



Financial Planning Committee Minutes of Meeting

Date: June 3, 2015
Location: Islands Trust Victoria Boardroom
200-1627 Fort Street, Victoria, BC

Members Present Peter Grove, Chair
Alison Morse, Vice-Chair
Dereck Atha, TFB Rep
Paul Brent, TPC Rep
Derek Masselink, LPC Rep
Peter Luckham, EC Rep
Laura Busheikin, EC Rep
George Grams, EC Rep
Susan Morrison, EC Rep

Absent George Harris, Local Trustee

Staff Present Cindy Shelest, Director Administrative Services
Nancy Roggers, Finance Officer
Linda Adams, Chief Administrative Officer
David Marlor, Director Local Planning Services
Lisa Gordon, Director Trust Area Services

Guests Lenora Lee, KPMG
Donna Hobbs, KPMG

1. CALL TO ORDER

The meeting was called to order at 10:00 am

2. APPROVAL OF AGENDA

BY GENERAL CONSENT, the Committee approved the agenda as presented.

3. ADOPTION OF MINUTES / COORDINATION

3.1. Minutes of Meetings, February 18, 2015

The Committee requested that the convening of the closed meeting in section 6 be moved below the resolution to close the meeting to the public.

BY GENERAL CONSENT, the Committee approved the minutes as amended.

3.2. Follow up Action List

Trustee Morse advised that an item from Section 4.3 of the February 18, 2015 meeting minutes had not been added to the FUAL. Director Shelest advised that she will look into why remuneration for Bowen Island Trustees did not change.

4. BUSINESS

4.1. Preliminary Financial Planning Committee Input into Development of the Islands Trust Strategic Plan 2014-2018

Chair Grove welcomed and introduced Derek Atha, newly appointed Trust Fund Board member of the Committee.

Chief Administrative Officer Adams reviewed the Request for Decision for the preliminary Financial Planning Committee input into development of the 2014-18 Strategic Plan.

FPC-2015-027

It was MOVED and SECONDED that the Financial Planning Committee consider improved cost effectiveness and resiliency as a top priority for the 2014-2018 strategic plan.

CARRIED

CAO Adams discussed the strategic plan process and how priorities and funding would be established as further steps were taken in the process. She advised that the goal today would be to identify the objectives of the Financial Planning Committee and the strategies that would be used to meet those objectives.

FPC-2015-028

It was MOVED and SECONDED Under Activities and Phases in section 6 of the strategic plan called improve organizational cost effectiveness and resilience, that the Financial Planning Committee add the examination of existing processes to determine if they are required and/or optimal.

DEFEATED

Director Shelest advised the Committee of previous discussions that have occurred at Financial Planning Committee meetings as they may wish consider them for addition to the 2014-18 Strategic Plan for ways to reduce taxes such as increasing revenues, perhaps by forming a group to look at application fees and how we charge for our services, and consider holding discussions with the Provincial Government about how they support the Islands Trust through grants.

FPC-2015-029

It was MOVED and SECONDED

That the Financial Planning Committee add item 6.3 to the draft strategic plan under strategies as identification of ways to increase revenue sources.

DEFEATED

In favour – Trustee Morse and Grams

FPC-2015-030

It was MOVED and SECONDED

That the Financial Planning Committee recommend in no specific order the following strategic plan priorities:

1)improve cost efficiency 2) enhance community socio economic diversity and sustainability 3) lowering ecological footprint 4) Vision of where we are going 5) improve organizational effectiveness 6)effective engagement of stakeholders 7)First nations relationship building 8) work with others to get recognized as a Unesco reserve.

CARRIED

Opposed – Trustee Morse and Bushekin

4.9. KPMG Benchmarking Review

Chair Grove introduced Lenora Lee and Donna Hobbs of KPMG to the Financial Planning Committee.

Director Shelest advised that the previous term’s Audit Committee had recommended that the Financial Planning Committee request that the Auditors present information to undertake a benchmarking review. KPMG was attending this meeting to discuss benchmarking and other available options.

Ms. Lee presented the basic premises of benchmarking. She also presented information about how a process review would work. She advised that the cost of KPMG’s undertaking of benchmarking and/or process reviews would be dependent on the scope of the review.

Adjourned at 11:33 a.m. for Audit Committee meeting and lunch.

4.2. Briefing 2014/15 Financial Results

Reconvened at 12:32 p.m. with Trustees Atha, Brent, Morse, Grams, Bushekin, and Grove in attendance.

Trustee Morrison left the meeting at 12:32

Chair Grove reviewed the Briefing on the 2014/15 Financial Results with the Committee.

The Committee requested the following changes to the 2014/15 Fiscal Year Financial Statements Analysis to March 31, 2015 Briefing:

- remove "consolidated" from the income statement
- change "resulted in a surplus" to the accumulated surplus as of March 31, 2015 is \$2,466,468 in first section
- when rounding use "approximately."
- add wording to indicate the \$43K underspent for SSIWPA will be spent during Fiscal 2015-16
- change vacancy to "temporary absence" in the CAO Office section

Trustee Luckham returned to the meeting at 12:34 p.m.

The Committee discussed the level of the general revenue surplus fund.

4.3. RFD - 2014/15 Annual Report

FPC-2015-031

It was MOVED and SECONDED that the Financial Planning Committee approve the recommended text contained in the June 3, 2015 Request for Decision for inclusion in the 2014-15 Annual Report for approval by Trust Council and submission to the Minister of Community, Sport and Cultural Development.

CARRIED

4.4. LTC Budget Revisions

Director Shelest advised the Committee that policy requires budget revisions to be reported to the Financial Planning Committee. The Financial Planning Committee reviewed the budget revision submitted by the Southern Office Regional Planning Manager, Robert Kojima.

4.5. Budget Process – Correspondence Forwarded from the Executive Committee

The Committee discussed the presentation of the budget to Trust Council that took place in March, 2015. It was agreed that in future, the Financial Planning Committee Chair would introduce and discuss the budget process and then staff would present the budget details. Chair Grove will follow up with Bruce McConchie about this discussion.

4.6. Briefing Allocated Financial Statements

Chair Grove described the concept of Allocated Financial Statements to the Committee.

FPC-2015-032

It was MOVED and SECONDED that the Financial Planning Committee request that staff do not produce the Allocated Financial Statements for the 2014-15 fiscal year

DEFEATED

In favour – Trustee Brent and Bushekin

Trustee Masselink returned to the meeting at 12:55 p.m.

4.7. Briefing - Victoria Office Lease

Director Shelest reviewed the Briefing on the Victoria Office Lease. She advised of the legal requirements for notice to the current landlord. She advised that the briefing included background information and research from previous discussions on the Victoria Office Lease. She indicated that the briefing also included information on leading workplace strategies that could be implemented to reduce office space. Director Shelest advised that Trustee McConchie had indicated that he would be taking a resolution to June Trust Council about studying a move of Victoria office to the Islands Trust Area.

The Committee discussed the following:

- current annual lease costs and projected annual lease costs and
- other costs that would be incurred to move outside of the immediate Victoria area
- savings that might result for travel
- potential incorporation of Salt Spring Island
- class of the buildings at other locations and their efficiency levels so comparable options are considered
- study of areas we could move to that are within a 32km limit of the current office location

FPC-2015-033

It was MOVED and SECONDED that staff put the Victoria Office Lease on the August, 2015 Financial Planning Committee agenda for further discussion.

CARRIED

4.8. RFD March 31, 2015 Audited Financial Statements

Chair Grove reported that the Audited Financial Statements and the Audit Findings Report were reviewed by the Audit Committee and further that they showed the same results as the Briefing in section 4.2. The Audit Committee had passed a resolution to forward the 2014/15 Audited Financial Statements to the Financial Planning Committee.

FPC-2015-034

It was MOVED and SECONDED that the Financial Planning Committee forward the 2014-15 Year End Audited Financial Statements and Audit Findings Report to Trust Council for consideration.

CARRIED

4.9. KPMG Benchmarking Review

FPC-2015-035

It was MOVED and SECONDED that the KPMG Benchmarking Review Report be brought back to the Financial Planning Committee for an in depth discussion in August, 2015

WITHDRAWN

CAO Adams discussed process reviews that have been previously done and that perhaps the Committee would like to review one so they can see what type of information they would receive from a process review.

FPC-2015-036

It was MOVED and SECONDED that the KPMG Benchmarking Review be placed as an item to be reviewed on the Financial Planning Committee project list.

CARRIED

FPC-2015-037

It was MOVED and SECONDED that the Financial Planning Committee recommend to the Executive Committee that KPMG be appointed as auditors for the 2015-16 fiscal year.

CARRIED

4.10. Financial Planning Committee Report to Trust Council

The Committee requested that the 2014/15 Allocated Financial Statements be added to the work program items.

FPC-2015-038

It was MOVED and SECONDED that the Financial Planning Committee Report Committee Report be forwarded to Trust Council as amended.

CARRIED

5. NEW BUSINESS

No new business was brought forward.

6. NEXT MEETING

The next meeting will be take place on August 26, 2015 in Victoria.

7. ADJOURNMENT

BY GENERAL CONSENT, the meeting adjourned at 1:38 pm.

Peter Grove, Chair

/Certified Correct

Nancy Roggers, Secretary and Recorder