (general Regional District grants or Strategic Community Investment grants)	Included in the Municipal Pool	Provincial funding is for the whole organization, including Local Planning Services. Using the Administrative Allocation Rate would reflect the ratio attributed to Trust Council and Islands Trust Fund.
Property Taxes	Excluded	Property taxes are collected from the non-municipal Local Trust Areas.
Municipal Tax Levy	Excluded	This policy addresses the calculation of the municipal tax levies.
Special tax levies on individual Local Trust Areas	Excluded	Special tax levies relate solely to activities of the Local Trust Committees, whose activities are excluded from the municipal tax requisition calculation.
Appropriations from Surplus	Appropriations specifically identified for Trust Council, Trust Area Services or Islands Trust Fund are included at 100% of the appropriation amount. Appropriations specifically identified for Local Trust Committees or Local Planning Services are excluded. Appropriations specifically identified for Administrative Services, or general appropriations to reduce property taxes are included in the Municipal Pool at the Administrative Allocation Rate	100% of expenses for the same operational units are included in the Municipal Pool. Activities relating to Local Trust Committees or Local Planning Services are excluded from the Municipal Pool. Expenses for Administrative Services are allocated to the Municipal Pool at the same percentage. Non-specific appropriations are allocated to the Municipal Pool at the same rate as Administrative expenses which are also non-specific to a particular operational unit.

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Revenue Category	**Municipal Pool Treatment**	**Rationale**
Interest income	Included at the percentage defined by the Administrative Allocation Rate.	Administrative revenue is allocated to the Municipal Pool at the same rate as Administrative expenses.
Income from grants	Grant income specifically identified for Trust Council, Trust Area Services or Islands Trust Fund are included at 100% of the budgeted revenue amount. Grant income specifically identified for Local Trust Committees or Local Planning Services are excluded. Grant income specifically identified for Administrative Services, are included in the Municipal Pool at the Administrative Allocation Rate.	Expenses for these operational units are 100% included in the Municipal Pool. Expenses for these operational units are excluded from the Municipal Pool. Expenses for Administrative Services are included in the Municipal Pool at the Administrative Allocation Rate.
Miscellaneous income	Treated the same as general grant income.	
Other Income – NAPTEP, ITF cost recovery	If budgeted, then 100% included in the Municipal Pool.	Islands Trust Fund costs are 100% allocated to the Municipal Pool. (Note: normally income in this category does not contain a revenue budget. The category is used to isolated fees from NAPTEP applications once the funds are received.

APPENDIX C: Example Calculation of the Administrative Allocation Rate

$ Millions	
$ 1.0	Trust Council budget
0.5	Islands Trust Fund budget
$ 1.5	Sub-total for Trust Council and Islands Trust Fund
4.0	Local Planning Services budget
$ 5.5	Total Operational Units expenditure budget
1.5	Administrative Services budget
$ 7.0	Total Expenditure Budget

The Administrative Allocation Rate in this example is $1.5/$5.5 = 27.3%

REQUEST FOR DECISION

To:	*Financial Planning Committee*	**For the Meeting of::**	*January 17, 2017*
From:	*Denman Island Local Trust Committee*	**Date Prepared:**	*December 2, 2016*
		File No.:	*2915-01 FPC RFD – Automatic Fee Increases for LTC Applications*

SUBJECT: ***AUTOMATIC FEE INCREASES FOR LTC APPLICATIONS***

RECOMMENDATION:
THAT the Islands Trust Financial Planning Committee request staff investigate initiating automatic application fee increases based on the Consumer Price Index or equivalent standard, for potential application on a Trust-wide basis.

CHIEF ADMINISTRATIVE OFFICER COMMENTS:

Establishing a representative and equitable fee structure remains a challenge for the Islands Trust, particularly in that the Trust has 13 different fee bylaws to maintain. This initiative would marginally increase revenues but may require significant administration, including annual bylaw amendments for a number of fee schedules.

While maintaining equilibrium with the cost of living is important, each of the local trust areas may need to investigate more substantial changes to address fees that do not achieve cost recovery. It may be preferable to engage in a more universal review of fees on a Trust wide basis.

If that is desired, Committee should be aware that a substantial fee review is not on the Strategic Plan and that a Trust wide review of fee schedules would be a substantial undertaking.

IMPLICATIONS OF RECOMMENDATION

Automatic application fee increases, which align with the consumer price index (CPI) or equivalent standard, could offset increasing subsidization of development applications by taxpayers.

ORGANIZATIONAL:

Local Trust Committees adopt administrative bylaws, including bylaws to establish application fees. Typically, when an application is submitted for amendment to a plan or bylaw or for a permit, the applicant pays to the Islands Trust the fee set out in the applicable Local Trust Committee administrative bylaw that applies to the type of amendment or permit for which application is made. Implementation of automatic fee increases could only occur following adoption of bylaw amendments by individual Local Trust Committees.

FINANCIAL:

Application fees are incurred by applicants in order to offset the staff time that is required to process them. An automatic application fee increase may ensure that the amounts follow inflation, and would therefore result in a subsidy from all taxpayers trust-wide, and not be limited to one Local Trust Committee only.

POLICY:

[Policy 5.6.i] Application Processing Services provides the parameters for application processing services by which service levels can be distinguished as a basis for preparing a Local Trust Committee Fees Bylaw and Schedule.

IMPLEMENTATION/COMMUNICATIONS:

TBD.

BACKGROUND

The Denman Island Local Trust Committee recently adopted amendment bylaw No. 221 which amended the Denman Island Local Trust Committee Fees Bylaw No. 181, 2007 to provide a combined fee for combined Siting and Use Permit (SUP) and Temporary Use Permit (TUP) applications. Further to adoption of this bylaw, the Denman Island LTC passed the following resolution at their October 18, 2016 meeting:

> ***DE-2016-069***
> ***It was MOVED and SECONDED,***
> *that the Denman Island Local Trust Committee request that the Financial Planning Committee investigate initiating automatic application fee increases based on the Consumer Price Index or a similar measure on a Trust-wide basis.*
> ***CARRIED***

KEY ISSUE(S) / CONCEPT(S):
Finances; Consumer Price Index (CPI); Application Fees.

RELEVANT POLICY:

The most closely related Islands Trust Policy is *5.6.i Application Processing Services.*

DESIRED OUTCOME:
An investigation into potential automatic application fee increases based on the Consumer Price Index or a similar measure will determine whether or not this is feasible and appropriate on a Trust-wide basis.

RESPONSE OPTIONS

Recommended:
THAT the Islands Trust Financial Planning Committee request staff to investigate initiating automatic application fee increases based on the Consumer Price Index or equivalent standard, for potential application on a Trust-wide basis.

Alternatives:

1. **Request further information**

   The Financial Planning Committee may request further information prior to making a decision.

2. Receive as information

The FPC may receive this report as information and take no further action at this time.

3. Refer to Local Planning Committee

The FPC may also wish to refer to the LPC for their comment and advice.

Prepared By: *Teresa Rittemann, A / Planner 2, LPS Northern Office*
December 2, 2016

Reviewed By/Date: *Ann Kjerulf, Regional Planning Manager, LPS Northern Office*
Date: December 9, 2016

David Marlor, Director of Local Planning Services
Date: December 19, 2016

CAO:

____
Chief Administrative Officer

Attachments:

1. Copy of Adopted Bylaw No. 221 (Denman Island Fees Bylaw Amendment)
2. Islands Trust Policy Statement Directives Only Checklist
3. Staff Report to the Denman Island Local Trust Committee dated October 18, 2016
4. Staff Report to the Executive Committee for the meeting of October 26, 2016
5. Staff Report to the Denman Island Local Trust Committee dated November 15, 2016

DENMAN ISLAND LOCAL TRUST COMMITTEE
BYLAW NO. 221

A BYLAW TO AMEND THE DENMAN ISLAND LOCAL TRUST COMMITTEE FEES BYLAW, 2007

WHEREAS Section 462 of the *Local Government Act* provides that a local government may, by bylaw, impose fees related to applications and inspections;

NOW THEREFORE the Denman Island Local Trust Committee, being the trust committee having jurisdiction in respect of the Denman Island local trust area in the Province of British Columbia pursuant to the *Islands Trust Act*, enacts as follows:

1. Citation:

   This bylaw may be cited for all purposes as “Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016”.

2. Denman Island Local Trust Committee Bylaw No. 181, cited as “Denman Island Local Trust Committee Fees Bylaw, 2007” is amended as shown on Schedule 1 attached to and forming part of this bylaw.

READ A FIRST TIME THIS	18TH	DAY OF	OCTOBER, 2016
READ A SECOND TIME THIS	18TH	DAY OF	OCTOBER, 2016
READ A THIRD TIME THIS	18TH	DAY OF	OCTOBER, 2016

APPROVED BY THE EXECUTIVE COMMITTEE OF THE ISLANDS TRUST THIS

	26TH	DAY OF	OCTOBER, 2016
ADOPTED THIS	15TH	DAY OF	NOVEMBER, 2016

Chair **Secretary**

Denman Island Local Trust Committee

Bylaw No. 221

Schedule 1

1. Part 3, **Application Fees**, Section 3.1, **TABLE 2 – Permits**, is deleted in its entirety and replaced with the following:

TABLE 2 – Permits		
Column 1		**Column 2**
Development Permits		
1.	Development Permit (protection areas)	$440
2.	Development Permit (form and character areas)	$660
3.	Development Permit amendment	$165
Development Variance Permits		
4.	Development Variance Permit (residential)	$715
5.	Development Variance Permit (commercial, industrial, or institutional)	$935
Temporary Use Permits		
6.	Temporary Use Permit (commercial and industrial uses)	$1,100
7.	Temporary Use Permit (other than commercial and industrial uses)	$440
8.	Temporary Use Permit renewal	$165
Siting and Use Permits		
9.	Siting and Use Permit	$220
Companion Applications		
10.	Development Permit in combination with a companion application for a Development Variance Permit (residential)	$770
11.	Development Permit in combination with a companion application for a Development Variance Permit (commercial, industrial, or institutional)	$935
12.	Siting and Use Permit in combination with a companion application for a Development Variance Permit (residential)	$715
13.	Siting and Use Permit in combination with a companion application for a Development Variance Permit (commercial, industrial, or institutional)	$935

14.	Siting and Use Permit in combination with a companion application for a Development Permit (protection area)	$550
15.	Siting and Use Permit in combination with a companion application for a Development Permit (form and character areas)	$660
16.	Siting and Use Permit in combination with a companion application for a Temporary Use Permit (commercial and industrial uses)	$1,100
17.	Siting and Use Permit in combination with a companion application for a Temporary Use Permit (other than commercial and industrial uses)	$440

Islands Trust

POLICY STATEMENT DIRECTIVES ONLY CHECK LIST

Bylaw No: Draft Bylaw No. 221, Amendment No. 1, 2016 (to amend the Fees Bylaw No. 181, 2007)

PURPOSE

To provide staff with the Directives Only Checklist to highlight issues addressed in staff reports and as a means to ensure Local Trust Committee address certain matters in their official community plans and regulatory bylaws, and Island Municipalities address certain matters in their official community plans and to reference any relevant sections of the Policy Statement.

POLICY STATEMENT

The Policy Statement is comprised of several parts. Parts I and II outline the purpose, the Islands Trust object, and Council's guiding principles. Parts III, IV and V contain the goals and policies relevant to ecosystem preservation and protection, stewardship of resources and sustainable communities.

There are three different kinds of policies within the Policy Statement as follows:

- Commitments of Trust Council which are statements about Council's position or philosophy on various matters;
- Recommendations of Council to other government agencies, non-government organizations, property owners, residents and visitors; and
- Directive Policies which direct Local Trust Committees and Island Municipalities to address certain matters.

DIRECTIVES ONLY CHECK LIST

The Policy Statement Directives Only Checklist is based on the directive policies from the Policy Statement (Consolidated April 2003) which require Local Trust Committees to address certain matters in their official community plans and regulatory bylaws, and Island Municipalities to address certain matters in their official community plans in a way that implements the policy of Trust Council.

Staff will use the Policy Statement Checklist (Directives Only) to review Local Trust Committee and Island Municipality bylaw amendment applications and proposals to ensure consistency with the Policy Statement. Staff will add the appropriate symbol to the table as follows:

✓ if the bylaw is **consistent** with the policy from the Policy Statement, or

✗ if the bylaw is **inconsistent (contrary or at variance)** with a policy from the Policy Statement, or

N/A if the policy is **not applicable**.

Part III: Policies for Ecosystem Preservation and Protection

CONSISTENT	NO.	DIRECTIVE POLICY
3.1 Ecosystems		
N/A	**3.1.3**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the identification and protection of the environmentally sensitive areas and significant natural sites, features and landforms in their planning area.
N/A	**3.1.4**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the planning, establishment, and maintenance of a network of protected areas that preserve the representative ecosystems of their planning area and maintain their ecological integrity.
N/A	**3.1.5**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the regulation of land use and development to restrict emissions to land, air and water to levels not harmful to humans or other species.
3.2 Forest Ecosystems		
N/A	**3.2.2**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the protection of unfragmented forest ecosystems within their local planning areas from potentially adverse impacts of growth, development, and land-use.
3.3 Freshwater and Wetland Ecosystems and Riparian Zones		
N/A	**3.3.2**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address means to prevent further loss or degradation of freshwater bodies or watercourses, wetlands and riparian zones and to protect aquatic wildlife.
3.4 Coastal and Marine Ecosystems		
N/A	**3.4.4**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the protection of sensitive coastal areas.
N/A	**3.4.5**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the planning for and regulation of development in coastal regions to protect natural coastal processes.

PART IV: Policies for the Stewardship of Resources

CONSISTENT	NO.	DIRECTIVE POLICY
4.1 Agricultural Land		
N/A	4.1.4	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the identification and preservation of agricultural land for current and future use.
N/A	4.1.5	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the preservation, protection, and encouragement of farming, the sustainability of farming, and the relationship of farming to other land uses.
N/A	4.1.6	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the use of adjacent properties to minimize any adverse affects on agricultural land.

N/A	4.1.7	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the design of road systems and servicing corridors to avoid agricultural lands unless the need for roads outweighs agricultural considerations, in which case appropriate mitigation measures shall be required to derive a net benefit to agriculture
N/A	4.1.8	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address land uses and activities that support the economic viability of farms without compromising the agriculture capability of agricultural land.
N/A	4.1.9	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the use of Crown lands for agricultural leases.
4.2 Forests		
N/A	4.2.6	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the need to protect the ecological integrity on a scale of forest stands and landscapes.
N/A	4.2.7	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the retention of large land holdings and parcel sizes for sustainable forestry use, and the location and construction of roads, and utility and communication corridors to minimize the fragmentation of forests.
N/A	4.2.8	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the designation of forest ecosystem reserves where no extraction will take place to ensure the preservation of native biological diversity.
4.3 Wildlife and Vegetation		
4.4 Freshwater Resources		
N/A	4.4.2	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address measures that ensure neither the density nor intensity of land use is increased in areas which are known to have a problem with the quality or quantity of the supply of freshwater, water quality is maintained, and existing, anticipated and seasonal demands for water are considered and allowed for.
N/A	4.4.3	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address measures that ensure water use is not to the detriment of in-stream uses
4.5 Coastal Areas and Marine Shorelands		
N/A	4.5.8	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the needs and locations for marine dependent land uses.
N/A	4.5.9	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the compatibility of the location, size and nature of marinas with the ecosystems and character of their local planning areas.
N/A	4.5.10	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the location of buildings and structures so as to protect public access to, from and along the marine shoreline and minimize impacts on sensitive coastal environments.
N/A	4.5.11	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address opportunities for the sharing of facilities such as docks, wharves, floats, jetties, boat houses, board walks and causeways.
4.6 Soils and Other Resources		
N/A	4.6.3	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the protection of productive soils.

PART V: Policies for Sustainable Communities

CONSISTENT	NO.	DIRECTIVE POLICY
5.1 Aesthetic Qualities		
N/A	**5.1 3**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the protection of views, scenic areas and distinctive features contributing to the overall visual quality and scenic value of the Trust Area.
5.2 Growth and Development		
N/A	**5.2.3**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address policies related to the aesthetic, environmental and social impacts of development.
N/A	**5.2.4**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address any potential growth rate and strategies for growth management that ensure that land use is compatible with preservation and protection of the environment, natural amenities, resources and community character.
N/A	**5.2.5**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address means for achieving efficient use of the land base without exceeding any density limits defined in their official community plans.
N/A	**5.2.6**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the identification of areas hazardous to development, including areas subject to flooding, erosion or slope instability, and strategies to direct development away from such hazards.
5.3 Transportation and Utilities		
N/A	**5.3.4**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the development of a classification system of rural roadways, including scenic or heritage road designations, in recognition of the object of the Islands Trust.
N/A	**5.3.5**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the impacts of road location, design, construction and systems.
N/A	**5.3.6**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the designation of areas for the landing of emergency helicopters.
N/A	**5.3.7**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the development of land use patterns that encourage establishment of bicycle paths and other local and inter-community transportation systems that reduce dependency on private automobile use.
5.4 Disposal of Waste		
N/A	**5.4.4**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the identification of acceptable locations for the disposal of solid waste.
5.5 Recreation		
N/A	**5.5.3**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the prohibition of destination gaming facilities such as casinos and commercial bingo halls.
N/A	**5.5.4**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the location and type of recreational facilities so as not to degrade environmentally sensitive areas, and the designation of locations for marinas, boat launches, docks and anchorages so as not to degrade sensitive marine or coastal areas.
N/A	**5.5.5**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the

		identification of sites providing safe public access to beaches, the identification and designation of areas of recreational significance, and the designation of locations for community and public boat launches, docks and anchorages.
N/A	**5.5.6**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the identification and designation of areas for low impact recreational activities and discourage facilities and opportunities for high impact recreational activities.
N/A	**5.5.7**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the planning for bicycle, pedestrian and equestrian trail systems.
5.6 Cultural and Natural Heritage		
N/A	**5.6.2**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the identification, protection, preservation and enhancement of local heritage.
N/A	**5.6.3**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address the preservation and protection of the heritage value and character of historic coastal settlement patterns and remains.
5.7 Economic Opportunities		
N/A	**5.7.2**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address economic opportunities that are compatible with conservation of resources and protection of community character.
5.8 Health and Well-being		
N/A	**5.8.6**	Local Trust Committees and Island Municipalities shall, in their official community plans and regulatory bylaws, address their community's current and projected housing requirements and the long-term needs for educational, institutional, community and health-related facilities and services, as well as the cultural and recreational facilities and services.

POLICY STATEMENT COMPLIANCE	
✓	**COMPLIANCE WITH TRUST POLICY**
	NOT IN COMPLIANCE WITH TRUST POLICY for the following reasons:

STAFF REPORT

DATE OF MEETING:	October 18, 2016
TO:	Denman Island Local Trust Committee
FROM:	Teresa Rittemann, Planner 1 Northern Office
SUBJECT:	Bylaw No. 221 to amend the Denman Island Local Trust Committee Fees Bylaw No. 181, 2007

RECOMMENDATION

1. **That the Denman Island Local Trust Committee review the Directives Only Policy Checklist and confirm by resolution that the Denman Island Local Trust Committee has reviewed the Islands Trust Policy Statement Directives Only Checklist and determined that Bylaw No. 221 cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016", is not contrary to or at variance with the Islands Trust Policy Statement;**

2. **That the Denman Island Local Trust Committee Bylaw No. 221 cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016", be read a first time;**

3. **That the Denman Island Local Trust Committee Bylaw No. 221 cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016", be read a second time;**

4. **That the Denman Island Local Trust Committee Bylaw No. 221 cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016", be read a third time;**

5. **That the Denman Island Local Trust Committee Bylaw No. 221, cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016", be forwarded to the Secretary of the Islands Trust for approval by the Executive Committee; AND**

6. **That the Denman Island Local Trust Committee add to its project list, a thorough review of the current amounts in the fees bylaw, with respect to inflation and increased administration costs related to processing development applications; OR**

7. **That the Denman Island Local Trust Committee request that the Financial Planning Committee consider evaluating planning application fees on a Trust-wide basis and the opportunity to develop a model fees bylaw.**

REPORT SUMMARY

At the regular business meeting of the Denman Island Local Trust Committee (LTC) on September 20, 2016, the LTC passed the following resolution (draft):

"That the Denman Island Local Trust Committee request staff to review the bylaws with a view to making recommendations to the Local Trust Committee about the harmonization of those bylaws for the reduction of costs and unnecessary applications."

Given this direction from the LTC, staff have reviewed the current Denman Island bylaws and are proposing amendments to the current fees bylaw, which address companion applications for Siting and Use Permits (SUPs) and Temporary Use Permits (TUPs), as a combined fee for this kind of companion application is not currently included in the fees bylaw. Staff suggest that although two separate applications will still be required (SUP and TUP), having a combined fee would allow for a more efficient, cost-effective, and streamlined process, as future applicants would be aware that there is an occasional need to apply for both permits, but that in these cases, the SUP fee would be included under the combined fee.

BACKGROUND

The draft bylaw is included as Attachment 1, and for comparison, the current version of the fees bylaw is included as Attachment 2. In addition, the Policy Directives Checklist (Attachment 3) is presented to the LTC for confirmation at the time of first reading. Staff has reviewed draft Bylaw No. 221 in conjunction with the Islands Trust Policy Statement Directives Only Checklist, and are satisfied that the bylaw is compliant with Islands Trust Policy. Comments on the details of the attached proposed bylaw follow below.

ANALYSIS

Policy/Regulatory:

Proposed changes to the fees bylaw are only to Table 2 – Permits, particularly the addition of line items 16 and 17 for companion applications (SUP and TUP). Line items were renumbered and organized slightly, but no proposed changes to current fee amounts. During the review of the bylaw, staff also removed Table 2, line item 15 with regards to a $660 fee for a "commercial revitalization area", because staff noted that there is no Development Permit area of this type, even though OCP Part 4, Policy 1.d may designate such DP areas:

"*Pursuant to the Section 919.1 of the Local Government Act a community plan may designate development permit areas for one or more of the following: d. revitalization of an area in which a commercial use is permitted".*

Issues and Opportunities:

The application fees collected by Local Planning Services are intended to cover the cost of processing various types of applications. The Denman Island fees bylaw was adopted in September 2007 and last amended/consolidated in January 2009 (after adoption of bylaw No. 187). In addition to the proposed addition for a combined fee for companion TUP/SUP applications, staff are also recommending that the LTC consider overall fee increases with respect to inflation and to reflect increased administration costs related to processing development applications. The LTC may also wish to discuss the possibility of automatically increasing these fees annually, to reflect the inflationary fee consistent with the average increase in the Consumer Price Index (CPI), based on Statistics Canada and Bank of Canada inflationary data. Staff are recommending that the LTC include a fees review on the project list for a future date or alternatively refer the matter to the Financial Planning Committee, to evaluate fees on a Trust-wide basis and to potentially develop a model fees bylaw.

Consultation:

No public consultation is required or recommended for this proposed amendment bylaw.

Rationale for Recommendation:

The suggested changes in draft Bylaw No. 221 are in response to LTC direction. Staff recommend giving Bylaw No. 221 three readings and forwarding to the Islands Trust Executive Committee for adoption. Staff also recommend that current fees be reviewed, either by the Denman Island LTC or by the Islands Trust Financial Planning Committee in order to ascertain whether or not the fees are appropriate relative to the actual cost of processing applications. Referring Bylaw No. 221 is not required or recommended by staff in this case.

ALTERNATIVES

1. **Give 1st, 2nd and 3rd Readings to Bylaw No. 221, as Amended (minor amendments)**

   The LTC may wish to make minor amendments to the draft bylaw prior to giving it readings. If this alternative is selected, the LTC should note the desired amendments in an initial motion prior to 1st, 2nd and 3rd readings.

   Resolution: *"That Bylaw No. 221 be amended as follows <note specific amendments>."*

2. **Request Bylaw No. 221 be amended and brought back to the LTC at a later date**

   The LTC may wish to make major amendments to the draft bylaw prior to giving it readings. If this alternative is selected, the LTC should pass the following resolution:

   Resolution: *"That the Denman Island Local Trust Committee request that staff amend Bylaw No. 221 as follows <note requested amendments> and that the amended bylaw be presented to the LTC for consideration at a future meeting."*

NEXT STEPS

Should the LTC decide to give this bylaw three readings, the bylaw would be forwarded to Executive Committee for approval prior to being considered for adoption by the LTC either at a future meeting or by Resolution Without Meeting (RWM).

Submitted By:	Teresa Rittemann Planner 1	October 3, 2016
Concurrence:	Ann Kjerulf, MCIP, RPP Regional Planning Manager	October 5, 2016

ATTACHMENTS

1. Draft Bylaw No. 221
2. Existing version of Fees Bylaw No. 181, 2007
3. Islands Trust Policy Statement Directives Only Checklist

Bylaw Submission Staff Report

Islands Trust

Date: October 20, 2016

To: Executive Committee
For the meeting of Wednesday, October 26

From: Teresa Rittemann, Planner 1
Northern Office

Re: Proposed Bylaw No. 221 to amend the Denman Island Local Trust Committee Fees Bylaw No. 181, 2007

Introduction:

The Denman Island Local Trust Committee is pleased to submit Proposed Bylaw No. 221, cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016", to amend the Denman Island Local Trust Committee Fees Bylaw No. 181, 2007. The purpose of this briefing note is to provide the Executive Committee with a summary of the bylaw.

Purpose:

Proposed Bylaw No. 221 would amend the current fees bylaw by addressing fees for companion applications for Siting and Use Permits (SUPs) and Temporary Use Permits (TUPs), as a combined fee for this kind of companion application is not currently included in the fees bylaw. Staff suggest that although two separate applications will still be required (SUP and TUP), having a combined fee would allow for a more efficient, cost-effective, and streamlined process, as future applicants would be aware that there is an occasional need to apply for both permits, but that in these cases, the SUP fee would be included under the combined fee.

Background:

Proposed changes to the fees bylaw are only to Table 2 – Permits, particularly the addition of line items 16 and 17 for companion applications (SUP and TUP). Line items were renumbered and organized slightly, but no proposed changes to current fee amounts. During the review of the bylaw, staff also removed Table 2, line item 15 with regards to a $660 fee for a "commercial revitalization area", because staff noted that there is no Development Permit area of this type, even though OCP Part 4, Policy 1.d may designate such DP areas:

"*Pursuant to the Section 919.1 of the Local Government Act a community plan may designate development permit areas for one or more of the following: d. revitalization of an area in which a commercial use is permitted".*

Summary:

At the regular business meeting of the Denman Island Local Trust Committee (DELTC) on October 18, 2016,

- The DELTC confirmed by resolution that they reviewed the Islands Trust Policy Statement Directives Only Checklist and determined that Bylaw No. 221 is not contrary to or at variance with the Islands Trust Policy Statement;
- The DELTC gave first, second, and third reading to Bylaw No. 221;
- No public hearing was required, recommended, or held; and
- The DELTC passed a resolution to forward Bylaw No. 221 to the Secretary of the Islands Trust for approval by the Executive Committee.

The proposed bylaw is included as Attachment 1, and for comparison, the current version of the fees bylaw is included as Attachment 2. In addition, the Policy Directives Checklist is included as Attachment 3.

Issues Relating To Provincial Interest:

Proposed Bylaw No. 221 is an administrative bylaw, and was therefore not referred out to any provincial Ministries or First Nations.

Issues Relating To Enforcement or Resourcing:

No additional costs or resources are anticipated with respect to bylaw enforcement as a result of this proposed bylaw.

Recommendation:

THAT the Islands Trust Executive Committee approve Proposed Bylaw No. 221, cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016".

Attachments:

1. Proposed Bylaw No. 221
2. Existing version of Fees Bylaw No. 181, 2007
3. Islands Trust Policy Statement Directives Only Checklist

STAFF REPORT

DATE OF MEETING:	November 15, 2016
TO:	Denman Island Local Trust Committee
FROM:	Teresa Rittemann, Planner 1 Northern Office
SUBJECT:	Bylaw No. 221 to amend the Denman Island Local Trust Committee Fees Bylaw No. 181, 2007

RECOMMENDATION

1. **That the Denman Island Local Trust Committee adopt Bylaw No. 221, cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016."**

REPORT SUMMARY

LTC gave three readings to Bylaw No. 221 at the October 18th meeting. The bylaw was also found to be in compliance with the Islands Trust Policy Statement Directives Only Checklist and forwarded to Executive Committee (EC) for approval. At their meeting on October 26th, EC passed the following resolution (draft):

> *"That the Executive Committee approve Denman Island Local Trust Committee Bylaw No. 221, cited as "Denman Island Local Trust Committee Fees Bylaw, 2007, Amendment No. 1, 2016" under Section 24 of the Islands Trust Act."*

Staff are recommending that the Denman Island Local Trust Committee (LTC) adopt Bylaw No. 221.

NEXT STEPS

Following adoption, Bylaw No. 221 would be consolidated with the Denman Island Local Trust Committee Fees Bylaw, 2007 and posted to the LTC website. Staff also intend to report to Financial Planning Commission pursuant to the LTC's separate October 18, 2016 resolution concerning the potential for automatic fee increases tied to cost of living:

> *"That the Denman Island Local Trust Committee request that the Financial Planning Committee investigate initiating automatic application fee increases based on the Consumer Price Index or a similar measure on a Trust-wide basis."*

Submitted By:	Teresa Rittemann Planner 1	November 1, 2016
Concurrence:	Ann Kjerulf, MCIP, RPP Regional Planning Manager	November 4, 2016

ATTACHMENTS

1. Proposed Bylaw No. 221
2. Islands Trust Policy Statement Directives Only Checklist