



Islands Trust

Annual Report

2020/21

Preserving and protecting over 450 islands in the Salish Sea

Reconciliation Declaration

Islands Trust Council acknowledges that the lands and waters that encompass the Islands Trust Area have been home to Indigenous peoples since time immemorial and honours the rich history, stewardship, and cultural heritage that embody this place we all call home.

The Islands Trust Council is committed to establishing and maintaining mutually respectful relationships between Indigenous and non-Indigenous peoples. Islands Trust states a commitment to reconciliation with the understanding that this commitment is a long-term relationship-building and healing process.

The Islands Trust Council will strive to create opportunities for knowledge-sharing and understanding as people come together to preserve and protect the special nature of the islands within the Salish Sea.

Adopted: March 14, 2019 Trust Council on Gabriola Island

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Message from the Islands Trust Council Chair

The 2020/21 year has been a year to remember. It was a year of hardship and sadness for some, and many organizations and businesses struggled. The Islands Trust needed to adapt and respond to unprecedented challenges and certainly rose to the challenge. We left our last in-person Council meeting on March 12, just after the announcement of a pandemic, with an adopted budget and direction to staff to create a business continuity plan. A few weeks later, we reconvened electronically to reduce the approved 2% increase in the property tax requisition to 0% and request staff to write a press release to remind people to avoid non-essential travel and minimize community interaction if coming to the islands in the Islands Trust Area.

The Islands Trust was in a strong position to adapt to the pandemic. We had already adopted full electronic agendas for meetings; we had already started to pilot electronic meetings; we had developed and adopted electronic meeting procedures; and had already budgeted for a more fulsome rollout of electronic meetings. This groundwork was substantially put in place to reduce our carbon footprint and provide more opportunities for public engagement — pandemic planning had not crossed our minds! While working to serve the needs of the elected and public in a new way was one thing, moving over 50 employees to a work-at-home model within a short period of time was an even bigger challenge. Our management team and information technology team moved swiftly and decisively to keep staff safe and sustain productivity. Once again, the Islands Trust benefited from previous groundwork laid. The Trust already had invested in the technology to support remote work.



Looking back, I would never have expected this to be the case, but, in 2020, in the context of a pandemic and everyone adapting to new modes

of working and communicating, the Islands Trust took on the most significant work done during my 15 years as a trustee.

The Policy Statement provides direction for regulating the development and use of land and water. The document guides the preserve and protect mandate of Islands Trust, but the last version of the Policy Statement was written in 1994. A lot has changed in the last 26 years: we made a commitment to reconciliation with First Nations, the population got older, we declared a climate emergency, and development pressures in the neighbouring cities caused land prices to go up and reduced housing options. Last year, we worked to update the Policy Statement – work that will continue in 2021/22. We want to reflect current priorities, ensure the Islands Trust can adapt to future challenges, and take advantage of new and evolving opportunities. Working towards amending the Policy Statement has sent us on a journey of self-reflection, public engagement, and deep thinking. We have learned a lot on this journey. Most significantly, we learned that new approaches are needed to protect the natural environment and the unique amenities, including cultural heritage, of this special region. We cannot continue with business as usual and expect to also turn the dial towards greater levels of preserving and protecting.

Equally significant has been our work this year to better define and understand groundwater and map contiguous tracks of the Coastal Douglas-fir zone and associated ecosystems. We need quality information to balance the needs of the community and the environment to preserve and protect this very special place.

I am proud to work with this Trust Council to deliver on the Islands Trust mandate and our commitment to reconciliation. I am honoured to be learning from First Nations about this place, the land, the water, and the very nature of the world.

I live on Thetis Island in Penelakut and Lyackson Territory. We are all living and working in the Salish Sea, the treaty and non-treaty lands, the unceded territory of the Coast Salish People. I am humbled every day to wake up in this place, rich in culture and history.

I thank you all for your support and collaboration in the work that has always been before us: to preserve and protect this very special place in the Salish Sea on the coast of British Columbia for all. It has been an incredibly challenging year, but I have never felt more optimistic.



Peter Luckham
Chair, Islands Trust Council

Message from the Chief Administrative Officer

Our last fiscal year began with staff displaced from the workplace settling into home offices situated in spare bedrooms, basements, or living spaces shared with others. Zoom meetings replaced face-to-face collaboration, but despite the shift and missing the opportunity to collaborate in person, our team excelled and proved resilient. All staff dedicated themselves to making improvements and continued to work effectively with each other, the people we serve, community groups, agencies, and other governments, including First Nations.

We conducted business differently and managed pandemic-related challenges as they presented, including a significant rise in land use applications throughout Islands Trust Area. Possibly, people unfettered from urban offices started to see the benefits of living a rural life. Broadband access throughout the Islands allows people to work from home and remain connected to the broader world. A flurry of island development activity and increased land values defined our “new normal.” This activity emphasized the critical importance of the Islands Trust preserve and protect mandate.

The circumstances of the pandemic — which included working from home, conducting hundreds of internal and external meetings electronically, and a significant increase in applications — inspired us to rise to the challenges by finding new ways of doing things. We dedicated ourselves to renewal and began the journey of reviewing the foundation of our decision-making: the Islands Trust Policy Statement. At the centre of this work, we recognized the Trust Area as home to Indigenous peoples since time immemorial and reaffirmed our commitment to reconciliation and protection of cultural heritage. We prioritized climate change and resilient communities and started the process of acknowledging



significant advancements critical to creating a contemporary and relevant Islands Trust Policy Statement.

In the spirit of renewal, we also turned our attention to the Islands Trust planning function. We reorganized our work to increase efficiencies, better respond to land use applications, and enhance progress on long-term projects of importance to Island communities. We began developing a long-range freshwater management strategy to ensure we are informed and realistic about how water sustains island life and limits its growth.

Across all the past year's work, the tenacity of staff kept us moving forward. Everyone took on pandemic-related challenges with vigour and intelligence. We never anticipated this kind of situation, and it's incredible how it truly brought out the best in our team. We have a lot to be proud of and much momentum to build on in the years to come.

Behind the Scenes – Staff Recognition Awards

The twelfth annual staff recognition awards, presented in December 2020, allowed staff to recognize their colleagues' achievements and contributions in seven categories. This year there were 22 nominations, and as usual, I enjoyed revealing the winners – selected by the staff recognition committee – and hosting the event.

The Innovation Award celebrates staff who develop a particularly innovative program, project, system or process, cost savings technique, efficiency, or time-saving initiative, over and above their job description.

In 2020 it was fitting to recognize the duo who, almost overnight, shifted our business model to working from home and conducting business electronically. Dave Beeston and Mark van Bakel set up the technology, packed up our work-from-home kits and coached us through the adaptation while preparing for problems staff and trustees had never considered. They refined and trimmed down processes throughout the year, solved problems, patiently provided training, and were always available to troubleshoot. We could not have made it through the past year without their foresight and agile guidance.

The Champion Award recognizes staff championing the Islands Trust's mandate and policy statement through action or a project.

Last year, William Shulba, Senior Freshwater Specialist, was nominated for his tireless work promoting awareness and improving practices for freshwater sustainability in Islands Trust bylaws and projects. He ran information sessions and webinars and worked locally and

globally to increase awareness of water conservation strategies. The Islands Trust benefits tremendously from his passion, dedication and his unique insights and advice.

The Legacy Award recognizes staff members who create lasting change within the Islands Trust by improving who we are, how we work, and what we represent.

Sonja Zupanec won for her incredible efforts to close a chapter of Islands Trust history. The rezoning of DL696 began in the late seventies, just a few years after the creation of Islands Trust. It involved a massive camp and 110 cottages with owners wanting to convert to strata lots. Through Sonja's strong, calm, professional advice and leadership, she gained the trust and respect of the applicant, cottage owners, and Keats camp while focusing on the outcome. Today, because of Sonja's dedication, a large part of Keats Island has appropriate zoning and protected areas for future generations.

The Unsung Hero Award recognizes an individual for their willingness to take on tasks no one else wants to do and being dependable, courteous, and cooperative while doing the work. Winner, Warren Dingman, was nominated by numerous staff for quietly and diligently filling the role of multiple people without complaint or compromise. He kept our bylaw function operating through staff shortages, time constraints and the introduction of pandemic-related duties. Bylaw compliance and enforcement is not easy work, and we greatly appreciated the extra load Warren took on and managed.

The Excellence in Leadership Award goes to a supervisor or team project lead who empowers people, encourages effective teamwork, communicates well and provides mentorship. This year's winner, Stefan Cermak, is recognized for creating a work-from-home culture of respect. Stefan encouraged honesty and acknowledged staff concerns and fears while fostering teamwork and building staff confidence. Stefan has been a great inspiration.

The Exceptional Team Effort Award is for a regular, ad hoc, or special project team that goes above and beyond and far exceeds normal expectations, or overcomes significant challenges. Last year a well-deserving trio of front-line staff was recognized. Shayla Burnham, Daniela Murphy, and Rob Pingle — an administrative powerhouse — seamlessly adapted to electronic meetings by learning everything they could about Zoom. They digitized hundreds of files, provided streamlined customer service (even when the offices were closed), found time to take on new projects, and refined current processes. Their combined efforts have transformed their office and continue to astound their team.

The Service Excellence Award recognizes excellence in customer service, courtesy, cooperation, dependability, and willingness to assist others. During the past year, Maple Hung, Jas Chonk, and Shayla Burnham managed to rise above pandemic-related challenges with energy and dedication. They continued to keep their teams working seamlessly, serve the public, and respond to each pandemic-related challenge with grace and patience. Islands Trust could have struggled and floundered in the face of so many sudden changes, but staff like these three make us unique and exceptional.

The 2020/21 Annual Report is essential to record our ambitions, hard work, and accomplishments. I sincerely hope it is received well by the Islands Trust community.

Sincerely,

A handwritten signature in black ink, appearing to read "Russ Hotsenpiller". The signature is fluid and cursive, with a large initial "R" and "H".

Russ Hotsenpiller,
Chief Administrative Officer

The Islands Trust Area

Acknowledgement

The Islands Trust humbly acknowledges the treaty lands and territories of the BOKÉCEN, K'ómoks, Lək'wəḡən, Lyackson, MÁLEXEŁ, Qualicum, Quw'utsun Tribes, scəwáθən məsteyəx^w, Scia'new, səlilwətaʔt, SEMYOME, shíshálh, Skwxwú7mesh, Snaw-naw-as, Snuneymuxw, Spune'luxutth, STÁUTW, Stz'uminus, ʔaʔəmen, toq qaymıx^w, Ts'uubaa-asatx, Wei Wai Kum, We Wai Kai, WJOLEŁP, WSIKEM, Xeláltxw, Xwémalhkwu/ʔop qaymıx^w, and x^wməθk^wəyám.



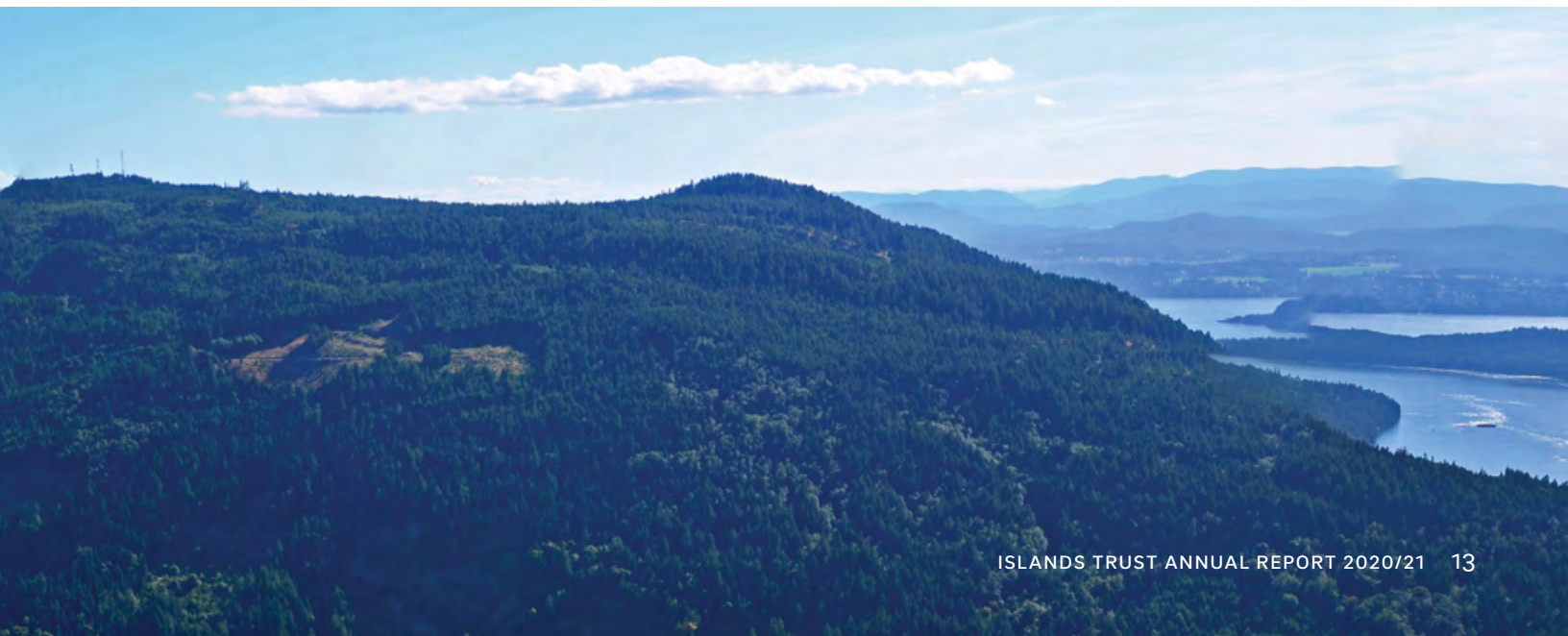
The Islands Trust Area, located within Coast Salish territory, is the homeland of over 28,000 Coast Salish Peoples who have called this area home since time immemorial. Covering 5,200 square kilometres between the British Columbia mainland and southern Vancouver Island, the Trust Area has 26,000 residents and 10,000 non-resident property owners. The region features many archaeological and culturally significant sites and some of the world's most endangered ecosystems.

Located within the Salish Sea, the Islands Trust Area is a unique and special place — a scenic archipelago of 13 large islands and more than 450 smaller islands and islets.

The area provides habitat for an exceptional variety of species: more than 200 types of migratory and resident birds and numerous fish and other marine and intertidal life, terrestrial wildlife and vegetation. Outstanding scenery and recreational resources include panoramic viewpoints, sheltered bays, protected marine waterways and anchorages, all of which contribute to the beauty, appeal and tranquillity of the area.

The unique natural environment of the islands in the Salish Sea has given the area national recognition. Realizing this, the Government of British Columbia enacted special protective legislation in 1974, entitled the *Islands Trust Act*. The act states that the object of the Islands Trust is to “preserve and protect the Trust Area and its unique amenities and environment for the benefit of the residents of the Trust Area and of British Columbia generally, in cooperation with the municipalities, regional districts, improvement districts, other persons and organizations, and the Government of British Columbia.”

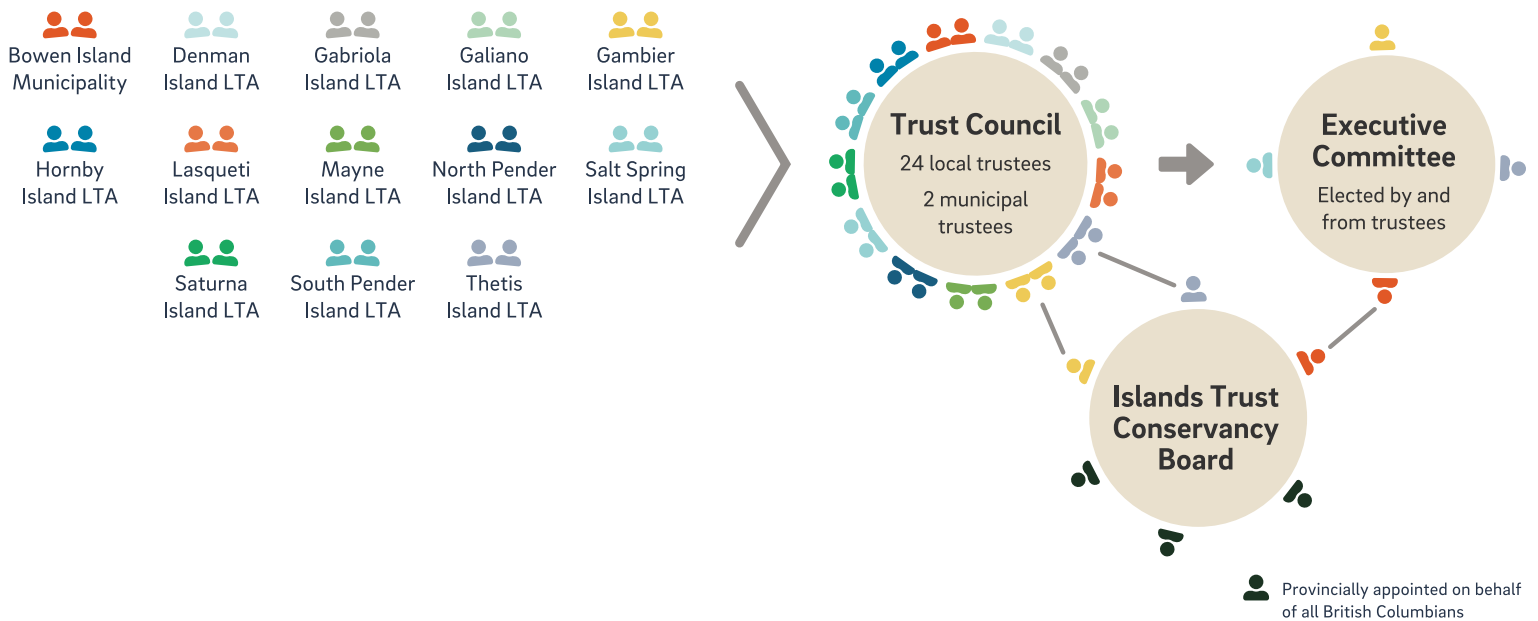
View from Mount Maxwell, Salt Spring Island. CREDIT: KRISTINE MAYES



Organization and Responsibilities

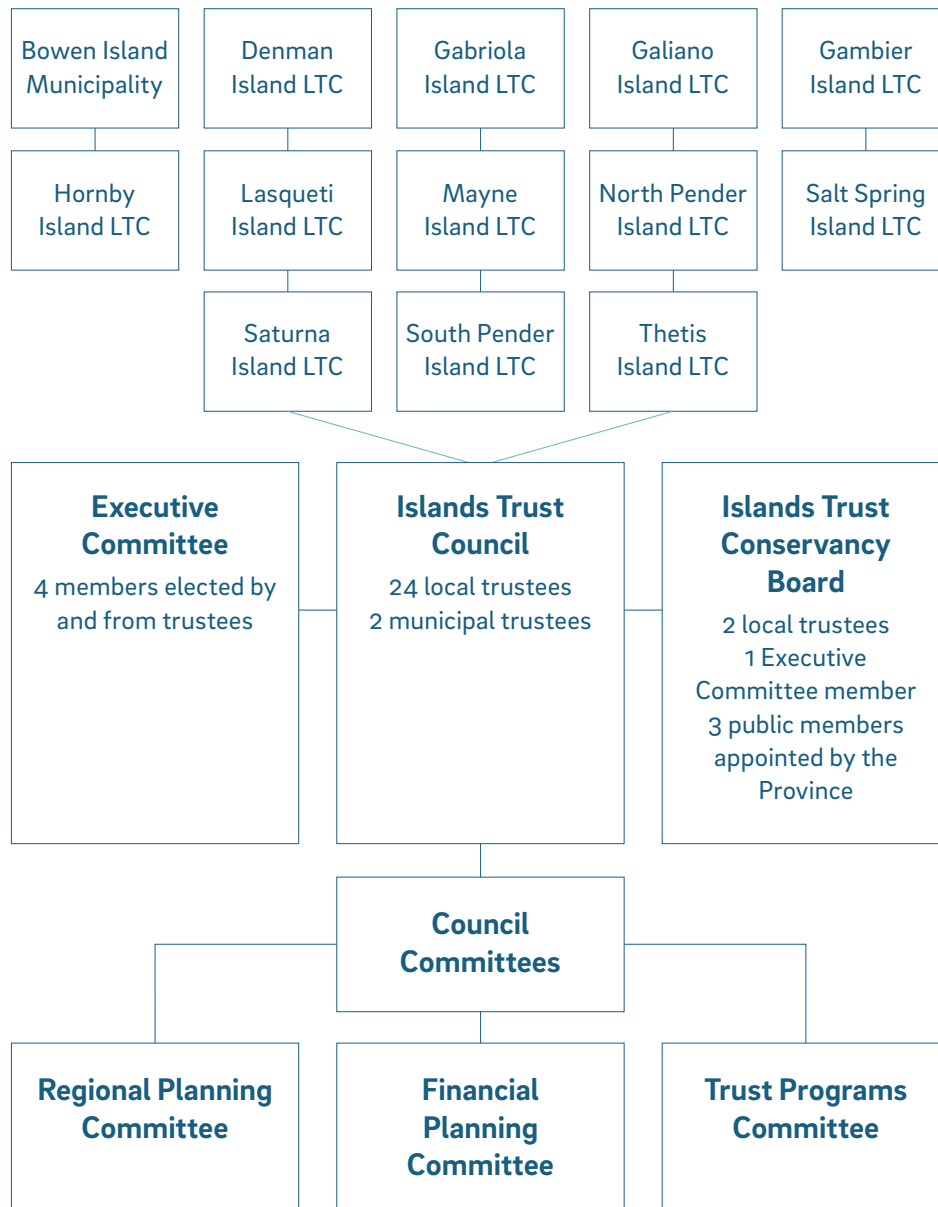
The Islands Trust is a unique federation of 12 special-purpose local government bodies and Bowen Island Municipality, all of which plan land use and regulate development in the Islands Trust Area.

The Islands Trust consists of several distinct corporate entities: Islands Trust Council, Executive Committee, 12 local trust committees, Bowen Island Municipality, and Islands Trust Conservancy.



Like other communities in British Columbia, island communities elect their local representatives every four years. Each group of islands, designated as a local trust area or island municipality, elects two local trustees. For the 12 local trust areas, the two local trustees, together with an appointed chair from the Executive Committee, are responsible for the land use decisions within their local area. For Bowen Island Municipality, the two local trustees are part of a seven-member council responsible for all functions of a local government, including land use decisions. Unlike the Bowen Island Municipal Council, each local trust committee has jurisdictional authority for the smaller islands and waters surrounding the major island in that local trust area.

Islands Trust Legislative Structure



2020–2021 Key Accomplishments

Trust Council's *2018–2022 Strategic Plan* was amended in March 2021 to align with Trust Council priorities, staff resources and budget. The plan focuses on five areas:

- Land stewardship
- Marine and freshwater stewardship
- Climate change
- Community and communication
- Governance

Selected Plan accomplishments are highlighted throughout this report. You can read the *2018–2022 Strategic Plan* in Appendix A.

The 2020–2021 fiscal year represented the second full year of work in support of Trust Council's Strategic Plan, and a great deal of progress was made.

Mapping of the Coastal Douglas-fir zone was completed and will support the creation of development permit areas throughout the Trust Area.

In support of our Reconciliation Declaration and the strategic direction of Trust Council, the Islands Trust trained staff and Trustees on reconciliation, the United Nations Declaration on the Rights of Indigenous Peoples, and residential schools. A new referral process was implemented for land applications to support First Nations concerns. A Cultural Working Group was established to steward the organization's response to archaeological issues and protocols related to chance finds. In addition, Islands Trust engaged with First Nations about the Policy Statement.

Islands Trust asked the province to enhance the Trust's jurisdiction over tree-cutting bylaws by making the Islands Trust's jurisdiction equal to that of municipalities under section 8 of the Community Charter. If granted, this change will improve Islands Trust's ability to fulfill its legislative mandate to preserve and protect the Trust Area.

A regional freshwater strategy was initiated, and water budgets were identified for the Southern Gulf Islands.

The first comprehensive review of the Islands Trust Policy statement — in over 15 years — began and involved extensive engagement and meetings and input from First Nations.

Over the last year, external electronic meetings were initiated and enabled remote participation of citizens in local trust committee meetings and Trust Council meetings. Recordings of meetings are available on the website.

The development of a new website enhanced external communication.

A governance and management review of the Islands Trust was initiated to identify potential service delivery and decision-making improvements.

A new secretariat function was established to support a variety of forums within the Trust Area.

Western Painted Turtle. CREDIT: MONIQUE ANSTEE, COURTESY OF HABITAT ACQUISITION TRUST



Islands Trust Council

The 26-member Islands Trust Council establishes general policies for carrying out the object of the Islands Trust. It adopts an operational budget for the Islands Trust and manages the financial undertakings of all parts of the Islands Trust except for the Islands Trust Conservancy, which manages its own operations. Islands Trust Council also appoints staff and auditors and determines tax levies – the primary source of funding for the operations – billed to property owners within the Trust Area. Additional revenue comes from a provincial grant and development application fees.

The *Islands Trust Act* requires Islands Trust Council to implement the Trust Policy Statement that is applied to the whole Trust Area. The Minister of Municipal Affairs approves it, before the Policy Statement is adopted. The Policy Statement provides broad policy guidelines for Islands Trust Council and the local trust committees and island municipality regarding the protection of ecosystems, the stewardship of resources and the fostering of sustainable communities. The positions and philosophy of Islands Trust Council contained in the Policy Statement also constitute a policy framework for reference by the public and other agencies such as the regional districts of the Islands Trust Area, the provincial government, and its agencies.

Islands Trust Council has three standing committees of trustees – the Regional Planning Committee, Trust Programs Committee, and the Financial Planning Committee – which provide policy advice to Trust Council on various issues.

Members of Islands Trust Council – 2018–2022

Bowen Local Trust Area	Sue Ellen Fast, Michael Kaile
Denman Local Trust Area	Laura Busheikin, David Critchley
Gabriola Local Trust Area	Scott Colbourne, Kees Langereis
Galiano Local Trust Area	Tahirih Rockafella, Jane Wolverton
Gambier Local Trust Area	Dan Rogers, Kate-Louise Stamford
Hornby Local Trust Area	Alex Allen, Grant Scott
Lasqueti Local Trust Area	Peter Johnston, Timothy Peterson
Mayne Local Trust Area	Jeanine Dodds, David Maude
North Pender Local Trust Area	Benjamin McConchie, Deb Morrison
Salt Spring Local Trust Area	Peter Grove, Laura Patrick
Saturna Local Trust Area	Paul Brent, Lee Middleton
South Pender Local Trust Area	Cameron Thorn, Steve Wright
Thetis Local Trust Area	Doug Fenton, Peter Luckham

2020/21 Advocacy

The Islands Trust Council’s advocacy program is guided by the Islands Trust Policy Statement, which states: to achieve its object, the Islands Trust must be an educator, coordinator, and initiator guiding individuals, organizations, and other agencies in support of the object. While the Islands Trust can provide the necessary leadership, stewardship of the Trust Area rests with many. Individuals, other government agencies, organizations, and the province itself all have important roles to play. Cooperative actions are required of other agencies, organizations, and individuals to ensure activities are carried out in a manner that is sensitive to the needs of Trust Area ecosystems and island communities.

Most of this advocacy work is overseen and implemented by Islands Trust Council’s Executive Committee and is guided by the Islands Trust Advocacy Policy (Policy 6.10.3). The Islands Trust Council advances its advocacy priorities by writing letters, making submissions to consultation processes, hosting meetings, passing resolutions, and working with partners on the following topics:

Aquaculture

Submission to the Federal Aquaculture Act Consultation

In January 2021, the Islands Trust Chair [wrote](#) in response to the request for input on the new *Federal Aquaculture Act* and *A Canadian Aquaculture Act, Discussion Paper, Fisheries and Oceans*. The Trust Council Chair

wrote to the Aquaculture Management Directorate of Fisheries and Oceans Canada. The letter from the Chair highlighted some priority areas of concern regarding reconciliation, environmental protection, and enforcement.

Anchorage

Call for Immediate Action to Address Freighter Anchorages in the Southern Gulf Islands

In January 2021, the Trust Council Chair [wrote](#) a letter to the Honourable Omar Alghabara, Minister of Transport, to express dismay over the lack of federal government action to address the serious issue of freighter anchorages in the Southern Gulf Islands and to request leadership on the issue.

Call for TSB Investigation into March 30th Freighter Collision in Plumper Sound

In April 2020, the Trust Council Chair [wrote](#) a letter to the Honourable Marc Garneau, Minister of Transport, calling for a Transportation Safety Board investigation into the March 30, 2020, freighter collision in Plumper Sound. The letter reiterated Islands Trust's longstanding request that the federal government take all measures possible to reduce, and ultimately eliminate, the use of the 33 commercial freighter anchorage sites throughout the Southern Gulf Islands. The Islands Trust also worked to draw media attention to the incident. The [Transportation Safety Board report](#) was released in February 2021.



Cedar branches, Wallace Island. CREDIT: KRISTINE MAYES

Forestry

Enhance Islands Trust's Jurisdiction Over Tree Cutting

In November 2020, the Trust Council Chair [wrote](#) to request the province enhance the Trust's jurisdiction over tree-cutting bylaws by making Islands Trust's jurisdiction equal to that of municipalities under section 8 of the Community Charter.

Private Managed Forest Land Act (PMFLA) Amendments

In July 2020, the Trust Council Chair [wrote](#) a letter to the Honourable Doug Donaldson, B.C. Minister of Forests, Lands, Natural Resource Operations and Rural Development; the Honourable Selina Robinson, B.C. Minister of Municipal Affairs and Housing; and the Honourable Scott Fraser, B.C. Minister of Indigenous Relations and Reconciliation following a meeting at Union of B.C. Municipalities. The letter reiterated concerns that the current provincial *Private Managed Forest Land Act* (PMFLA) is restricting Islands Trust from fulfilling its legislative mandate to preserve and protect the environment of the Trust Area. The letter included a legal opinion from Young Anderson regarding possible amendments to the PMFLA. The Ministry of Forests, Lands, Natural Resource Operations and Rural Development [responded](#) on October 19, 2020, and on April 23, 2021.

Governance

Electronic Temporary Use Permits and Public Hearing Notifications

In February 2021, the Islands Trust Corporate Secretary [wrote](#) to the Association of Vancouver Island and Coastal Communities to provide notice that a resolution and backgrounder was being submitted for consideration at the 2021 Association of Vancouver Island and Coastal Communities and Union of B.C. Municipalities conventions.

The resolution requested the Ministry of Municipal Affairs update the *Local Government Act* to allow temporary use permit and public hearing notifications to be provided electronically.

Marine Protection

Development of B.C. Coastal Strategy and Law

In November 2020, the Trust Council Chair [wrote](#) to the Honourable John Horgan, Premier of British Columbia; the Honourable Katrine Conroy, Minister of Forests, Lands, Natural Resource Operations and Rural Development; the Honourable George Heyman, Minister of Environment and Climate Change Strategy; the Honourable Rob Fleming, Minister of Transportation and Infrastructure; and



Sea anemone. CREDIT: CARLA FUNK

the Honourable Josie Osborne, Minister of Municipal Affairs, to request the B.C. Government develop and enact a Coastal Strategy and law. The intent would be to leverage and coordinate the work of provincial ministries, First Nations, local communities, and stakeholder groups to:

- preserve coastal and ocean health,
- halt coastal habitat loss,
- accelerate the completion of a network of marine protected areas to benefit fisheries, biodiversity and the economy, and
- set marine environmental quality objectives from upland activities, and help communities adopt ecosystem-based approaches to manage risks from flooding due to extreme weather events, sea-level rise, climate change, and ocean acidification.

Oil Spills and Shipping

Trans Mountain Pipeline Expansion Reconsideration

In March 2021, the Trust Council Chair [wrote](#) to the B.C. Environmental Assessment Office, via an online portal, to communicate opposition to the Trans Mountain Pipeline Expansion Project. In the letter, the Chair explained that Islands Trust believes the plan to transform the waters of the Salish Sea into an export corridor for nearly a million barrels of toxic bitumen per day for the next 50 or more years exposes the Trust Area to unacceptable levels of risk. The Chair also requested that Islands Trust be added to the list of groups consulted or involved in developing and reporting research regarding diluted bitumen.

Reconciliation

Missing and Murdered Indigenous Women and Girls (MMIWG) Calls for Justice

In November 2020, the Trust Council Chair [wrote](#) to the Union of British Columbia Municipalities Executive Board about six resolutions adopted by the Islands Trust Executive Committee. The resolutions help integrate the National Inquiry into Missing and Murdered Indigenous Women and Girls Calls for Justice into the work of Islands Trust. The Chair also reaffirmed Trust's continued commitment to reconciliation and relationship building.

Transportation

Support for the BC Ferries Island Class Electrification Project

In January 2021, the Trust Council Chair [wrote](#) to the Prime Minister of Canada to communicate Islands Trust's support for the BC Ferries Island Class Electrification Project. The Chair urged the federal government to provide financial funding for this critical project, which would enable the conversion of Island-class ferries from hybrid-powered to all-electric vessels by allowing them to seamlessly recharge their batteries during the embarkation and disembarkation of passengers.

New Brighton Dock – Gambier Island, Howe Sound

In October 2020, the Trust Council Chair [wrote](#) a letter to the Honourable Claire Trevena, B.C. Minister of Transportation and Infrastructure and the federal Minister of Transport, the Honourable Federal Marc Garneau, requesting that the province of B.C. or Transport Canada acquire the New Brighton Dock from the Squamish Nation, and/or assist in the acquisition of the dock by a public entity. The letter stressed that the dock be preserved since it is a critical public port facility for the Gambier Island community. The Deputy Minister of the B.C. Ministry of Transportation and Infrastructure [responded](#).

BC Ferries Service Levels in the Islands Trust Area

In July 2020, the Trust Council Chair [wrote](#) to the Honourable Claire Trevena, B.C. Minister of Transportation and Infrastructure to urge the province to put in place measures that ensure current service levels are maintained or improved to continue to meet local demand, irrespective of the financial uncertainties of BC Ferries. The Chair also requested that priority be placed on the involvement of ferry advisory committees in all aspects of decision-making to ensure that the needs of communities are well understood and protected. The Honourable Claire Trevena, Minister of Transportation and Infrastructure, [responded](#).





Delegations and Presentations to Islands Trust Council in 2020/21

Members of the public are encouraged to make presentations and participate in town hall sessions at each quarterly meeting of Islands Trust Council to promote dialogue between islanders and trustees.

Trust Council invited the following guests to attend its 2020/21 quarterly meetings:

- In June 2020, San Juan County Council Chair Rick Hughes from Washington State updated Trust Council on San Juan County's COVID-19 phased response plan, which was currently in phase 2. The council was busy meeting health requirements and navigating budget amendments due to the pandemic response.
- In December 2020, Kevin Ramsay, Innova Strategy Group, gave a PowerPoint presentation to Trust Council titled, *Getting the most out of your Islands Trust team*, addressing best governance and staff relations practices.
- In March 2021, Chief Bill Williams, találsamkin siyám, of the Sk̓wx̓wú7mesh Úxwumixw, Squamish Nation, opened the meeting and thanked Trust Council for the wonderful protocol in place acknowledging all People who live in the islands. He stated that the knowledge First Nations have gained over 10,000 years is something for all of us to learn and that we are on this journey together and pull together in one canoe. He gave blessings to Trust Council members and their families.

June 2020 delegations

At the June 2020 meeting, held virtually, Trust Council heard from the following delegations:

Member of Parliament, Paul Manly

Nanaimo-Ladysmith Member of Parliament (MP), Paul Manly, opened with territorial acknowledgments to Snuneymuxw, Stz'uminus, Snaw-naw-as and Lyackson First Nations traditional territories.

MP Manly spoke about freighter anchorages and the resultant destruction to the ocean floor and associated ecosystem disturbances. He talked about his work on the anchorages file, including ongoing meetings with federal representatives and harbour authorities. After the

freighter collision in Plumper Sound, March 30, 2020, MP Manly supported the request for a Transportation Safety Board investigation.

MP Manly answered a question about alternatives to the Vancouver port expansion, stated incentives to unload container shipments does not apply to freighters and he is working to continue to apply pressure to governments for, among other things, changes to freighter traffic management and efficiencies.

Saturna Island Ratepayers and Residents (SIRRA)

Vice-President of the Saturna Island Ratepayers and Residents Association (SIRRA), Mairead Boland, presented a PowerPoint on the Islands Trust budget.

On behalf of SIRRA, Ms. Boland asked the Islands Trust to review its work scope, staff levels, and work with regional governments. She suggested the budget be presented in a transparent and easily understood manner and that a review of the entire budget process occurs. SIRRA also asked for an external audit of costs and benefits to the taxpayer since the Auditor General's Office for Local Government has been dissolved.

Ecological Research Network

Dr. Tara Martin shared a PowerPoint presentation titled *A Concept to Support the Islands Trust Strategic Plan*. She spoke on behalf of the Ecological Research Network, scientists including Dr. Briony Penn, Dr. Ruth Waldick, Dr. Susan Hannon, and Hannah Carpendale. The network wishes to collaborate with land use and policy decision-makers to share up-to-date scientific data with Islands Trust regarding Coastal Douglas-fir health.

Gulf Islands Alliance

On behalf of the Gulf Islands Alliance, Deborah Ferens spoke to mobilizing the Public Trust Doctrine, a doctrine based on the principle that specific resources must be preserved for public use to protect forests in the Islands Trust Area.

Michael Sketch

Michael Sketch addressed Trust Council with a critique of staff processes and accountability, requesting changes to application processing and local bylaw development regarding Agricultural Land Commission approvals. He also recommended to Trust Council that the Islands Trust Conservancy Board take ownership of Trust-Area land for community benefit land trusts.

September 2020 delegations

At the September 2020 meeting, held virtually, Trust Council heard from the following delegations:

Friends of the San Juans

Lovel Pratt, Marine Protection and Policy Director with Friends of the San Juans presented on the environmental impacts of the proposed expansion of port facilities at Roberts Bank and requested Islands Trust oppose the expansion.

San Juan County Council Chair, Rick Hughes

Chair Hughes spoke on San Juan County Council's longstanding and mutually beneficial working partnership with Islands Trust to protect coastal ecosystems and communities in the Salish Sea.

Canadian Parks and Wilderness Society and West Coast Environmental Law

Kate MacMillan and Michael Bissonnette shared a PowerPoint. They presented work to develop a British Columbia Coastal Strategy and law to leverage governments and groups to preserve coastal and ocean health.

Raincoast Conservation Foundation

Shauna Doll spoke to protecting forest ecosystems in the Islands Trust Area and shared a PowerPoint presentation calling for policy and legislative reform.

My Sea to Sky

Tracey Saxby presented a PowerPoint about a project to develop a "Climate Action Report Card Tool" and requested Islands Trust take part in this pilot project to track community greenhouse gas emissions.

Salt Spring Solutions

Elizabeth FitzZaland addressed Trust Council's Islands 2050 consultation process regarding the Policy Statement review project and concerns regarding affordable housing and land use decisions.

Maxine Leichter

Maxine Leichter addressed Trust Council on ways to improve bylaw enforcement in the Trust Area.

Michael Sketch

Michael Sketch spoke to implementing an environmental body to oversee local area land use planning and create specific legislation. The purpose of the legislation would be to establish procedures and directive policies each local trust committee would need to include in their official community plans and land use bylaws.

December 2020 delegations

At the December 2020 meeting, held virtually, Trust Council heard from the following delegations:

Salt Spring Community Economic Development Commission and Chamber of Commerce

Francine Carlin and Jessica Harkema, representing the Salt Spring Community Economic Development Commission and the Chamber of Commerce, gave a PowerPoint presentation supporting the Ganges Village area plan budget.

Michael Sketch

Michael Sketch read his presentation titled “Structure and Implementation of the Trust Policy Statement,” published in the agenda package.

March 2021 delegations

At the March 2021 meeting, held virtually, Trust Council heard from the following delegations:

Institute for Multidisciplinary Ecological Research in the Salish Sea (IMERSS)

Andrew Simon, Emily Adamczyk, and Jeannine Georgeson gave a PowerPoint presentation on how the Salish Sea has changed over time and the purpose of the Institute for Multidisciplinary Ecological Research in the Salish Sea (IMERSS). IMERSS recommended Islands Trust require engagement and capacity building with local communities and First Nations for all future environmental and cultural research in the Trust Area.

B.C. Organic Extension Delegation Request and Presentation

Wallapak Polasub and Angeli Dela Rosa, from Kwantlen Polytechnic University’s Institute for Sustainable Food Systems, gave a PowerPoint

presentation about organic extension services currently operating in B.C. The presenters highlighted the need for increased access to information, skills, awareness, knowledge, and support relating to organic and regenerative agriculture and food. Their request to Trust Council was to write a letter of endorsement, in concept, for the organic extension service.

Rodenticide Free B.C. Delegation Request and Presentation

Deanna Pfeifer delivered a PowerPoint presentation requesting municipalities, regional districts, and Islands Trust endorse a province-wide ban on anticoagulant rodenticides use. Rodenticides are known to move through the food chain, endangering wildlife.

Raincoast Conservation Delegation Request and Presentation

Shauna Doll of the Raincoast Conservation Foundation delivered a PowerPoint presentation as a followup to her September 2020 presentation. At the September meeting, Trust Council passed two resolutions regarding the protection of forest ecosystems in the Islands Trust Area.

Gulf Islands Alliance

On behalf of Gulf Islands Alliance, Susan Yates spoke in support of the Raincoast Conservation Foundation's advocacy. She called on Trust Council to recognize and act on the significance of the remaining Coastal Douglas-fir forests in the Islands Trust Area.

Michael Sketch

Michael Sketch read his delegation submission titled, *A draft trust policy statement duty of care: an article of faith for the Islands Trust Act*. The statement was also in the Trust Council agenda package and included a request for Trust Council to make the Policy Statement reflect the preserve and protect mandate of the *Islands Trust Act*.

Policy Statement Amendment Process

Trust Council's Policy Statement Amendment Policy (1.2.1) states that the Trust Council will identify Policy Statement review and/or amendment tasks each term. For the 2018–2022 term, Islands Trust Council has assigned Executive Committee to coordinate an update of the Policy Statement, with involvement from Trust Programs Committee, as appropriate. Council has directed that this update include:

- General update of: Introduction, Part 1, Part 2 and Schedule 1 – Definitions;
- Update of the whole document through the lens of reconciliation;
- Update of the entire document through the lens of climate change; and
- Update regarding affordable housing to ensure that the document:
 - › Gives affordable housing a more significant profile for its role in sustainable communities;
 - › Includes a reference to affordable housing in its policy direction to Local Trust Committees and Island Municipalities;
 - › Includes a clear and well thought-out definition of 'affordability'; and
 - › Includes a clearly articulated vision, goals and objectives for affordable housing.

The Islands 2050 engagement process launched in 2019 and continued throughout 2020–21 with ongoing First Nations engagement and the second round of public engagement. It is worthwhile noting that this has been the first time in the history of Islands Trust that there has been meaningful engagement with First Nations on the Policy Statement. It has also been the first time Islands Trust has collaborated with First Nations to develop policies that help preserve and protect the environment, cultural heritage, and First Nations access and rights within their treaty and territorial lands and waters. Opportunities for meaningful dialogue and relationship-building with First Nations, facilitated by capacity funding, have helped ensure that the Policy Statement is aligned with reconciliation, the Truth and Reconciliation Commission Calls to Action, and the Declaration on the Rights of Indigenous Peoples Act.

In July 2020, a *What We Heard* report was released. It summarized feedback received during Phase I of the Islands 2050 public engagement

process. Over the summer and fall of 2020, three Trust Programs Committee working groups, comprised of trustees and staff, began developing amendment recommendations related to Council's three priority areas of reconciliation, climate change, and affordable housing. In January 2021, Phase 2 of the public engagement process was launched with the release of a *Policy Directions Report*. It outlines preliminary policy directions based on engagement feedback and additional policy analysis by the Trust Programs Committee working groups. An online survey solicited input from the public on the preliminary policy directions outlined in the report before the commencement of the bylaw drafting process. In addition, Islands Trust hosted a Virtual Open House related to the report on March 3, 2021, which offered members of the public an opportunity to learn more about the Policy Statement Amendment Project and ask questions to representatives of each of the three working groups.



In March 2021, Trust Council devoted a full day of its regular Trust Council meeting agenda to discuss the Islands 2050 Policy Statement Amendment Project. In preparation for the dialogue, staff produced a discussion paper entitled *The Islands Trust Object: Past, Present, and Future*, which provided crucial historical context relating to the history and legacy of First Nations in the Trust Area and the original vision for the establishment of Islands Trust in 1974. The paper identified key questions for trustees related to interpretations of the Islands Trust Object, the regional/local governance balance, and preliminary policy directions from the three Trust Programs Committee working groups. Following the dialogue, Trust Council passed resolutions recognizing Indigenous cultural heritage as a 'unique amenity' worthy of prioritization under the Islands Trust Object. Trust Council also affirmed its understanding that the Islands Trust Object includes the concept of, and protection of, healthy and inclusive communities, including but not limited to housing and transportation.



Islands Trust Council Committees

Executive Committee

The Executive Committee (EC) members include the Chair of Islands Trust Council and three Vice-Chairs, elected for a four-year term by Trust Council from among its members. In addition to individual members serving as the chairs of local trust committees, the committee oversees external communications for the Islands Trust, liaises with the provincial government, reviews and implements the Islands Trust Policy Statement, and conducts other functions as directed by Trust Council.

The Executive Committee carries out the daily business of the Islands Trust. It reviews the bylaws of local trust committees to ensure compliance with the Islands Trust Object and the Trust Policy Statement and it also acts as a local trust committee for the Ballenas-Winchelsea Islands Local Trust Area located north of Nanaimo.

Members

Members serving during the 2018–2022 term:

Peter Luckham, Thetis Island (Chair)

Sue Ellen Fast, Bowen Island (Vice-Chair)

Laura Patrick, Salt Spring Island (Vice-Chair)

Dan Rogers, Gambier Island (Vice-Chair)

Union of British Columbia Municipalities Annual Convention

Due to the pandemic, the annual Union of British Columbia Municipalities (UBCM) convention was virtual last year. All members of the Executive Committee attended it on behalf of Islands Trust Council.

During the convention, Islands Trust representatives met to share ideas with members of the legislative assembly and local government representatives from across the province.

One week before the convention, provincial minister meetings were held. The Executive Committee and staff met with the Honourable Doug Donaldson, Minister of Forests, Lands, Natural Resource Operations, and Rural Development to discuss two requests. The first was for a review of Crown land agreements between the province and Islands Trust. The second was a request for amendments to the Private Managed Forest Land Act to allow local trust committees to regulate but not prohibit forest activities.

The Executive Committee also met with the Honourable George Heyman, Minister of Environment and Climate Change Strategy, to discuss freighter anchorages in the Islands Trust Area. The Executive Committee requested renewed action to reduce and ultimately eliminate the use of 33 commercial freighter anchorage sites in the Southern Gulf Islands in light of a recent collision on March 30, 2020, in Plumper Sound.

The UBCM delegates voted to endorse the Islands Trust's resolution requesting the Province of British Columbia work with First Nations, federal, provincial, and local governments to develop a coordinated strategy to study and address the environmental and social impacts of people living aboard vessels on the British Columbia coastline.

Bylaws Approved by Executive Committee

Before a local trust committee can adopt a bylaw, the Executive Committee must approve it for compliance with the Islands Trust Policy Statement. Before Bowen Island Municipal Council adopts a Bowen Island Municipality Official Community Plan Bylaw or makes amendments, the Executive Committee must approve the bylaw for compliance with the Islands Trust Policy Statement. Under the Letters Patent for Bowen Island, the Executive Committee also comments on other bylaws that reference a matter included in the Islands Trust Policy Statement. In 2020/21, the Executive Committee approved 23 bylaws, of which six were for Bowen Island Municipality.

Applications Sponsored by Executive Committee

The Executive Committee sponsored a total of \$13,485 permit and application fees for the following projects and initiatives:

- Development variance permit fees of \$935 to allow the Ruxton Island Property Owners Association to build a storage building for emergency services equipment
- Rezoning application fees of \$4,950 for a 12-unit affordable housing project being created by the Gulf Islands Galise Affordable Rental Housing Society on Galiano Island
- Rezoning application fees of \$1,000 for a 24-unit affordable housing project being created by the Gabriola Housing Society
- Rezoning application fees of \$5,500 to allow for a subdivision to become two residential parcels and one multi-family development for a 10-unit affordable housing project
- Temporary use permit fees of \$1,100 to allow the Mayne Island Early Childhood Society to operate a licensed daycare facility on its property

Grants in Aid for History, Heritage and Conservation

During the 2020/21 fiscal year, no applications were received for the Grants in Aid for History, Heritage and Conservation.

Liaison Meetings

On July 14, 2020, the Executive Committee met with the Islands Trust Conservancy Board for its annual liaison meeting, held electronically via Zoom. The discussion focused on coordinating provincial funding requests, working with Trust Council on strategic plan items, local trust committees, and First Nations.

The Executive Committee met with Bowen Island Municipal Council on February 23, 2021. They discussed the Islands Trust Policy Statement Project, the 2021 Islands Trust budget, Bowen Island tax levy, opportunities for collaboration and advocacy regarding logging of Crown land, and the creation of heritage overlay mapping by Islands Trust. Bowen Island planning staff can use the overlay to identify, understand and potentially protect cultural heritage sites.

Regional Planning Committee

The Regional Planning Committee (RPC) provides policy and planning advice to Trust Council by identifying and reporting emerging issues related to the committee's areas of responsibility: development management, community planning, and sustainable community. The committee also develops guidelines, policies, and models for use by staff and local trust committees. The Regional Planning Committee was formerly the Local Planning Committee and changed its name in September 2020 to more accurately reflect the role of the committee.

Members

Members serving since the start of the 2018–2022 term are:

Laura Busheikin, Denman Island (Chair)

David Maude, Mayne Island (Vice-Chair)

Jeanine Dodds, Mayne Island

Kees Langereis, Gabriola Island

Timothy Peterson, Lasqueti Island

Kate-Louise Stamford, Gambier Island

Jane Wolverton, Galiano Island

Laura Patrick, Salt Spring Island (Executive Committee Representative)

Peter Luckham, Thetis Island, Chair Trust Council (Ex Officio Member)

2020/21 Highlights

In the 2020/21 fiscal year, the Regional Planning Committee reviewed a draft Applications Processing Services Policy, a draft model fees bylaw, and a draft model development approval information bylaw in order to develop recommendations for amendments. The process involved a review of current fees and estimates of fees based on cost recovery. It also includes developing communication materials to explain the work undertaken for land use applications and the difference in processing such applications in the Islands Trust Area versus other local governments.

The RPC undertook work assigned to it under Trust Council's Strategic Plan, including commissioning reports on shoreline policies and regulations in the Trust Area and developing options for using floor area ratio to increase housing options. Further strategic plan work that began, but was not completed in this fiscal year, was developing a freshwater sustainability strategy and the continuation of a multi-year groundwater mapping project.



Dragonfly Pond, North Pender Island

Trust Programs Committee

The Trust Programs Committee's (TPC) role is to provide policy advice to Islands Trust Council on Trust-wide issues related to the committee's areas of responsibility (e.g. water, marine, sustainable communities, public awareness, and education) and to propose amendments to the Islands Trust Policy Statement.

Members

Deb Morrison, North Pender Island (Chair)

Scott Colbourne, Gabriola Island (resigned as Vice-Chair December 4, 2020)

Alex Allen, Hornby Island (resigned October 10, 2019)

Paul Brent, Saturna Island (October 23, 2019–present)

David Critchley, Denman Island

Doug Fenton, Thetis Island

Michael Kaile, Bowen Island (October 15, 2019–present)

Kees Langereis, Gabriola Island (October 15, 2019–present)

Peter Luckham, Thetis Island, (Ex Officio Member)

Ben McConchie, North Pender Island

Tim Peterson, Lasqueti Island (October 15, 2019–present)

(elected Vice-Chair February 5, 2021)

Dan Rogers, Gambier Island (Executive Committee Representative)

Grant Scott, Hornby Island (joined May 6, 2019; resigned August 13, 2019)

2020/21 Highlights

TPC met nine times in 2020/21 and held several additional working group meetings through the summer and fall. A major focus was providing advice to the Executive Committee regarding the scope and delivery of the Policy Statement Amendment Project. The committee forwarded Policy Statement analysis documents, including a presentation of the 2011 Policy Statement Task Force Report and a briefing on the United Nations Declaration on the Rights of Indigenous Peoples, to Trust Council for information. Trust Programs Committee also created three working groups to develop amendment recommendations in the following priority areas:

- Reconciliation Working Group: Trustees Colbourne, Fenton, McConchie, and Peterson
- Climate Change Working Group: Trustees Fenton, Langereis, and Morrison
- Affordable Housing Working Group: Trustees Colbourne, Critchley, and Rogers

TPC also recommended Policy Statement Amendment Project charter revisions (Version 3) to Executive Committee. To inform decision-making on the Policy Statement Amendment Project, the committee held an ecosystem-based management training session and invited other trustees to attend. The committee also provided trustees with a memorandum and questions soliciting feedback to inform the Policy Statement amendment drafting process and provided the results to Trust Council. The committee also provided Trust Council with the “Islands Trust Object: Past, Present, and Future” Policy Statement Amendment Project Discussion Paper. The purpose of the discussion paper was to provide relevant historical context and current analysis to support an informed Trust Council discussion on key questions relating to Trust Object interpretations, the regional/local balance of policy directives, preliminary recommendations from the TPC working groups, and a summation of engagement with First Nations governments.

During the year, TPC also supported policy development and program delivery.

The committee developed a Secretariat Services Policy for Trust Council consideration and, following the adoption of the policy, provided secretariat services to:

- The Baynes Sound/Lambert Channel Ecosystem Forum (\$3,500 and staff support)
- The Howe Sound (Atl'ka7tsem) Community Forum (\$3,800)
- Coastal Douglas-fir Conservation Partnership (\$800)
- Southern Gulf Islands (\$3,000)

TPC developed recommended changes to the History, Heritage and Conservation Grants-In-Aid Policy for Trust Council consideration to bring the policy more into alignment with the Declaration on the Rights of Indigenous Peoples Act and the Islands Trust Council's Reconciliation Declaration.

The committee delivered a series of three climate change educational webinars on the topics of eelgrass, ecosystem-based adaptation, and rainwater harvesting. Recordings of the webinars and associated materials were posted to the Islands Trust website.

The committee developed recommended changes to the Community Stewardship Award policy for Trust Council consideration to bring the policy more into alignment with the Declaration on the Rights of Indigenous Peoples Act and the Islands Trust Council's Reconciliation Declaration. The committee also successfully recommended to Trust Council that the Community Stewardship Awards be suspended and revisited at the end of 2021.

The committee procured an Islands Trust Climate Indicators: Scoping Exercise to Identify Climate Change Indicators for the Islands Trust Area Report and forwarded it to Trust Council. The committee also received a briefing on a proposed Climate Action Plan for the Islands Trust.

TPC requested staff to investigate options for a joint review with the Ministry of Transportation and Infrastructure of road standards, incorporating the Climate Emergency Declaration and the Reconciliation Declaration, and report back to Trust Programs Committee.

The committee also received a *Community Benefit Land Trust Concept Briefing* and added the topic to its projects list. Staff were asked to consider the ideas presented in the Community Benefit Land Trust Concept Briefing when drafting bylaw options in the Policy Statement Amendment Project. The committee also added the topic to the Policy Statement topic review inventory.

Financial Planning Committee

The Financial Planning Committee (FPC) is responsible for facilitating Trust Council's involvement in the annual budget process. This work includes aligning the annual strategic planning process with the annual budget process; monitoring, reviewing, and making recommendations on the organization's financial management, budget, and financial practices to Trust Council; and reviewing audit reports and recommendations. The committee also provides advice to the Islands Trust Conservancy Board on financial services and support.

Members

The FPC consists of 10 trustees from across the Islands Trust Area: one member from the Trust Programs Committee (the Chair, unless otherwise appointed), one member from the Regional Planning Committee (the Chair, unless otherwise appointed), the four members of the Executive Committee, one member from the Islands Trust Conservancy Board, and three other trustees. The Chair of the committee is elected from amongst the other trustees.

Peter Grove, Salt Spring Island, Chair*

Paul Brent, Saturna Island, Vice-Chair*

Deb Morrison*, North Pender Island, Trust Programs Committee
(October 23, 2019)

Laura Busheikin, Denman Island, Local Planning Committee*

Peter Luckham, Thetis Island, Executive Committee

Sue Ellen Fast, Bowen Island, Executive Committee

Laura Patrick, Salt Spring Island, Executive Committee

Dan Rogers, Gambier Island, Executive Committee

Kate-Louise Stamford, Islands Trust Conservancy Board*

Tahirih Rockafella, Galiano Island*

** indicates a current member of the Audit Committee*

The Audit Committee is a sub-committee of the Financial Planning Committee and includes all members except the four Executive Committee members. The Audit Committee convenes a minimum of twice annually to meet with the external auditors and review the year-end audit work program, the audit findings report and any management letter recommendations, and to determine follow up actions if required.

2020/21 Highlights

As part of its ongoing responsibilities, FPC oversaw, through its Audit Committee, the completion of the annual financial statement audit for Islands Trust and Islands Trust Conservancy for the fiscal year ending March 31, 2020. The Audit Committee met with external auditors, KPMG LLP, to review their audit findings reports and initiated planning for the March 31, 2021, financial statement audit.

FPC facilitated Trust Council's development of the 2021/22 budget. The committee included recommendations on the amount to draw from surplus funds, the amount of the property tax requisition to Trust Area landowners, and the Bowen Island municipal tax levy based on Trust Council's [Policy 7.2.6 Municipal Tax Requisition Calculation](#). As part of the budget development process, FPC directed an in-depth review of potential cost reductions to planned spending, which informed final budget decisions. FPC also oversaw a public consultation on the draft budget. This year, thanks to increased promotion via social media, FPC saw a record number of responses; 941 members of the public went online to take the survey and spent an average of nine and a half minutes contributing their thoughts.

The Salt Spring Island Local Trust Committee requested an additional special property tax requisition to coordinate the Salt Spring Island Watershed Protection Alliance, which Trust Council approved upon recommendation from FPC.

FPC provided quarterly financial updates on actual results and financial forecasts based on the second and third quarter to the Salt Spring Local Trust Committee for information and review.

FPC has been invited to participate in the Regional Planning Committee's current review of Islands Trust application fees and continues to receive staff reports for comment as part of that work. FPC is also working on a review of Trust Council financial policies, including assessing how Trust surplus monies are maintained and used.

Local Trust Committees and Bowen Island Municipality

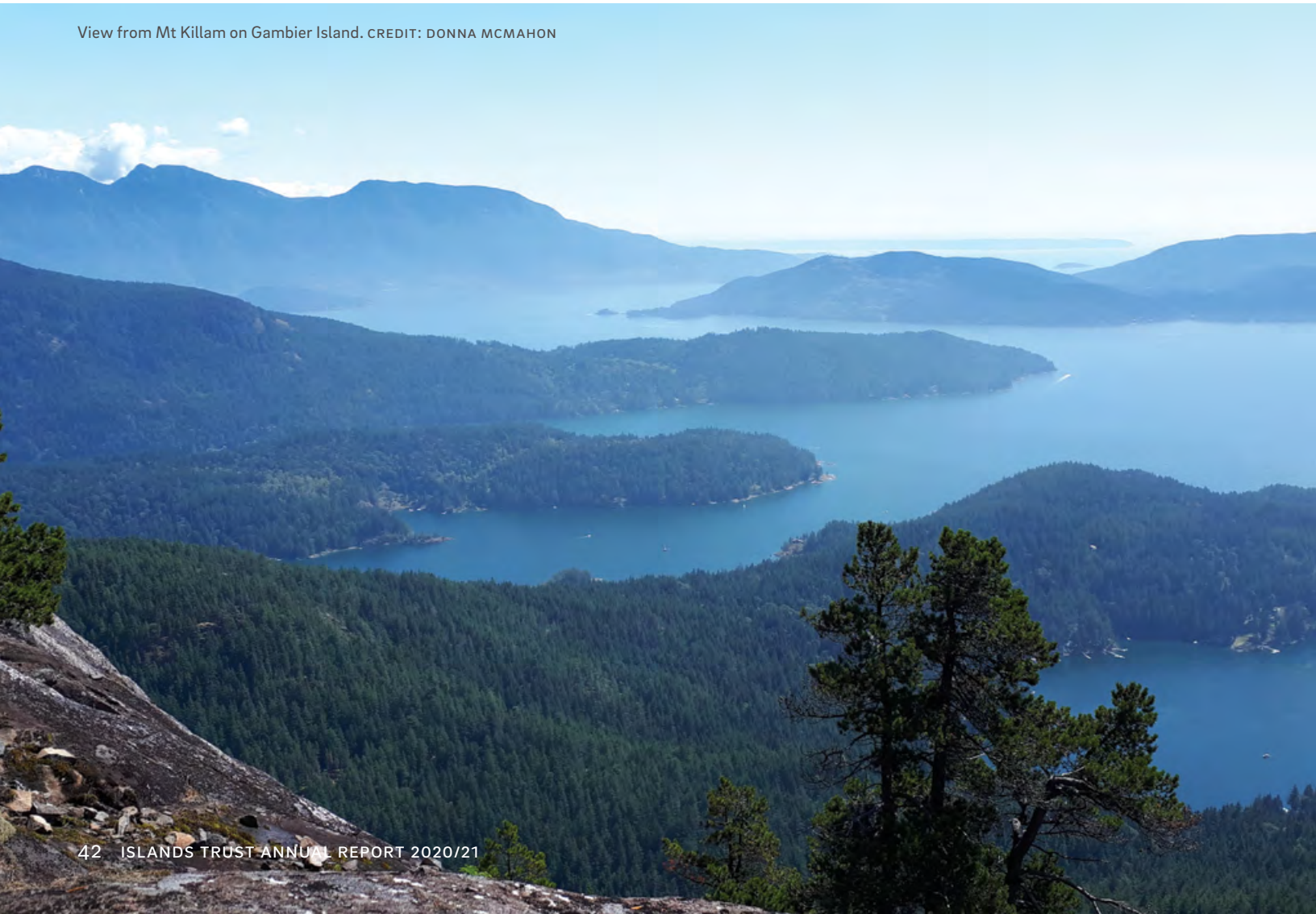
A local trust committee exists for each group of islands designated as a local trust area under the *Islands Trust Act*, except for Bowen Island, which is an island municipality.

Each local trust committee has three members — two locally elected trustees and one Executive Committee member serving as the Chair.

A local trust committee is responsible for land use planning and regulation for its area of jurisdiction. The responsibilities include preparation and adoption of official community plans, land use bylaws, zoning and subdivision bylaws, regulation of soil removal and deposit, and authorization of permits under Part 26 of the *Local Government Act*.

A seven-member Council serves the Bowen Island Municipality, which holds broad municipal powers, including land use planning. The community elects two of the municipal councillors to Trust Council.

View from Mt Killam on Gambier Island. CREDIT: DONNA MCMAHON



Ballenas – Winchelsea Islands (Executive) Local Trust Committee

The Executive Committee acting as a Local Trust Committee (Ballenas-Winchelsea Islands) did not conduct a business meeting in the fiscal year 2020–2021.

Planning for a boat tour of the Ballenas-Winchelsea Local Trust Area was put on hold due to public health orders related to the COVID-19 pandemic.

Bowen Island Municipality

Bowen Island Municipality Councillors Sue Ellen Fast and Michael Kaile are the Bowen Island Municipality trustees on the Islands Trust Council. Bowen Island Municipality produces its annual report, [available online](#). During 2020/21, the Islands Trust Executive Committee approved two Bowen Island official community plan amendment bylaws, provided referral comments on two Bowen Island land use bylaw amendments, and provided early referral comments on one official community plan amendment bylaw.

Denman Island Local Trust Committee

The Denman Island Local Trust Committee (DE LTC) held six regular business meetings in the 2020/21 fiscal year, three community information meetings, and one public hearing.

The DE LTC considered numerous reports in conjunction with two major rezoning applications for affordable housing on the island. The DE LTC asked staff to prioritize these rezoning applications before working on the local trust committee's top priority projects. The committee also reviewed two development variance permits and one development permit.

Staff reviewed three subdivisions, twenty-six siting and use permits, and three crown land referrals related to proposed development in the Denman Island Local Trust Area.

Another initiative of the DE LTC for this period was relationship building with the K'òmoks First Nation.

Gabriola Island Local Trust Committee

The Gabriola Island Local Trust Committee (GB LTC) held eight regular business meetings in the 2020/21 fiscal year, one community information meeting, two special meetings, and two public hearings.

Work for this period focused on advancing the GB LTC priorities to address the multi-year Housing Options and Impacts Review project, the cannabis production bylaw, and the development of an ecological protection zone.

The GB LTC considered numerous reports in conjunction with two major rezoning applications for the BC Ferries terminal and a twenty-four unit affordable housing project. The committee also reviewed three development variance permits, two development permits, and three temporary use permits.

Staff reviewed three subdivisions, sixty building permit referrals, one crown land referral, and one liquor and cannabis control board referral related to proposed development in the Gabriola Local Trust Area.

Another initiative of the GB LTC for this period was relationship building with the Snuneymuxw First Nation.

The GB LTC applied for and received a Union of British Columbia Municipalities Active Transportation grant to conduct a preliminary feasibility study for a pedestrian/cycling pathway from the ferry terminal to the Village Way Trail.

Galiano Island Local Trust Committee

The Galiano Island Local Trust Committee (GL LTC) held nine regular business meetings in the 2020/21 fiscal year, two community information meetings, and one special meeting.

Work for this period focused on advancing the GL LTC priorities to address short-term vacation rentals, technical and minor amendments to the land use bylaw and a regional mapping initiative for groundwater sustainability.

From April 1, 2020, to March 31, 2021, the GL LTC received and considered applications for nine development variance permits, six development permits, two bylaw amendment applications, one agricultural land reserve referral, and four temporary use permits.

During the same time, staff also reviewed 27 building permit referrals and four crown lease referrals.

Gambier Island Local Trust Committee

The Gambier Island Local Trust Committee (GM LTC) held five regular business meetings in the 2020/21 fiscal year, and one public hearing, for a total of six meetings. Two community information meetings were held during GM LTC's regular business meetings.

Work for this period focused on advancing the GM LTC priorities to implement the Riparian Area Protection Regulation across the Gambier Island Local Trust Area (Bowyer, Anvil and Passage Islands), and increasing shoreline protection on Keats Island. Work also resumed on the Gambier Island Official Community Plan review.

The GM LTC considered several reports in conjunction with two rezoning applications on Gambier Island and Keats Island. The GM LTC also reviewed one development permit and one development variance permit application.

Staff reviewed fourteen building permit referrals, four crown lease referrals, and one Board of Variance application related to development in the Gambier Local Trust Area.

The GM LTC also continued its important advocacy work across the Gambier Local Trust Area.

Hornby Island Local Trust Committee

The Hornby Island Local Trust Committee (HO LTC) held nine meetings in the 2020/21 fiscal year. There were six regular business meetings and three public hearings.

Work for this period focused on technical amendments to the official community plan (OCP), fees related to the bylaw enforcement notification bylaw, and amending the zoning of a property where affordable housing is planned. The HO LTC also initiated a project to amend the OCP and land use bylaws to address inconsistencies related to minimum average lot area provisions.

The HO LTC considered numerous reports in conjunction with one major rezoning application on the island. The committee also reviewed two development permits and one temporary use permit.

Staff reviewed two subdivisions, twenty-two siting and use permits, and seven crown land referrals related to proposed development in the Hornby Island Local Trust Area. Permit applications received are up 150% in the Hornby LTA from 2019 and up 56% in the Northern Region of Islands Trust.

Another initiative of the HO LTC has been relationship building with the K'omoks First Nation.





Lasqueti Island Local Trust Committee

The Lasqueti Island Local Trust Committee (LA LTC) held 5 five regular business meetings in the 2020/21 fiscal year and two special meeting/ community information meetings for a total of seven meetings.

Work for this period focused on advancing the LA LTC priorities to address the Lasqueti Community Association's recommended amendments to the Lasqueti Island Official Community Plan. The LA LTC referred the Lasqueti Community Association's recommendations to the Lasqueti Advisory Planning Committee and held both in-person and electronic Community Information Meetings. The LA LTC gave first reading to the Official Community Plan amendment bylaw on November 30, 2020, and referred the bylaw to multiple agencies and First Nations.

In early December, the LA LTC met electronically with qathet Regional District staff and elected officials to discuss ongoing projects and issues of mutual interest. These include the Lasqueti Official Community Plan project, coastal flood risk mapping, and legalizing temporary storage at the public barge ramp.

From April 1, 2020 to March 31, 2021, Islands Trust received three permits for LA LTC consideration and one permit and referral for staff review for a total of four permit applications.

View of Lasqueti Island, Jedidiah Island. CREDIT: SAVAGESWAN



Mayne Island Local Trust Committee

The Mayne Island Local Trust Committee (MA LTC) held nine regular business meetings in the 2020/21 fiscal year, three community information meetings, one special meeting, and two public hearings.

Work for this period focused on advancing the MA LTC priorities to address flexible housing options, as well as technical and minor amendments to the land use bylaw. The MA LTC also participated in a region-wide mapping initiative for groundwater sustainability.

From April 1, 2020, to March 31, 2021, the MA LTC received and considered applications for 11 development variance permits, two development permits, one bylaw amendment application, and three temporary use permits.

During the same time, staff also reviewed 34 building permit referrals, one crown lease referrals, and one subdivision referrals.

North Pender Island Local Trust Committee

The North Pender Island Local Trust Committee (NP LTC) held 11 regular business meetings in the 2020/21 fiscal year, four community information meetings, and seven special meetings.

Work for this period focused on advancing the NP LTC priorities to address short-term vacation rentals, a review of the land use bylaw and a regional mapping initiative for groundwater sustainability.

From April 1, 2020, to March 31, 2021, the NP LTC received and considered applications for five development variance permits, seven development permits, one bylaw amendment application, and 11 temporary use permits.

During the same time staff reviewed 49 building permit referrals and two subdivision referrals.

Salt Spring Island Local Trust Committee

The Salt Spring Island Local Trust Committee (SS LTC) held 11 regular business meetings in the 2020/21 fiscal year, eight special meetings, and one community information meeting.

The SS LTC also continued coordinating the Salt Spring Island Watershed Protection Alliance, which had five steering committee meetings, at least four subcommittee meetings and engaged in various community events.

Work for this period focused on advancing the SS LTC strategic priorities. Initiatives included ensuring freshwater sustainability, protecting

the Coastal Douglas-fir and associated ecosystem, increasing meaningful consultation and cooperation with citizens, agencies, and First Nations, and advancing village planning.

Key projects initiated included developing a Ganges Village Local Area Plan, a housing action plan, clarity regarding the content of professional reports required to demonstrate proof of water at the time of subdivision, and the Weston Lake Water Availability Study.

From April 1, 2020, to March 31, 2021, the SS LTC received and considered applications for 15 development variance permits, 17 development permits, three bylaw amendments, and four temporary use permits.

Riparian ecosystem, Salt Spring Island. CREDIT: KRISTINE MAYES



During the same time, staff reviewed 183 building permit referrals, eight crown lease referrals, six subdivision referrals, one soil deposit permit, and one soil deposit registration.

The SS LTC applied for and received a Union of British Columbia Municipalities C2C Forum Grant to conduct community-to-community engagement with First Nations. The SS LTC also received the *Capital Regional District Housing Needs Report for Salt Spring Island*.

During this fiscal period, the SS LTC proactively responded to provincial orders and various provincial and community initiatives related to the COVID-19 pandemic. The SS LTC adopted standing resolutions during the public health emergency. They included deferred enforcement for all unlawful dwellings except those with specific health and safety concerns, deferred enforcement for all outdoor expansion of food and liquor establishments, and deferred enforcement for living aboard vessels under specific circumstances.

Saturna Island Local Trust Committee

The Saturna Island Local Trust Committee (SA LTC) held four regular business meetings in the 2020/21 fiscal year, two community information meetings, two public hearings, and two special meetings.

Work for this period focused on advancing the SA LTC priorities to include and recognize First Nations in the official community plan (OCP), amend the OCP and land use bylaw to designate the Southern Gulf Islands National Park Reserve lands, and undertake a regional mapping initiative for groundwater sustainability.

From April 1, 2020, to March 31, 2021, the SA LTC received and considered applications for one development variance permit, two development permits, and one temporary use permit.

During the same time, staff also reviewed 12 building permit referrals.

The SA LTC also passed three standing resolutions supporting efforts to enhance protections to avoid extinction of the Southern Resident Killer Whales.

South Pender Local Trust Committee

The South Pender Island Local Trust Committee (SP LTC) held five regular business meetings in the 2020/21 fiscal year, six community information meetings, five special meetings, and two public hearings.

Work for this period focused on advancing the SP LTC priorities to address short-term vacation rentals and alternative housing and

a mapping initiative for groundwater sustainability. The SP LTC also initiated projects to recognize First Nations in the official community plan, develop building and siting guidelines, and recognize the rights of nature. The SP LTC also initiated minor amendments to its land use bylaw and official community plan and started a shoreline protection review.

From April 1, 2020 to March 31, 2021, the SP LTC did not receive or consider any development applications. During the same time, staff reviewed 11 building permit referrals.

Thetis Island Local Trust Committee

The Thetis Island Local Trust Committee (TH LTC) held five regular business meetings, one special meeting, and one public hearing in the 2020/21 fiscal year.

Work for this period focused on advancing the TH LTC priority project: the Riparian Areas Protection Regulation. To apply the provincial regulations, the TH LTC considered proposed bylaws numbered 108 and 109 that would implement the official community plan and land use bylaw changes. The result will be the creation of a new Development Permit Area no. 1: Riparian Areas.

The TH LTC considered numerous reports in conjunction with one major rezoning application on the island that proposed subtidal geoduck aquaculture covering fourteen hectares in Preedy Harbour. The committee also reviewed one development variance permit.

Staff reviewed nine building permit referrals related to proposed development in the Thetis Island Local Trust Area.



Reconciliation and Relationship Building

From shore to shore across the Salish Sea lands and waters, First Nations communities have called this place home since time immemorial. Their village sites, harvesting areas, and gathering places reflect the abundance and beauty of their homelands, treaty lands, and territories. The Salish Sea is, and was, home to the Coast Salish and Northern Coast Salish peoples from Denman Island to the Southern Gulf Islands. The Islands Trust Area encompasses this Indigenous homeland and the 14,000 years of history and culture of First Nations peoples.

After passing a Reconciliation Declaration on March 14, 2019, on Gabriola Island, Trust Council adopted the *Reconciliation Action Plan 2019–2022* and aligned some priority actions within the *Strategic Plan 2018–2022*. Islands Trust commits to realizing the important work of reconciliation and knowing that we do so with humility and respect for the people and the place where we live. This year, the Islands Trust continued to focus on foundational work and began to amend processes and policies in collaboration with First Nations. Highlights included:

- Conducting An all-staff training session on residential schools with speaker Eugene Harry, residential school survivor — in response to the Truth and Reconciliation Call to Action #57.
- Islands Trust convened the Cultural Knowledge Holder advisory panel for the Freshwater Sustainability Strategy Project, which connects provincial and local governments to talk about the cultural and interconnections of water.
- Islands Trust Council received a discussion paper called [*Islands Trust Object: Past, Present, and Future Policy Statement Amendment Project Discussion Paper: Truth Precedes Reconciliation*](#). The discussion paper highlighted a small portion of the history and legacy of colonization, forced removal, and oppressive legislation and the impacts to First Nations people who lived in the Islands Trust Area since time immemorial.
- Many intergovernmental meetings focused on communications, and cooperative policy and practices, to create more meaningful and respectful relationships, prioritizing cultural heritage protection and collaborative engagement.
- Islands Trust Council received a [*2019–2021 Reconciliation Report*](#) that honours and documents the work undertaken by the Islands Trust Council and local trust committees to date.

- The staff submitted a request for proposals to begin the *Heritage Preservation Overlay Strategic Plan* initiative to preserve and protect Indigenous cultural heritage, natural heritage, and community heritage in the Islands Trust Area.

Port Browning, North Pender Island. CREDIT: SAVAGESWAN



Climate Change Action

Climate change will have severe consequences for island ecosystems in the Trust Area, impacting everything from oceans to shorelines and forests, and significantly affecting communities. The forests of the Islands Trust Area have a high carbon storage capacity, with the potential to act as a major sink for carbon produced in the region.

Through land acquisition and covenants, Islands Trust Conservancy continues to protect mature and maturing forests. In 2020/21, the Conservancy acquired the [Sandy Beach Nature Reserve \(3.3 hectares\)](#), [Lhek'únes/Keats Island and the Lisa Baile Nature Reserve \(4.0 hectares\)](#), [SDAYES/North Pender Island](#).

All land use planning staff reports are required to include a section on climate change, greenhouse gas emission reductions, and staff

recommendations, which are based on the best practices for mitigating climate change. Islands Trust Council is also a signatory to the B.C. Climate Action Charter, which focuses on operational carbon neutrality.

From 2012–2014, Islands Trust achieved neutrality by purchasing carbon offsets from the Community Carbon Marketplace. From 2015–2020, Islands Trust achieved neutrality by gaining carbon credits through participation in the Capital Regional District Organic Waste Composting Project. During 2020/21 the Islands Trust responded to the Covid-19 pandemic in a way that furthered climate change action. Most meetings were held electronically to reduce trustee and staff travel, which resulted in fewer carbon emissions related to travel to and from work and staff being able to have flexible work schedules and locations. Also, the use of paperless meeting management software to reduce paper consumption was encouraged.

Detailed information is available in our *Climate Action Revenue Incentive Public (CARIP)* Report for 2018 and 2019. The province waived CARIP reporting requirements in 2020 for the 2019 reporting year.

Legislative Services – Administrative Fairness and Freedom of Information

The Legislative Services Manager is responsible for the planning, coordination, and controlling various functions necessary to carry out the legislative obligations of the Islands Trust’s 15 corporate bodies. The manager delivers direct services to trust bodies, staff, and the public by providing advice, support, and recommendations on statutory, procedural, or privacy matters. As part of this service, the manager acts as Corporate Records Manager, Freedom of Information and Protection of Privacy Head, and coordinates elections and by-elections.

The manager also oversees the orientation of elected officials; and staff training regarding legislative and administrative matters, such as freedom of information and protection of privacy, minute-taking guidelines, and email and records management.

Islands Trust policy requires the reporting of the number of administrative fairness complaints received each year. There was one complaint received during the period from Salt Spring Island.

During the 2020/21 fiscal year, Islands Trust received 23 requests for records under the *Freedom of Information and Protection of Privacy Act*. Seventeen came from Salt Spring Island, three from Gambier Island, and one from Galiano, North Pender and Saturna Islands.

Bylaw Compliance and Enforcement

Bylaw compliance and enforcement officers continue to work on proactive enforcement efforts on short-term vacation rentals (STVR), with Salt Spring Island being the priority. This work will continue as the concerns regarding the vacation rentals and the local affordable housing supply remain. There are currently 106 open STVR files for Salt Spring, with 160 STVR files across the Trust Area. The total number of open compliance and enforcement files for Islands Trust exceeds 500.

In March, Trust Council approved a new bylaw officer position to deal with the demand for enforcement. The new staff member will report to the Victoria office, and be responsible for the Southern Gulf Island files for Galiano, Mayne, Saturna, North Pender, and South Pender.

Other enforcement work continues in regards to protecting the natural environment. In January, the B.C. Court of Appeals decided in Islands Trust favour in regards to the *Fonseca v. Gabriola Island Local Trust Committee* court case. The case was about property owner claims of riparian rights to prevent property erosion and the ability of local government to regulate seawalls and other structures in the setback from the natural boundary of the sea. The Court of Appeal upheld the Gabriola Island Local Trust Committee bylaws and confirmed they apply to seawalls.

The Covid-19 public health emergency brought an additional role for bylaw officers. The province mandated bylaw officers from all jurisdictions investigate complaints and provide information regarding public health orders. While we received complaints about Covid-19 and concerns over compliance with public health orders, they were limited and quickly resolved after providing the relevant public health orders to the subject of the complaint.

Appendix A

Strategic Plan

2018–2022



Islands Trust

Strategic Plan 2018-2022

*The Islands Trust Council 2018-2022 Strategic Plan was adopted
December 4, 2019 on Lekwungen treaty and traditional territory, Victoria, British Columbia.
Amended by Trust Council resolution, March 2021.*

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Peter Luckham
Thetis Island Local
Trustee, Chair, Islands Trust



Sue Ellen Fast
Bowen Island Municipal
Trustee, Executive Vice Chair,
Vice Chair, Islands Trust
Conservancy



Laura Patrick
Salt Spring Island Local
Trustee, Executive Vice Chair



Dan Rogers
Gambier Island Local
Trustee, Executive Vice Chair



Kate-Louise Stamford
Gambier Island Local
Trustee, Chair, Islands Trust
Conservancy



Deb Morrison
North Pender Island Local
Trustee, Chair, Trust Programs



Timothy Peterson
Lasqueti Island Local
Trustee, Vice Chair, Trust
Programs



Laura Bushelkin
Denman Island Local
Trustee, Chair, Local Planning



Peter Grove
Salt Spring Island Local
Trustee, Chair, Financial
Planning



Michael Kaile
Bowen Island Municipal
Trustee



Kees Langereis
Gabriola Island Local
Trustee



Jane Wolvorton
Galiano Island Local
Trustee



Grant Scott
Hornby Island Local
Trustee



Peter Johnston
Lasqueti Island Local
Trustee



Jeanine Dodds
Mayne Island Local
Trustee



Benjamin McConchie
North Pender Island Local
Trustee



Lee Middleton
Saturna Island Local
Trustee



Cameron Thom
South Pender Island Local
Trustee



Steve Wright
South Pender Island Local
Trustee



Doug Fenton
Thetis Island Local
Trustee

Statement of Trust Council 2018-2022

This plan represents the priorities of Trust Council and the Islands Trust and provides a framework to guide decision-making and allocate resources. It has been informed by island communities through local trust committee and Bowen Island meetings and the election process itself. It is the result of significant research, reporting and debate and best represents what we consider the work that we must do.

The object clause in the *Islands Trust Act* provides our mandate to ‘preserve and protect’ the Trust Area and the Policy Statement remains a primary guide in our goal setting and decision-making. We acknowledge however, that the Policy Statement does not fully contemplate much of what we face. First Nations must be acknowledged. The climate crisis is affecting the environment and our lives. Island demographics have changed. Development pressures are more complex. The marine environment is increasingly at risk from oil tanker traffic, plastic pollution, and industrial uses.

As we are successful in achieving our strategic goals, we will be collaborative leaders in coastal zone management. We will understand the freshwater resources on our islands and make land use decisions accordingly. We will amend our bylaws to maximize our ability to address a changed and changing climate. We will tell people who we are and why we exist and ask for their help in achieving the object of the Islands Trust. We will strive to ensure that we enact the guiding principles of Reconciliation creating mutually respectful and collaborative relationships with First Nations. And finally, - we will work together - as local trustees and as members of Trust Council, to be efficient and effective in what we achieve and to do it with respect and spirit.



David Maude
Mayne Island Local
Trustee, Vice Chair, Local
Planning



Paul Brent
Saturna Island Local
Trustee, Vice Chair, Financial
Planning



David Critchley
Denman Island Local
Trustee



Tahirih Rockafella
Galiano Island Local
Trustee



Alex Allen
Hornby Island Local
Trustee



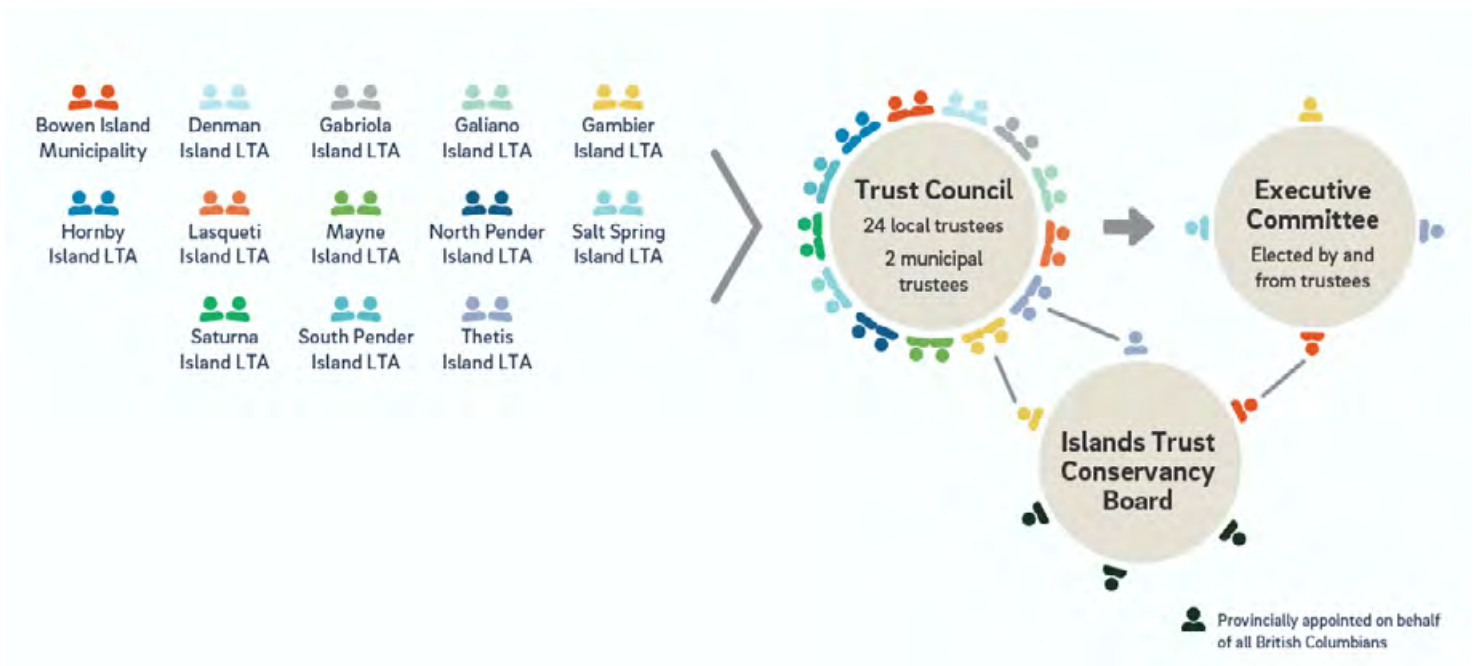
Scott Colbourne
Gabriola Island Local
Trustee

STRATEGIC PLAN 2018-2022

ISLANDS TRUST COUNCIL 2018-2022

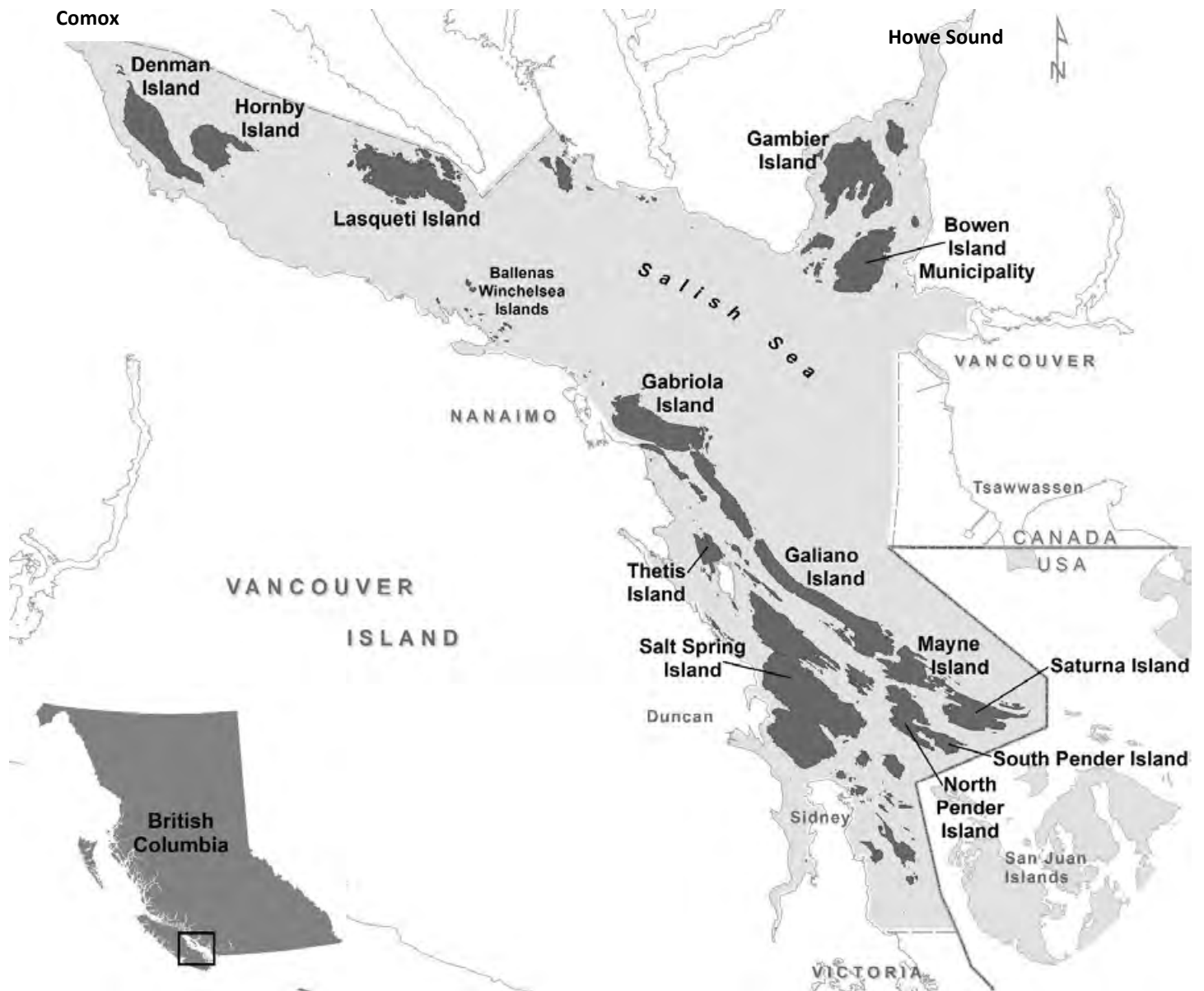
The Islands Trust Council has a unique mandate, to preserve and protect the amenities and environment of the Islands Trust Area, for the benefit of residents and all British Columbians.

Trust Council consists of the 26 locally-elected trustees who also sit on 12 local trust committees and one island municipality. Trust Council meets quarterly to make decisions about the Islands Trust's overall policy, advocacy positions, staff resources and budget. Local trust committees are responsible for land use planning and regulatory decisions that are separate, but complementary to their role at the Islands Trust Council.



THE ISLANDS TRUST AREA

The Islands Trust Area covers the islands and waters between the British Columbia mainland and southern Vancouver Island including Howe Sound and as far north as Comox. This is a unique and special place composed of 13 major islands and more than 450 smaller islands covering approximately 5200 square kilometres.



STRATEGIC PLAN 2018-2022

PURPOSE AND PRINCIPLES OF THE ISLANDS TRUST

OBJECT OF THE ISLANDS TRUST

The Object clause, Section 3 of the Islands Trust Act, provides the purpose of the Islands Trust.

The object of the trust is to preserve and protect the trust area and its unique amenities and environment for the benefit of the residents of the trust area and of British Columbia generally, in cooperation with municipalities, regional districts, improvement districts, other persons and organizations and the government of British Columbia.

THE POLICY STATEMENT

The Policy Statement is the foundational guiding document of the Islands Trust. It translates the broad goals of the Province and the Islands Trust into specific actions.

The Policy Statement establishes a position or philosophy of Trust Council, directs local trust committees and island municipalities in the Trust Area to address certain matters, or recommends actions to other agencies or to the public.

GUIDING PRINCIPLES

The guiding principles are in the Policy Statement and function to guide Trust Council and the Islands Trust in decision-making and operations.

The primary responsibility of the Islands Trust Council is to provide leadership for the preservation, protection and stewardship of the amenities, environment and resources of the Trust Area.

When making decisions and exercising judgment, Trust Council will place priority on preserving and protecting the integrity of the environment and amenities in the Trust Area.

Trust Council will seek information from a broad range of sources in its decision-making processes, recognizing the importance of local knowledge in this regard.

Trust Council believes that to achieve the Islands Trust object, the rate and scale of growth and development in the Trust Area must be carefully managed and may require limitation.

Trust Council believes that open, consultative public participation is vital to effective decision-making for the Trust Area.

Trust Council will implement a plan for the advancement of the Policy Statement as part of its annual budget process, and the Executive Committee of Trust Council will report to Council on progress in achieving the goals of the Policy Statement.



STRATEGIC PLAN 2018-2022

HOW TO READ THE STRATEGIC PLAN

For the purposes of the Strategic Plan, **Goals, Objectives** and **Strategies** are defined as follows:

GOALS

Goals describe long-term outcomes that are broad and not easily measured. In the context of the Strategic Plan, the primary goals are derived from Parts III, IV and V of the Policy Statement:

1. To foster ecosystem preservation and protection of the Trust Areas ecosystems
2. To ensure that human activity and the scale, rate and type of development in the Trust Area are compatible with maintenance of the integrity of Trust Area ecosystems
3. To sustain island character and healthy communities

Most of the strategic plan objectives and strategies advance these goals. The exceptions relate to emerging issues such as climate change, contemporary community engagement and governance, and First Nations reconciliation, areas the Policy Statement does not fully contemplate.

OBJECTIVES

Objectives are measurable steps to achieve a goal. They are specific and tangible actions that have a medium time frame. They are the heart of the Strategic Plan and where Trust Council most clearly exercises its discretion and governance. In the 2018-2022 Strategic Plan, there are eight objectives to advance the work of the Islands Trust.

STRATEGIES

Strategies represent the actions - or 'means to achievement' - of long-term goals or objectives. They tend to be short-term and may change due to circumstance and opportunity. Staff will recommend strategies to Trust Council to advance its priorities. The Strategic Plan identifies 28 strategies that will require resources, time and effort over the course of the 2018-2022 term.

IMPLEMENTATION

The Strategic Plan is supported by an Implementation Plan, which identifies costs, implications to the five-year Financial Plan and staff resources. The Implementation Plan also schedules the Strategic Plan work over the course of the term and identifies performance targets for each objective.

In developing the 2018-2022 Strategic Plan, Trust Council considered many issues, projects and challenges and in the end identified the following areas as most important: **Land Stewardship, Marine and Freshwater Stewardship, Climate Change, Community and Communication, and Governance**. Each of these is detailed in the pages that follow.



STRATEGIC PLAN 2018-2022

1. LAND STEWARDSHIP

OBJECTIVE

Preserve, protect and advocate for forest and terrestrial ecosystems

STRATEGY

- 1.1. Map contiguous tracks of the Coastal Douglas fir zone (CDF) and associated ecosystems to aid in protection of that zone and its associated ecosystems.
- 1.2. Create a model development permit for Local Trust Committee-Bowen Island Official Community Plans bylaws to protect Coastal Douglas fir zones throughout the Trust Area.
- 1.3. Amend legislation to increase the percentage of the Natural Area Protection Tax Exemption Program (NAPTEP) to act as an incentive for the protection of forest cover for climate change mitigation and adaptation in the Islands Trust Area.
- 1.4. Create forestry initiatives including establishment of development permit areas, tree cutting authority advocacy, enforcement of development permits related to forestry and advocacy associated with the *Private Managed Forest Land Act*.



STRATEGIC PLAN 2018-2022

2. MARINE AND FRESHWATER STEWARDSHIP

OBJECTIVE

STRATEGY

To preserve and protect marine ecosystems

- 2.1. Advocate to minimize the impact of commercial activities on the marine environment and participate in Canada's Southern Resident Killer Whale (SRKW) recovery plan.
- 2.2. Map the extent of eelgrass and kelp beds throughout the Trust Area.
- 2.3. Undertake a review of Local Trust Committee-Bowen Islands Municipality foreshore policies and regulatory bylaws and develop model policy and regulatory bylaws for the protection of the foreshore and nearshore.

Protect quality and quantity of fresh water resources of the Trust Area

- 2.4. Develop a regional freshwater management strategy that addresses responsibilities under the Water Sustainability Act, identifies water resources throughout the Trust Area, integrates water resource management into land use decision-making, and accounts for the impacts of climate change on island water resources.
- 2.5. Map and develop water budgets for groundwater aquifers in the Trust Area.
- 2.6. Develop a model land use regulation regarding freshwater sustainability including groundwater, rainwater catchment and greywater recycling.



STRATEGIC PLAN 2018-2022

3. CLIMATE CHANGE

OBJECTIVE

Mitigate and adapt to climate change impacts

STRATEGY

- 3.1. Amend the Islands Trust Policy Statement to add climate change mitigation, adaptation and resiliency policies.
- 3.2. Amend Official Community Plans and land use bylaws to foster climate change resilience, including measures to protect Coastal Douglas fir, foreshore and nearshore environments and groundwater.
- 3.3. Develop i) a set of climate change, demographic and environmental data and ii) performance criteria in order to identify the effects of climate change in the Trust Area and to measure mitigation and adaption efforts.



STRATEGIC PLAN 2018-2022

4. COMMUNITY AND COMMUNICATION

OBJECTIVE

STRATEGY

Improve community engagement and participation in Islands Trust work

- 4.1. Develop the capacity to broadcast public meetings of Local Trust Committees, Council Committees and Trust Council.
- 4.2. Develop a new website and initiate a social media program.
- 4.3. Develop and implement a stewardship education program directed towards the public, industry and stakeholders in the Trust Area.

Strengthen housing affordability throughout the Islands Trust Area

- 4.4. Implement the following high priority actions outlined in the Affordable Housing in the Trust Area: Strategic Actions for Islands Trust previously referred by Trust Council.
 - i. Review the Islands Trust Policy statement and give consideration to: a) giving affordable housing a greater profile for its role in sustainable communities b) including a reference to affordable housing in its policy direction to LTCs and municipalities.
 - ii. Review the Islands Trust Policy statement to ensure that it: a) includes clear and well-thought out definition of 'affordability' b) includes clearly articulated vision, goal and objectives for affordable housing c) gives affordable housing a greater profile for its role in sustainable communities d) includes a reference to affordable housing in its policy direction to LTCs and municipalities.
 - iii. Develop model bylaws that use floor area ratio as a density metric for consideration of implementation in local trust area land use bylaws.

- iv. Develop model density bonus bylaws for consideration of implementation in local trust area land use bylaws.
- v. Develop model bylaws to address the use of building stratas as a tool for affordable housing.

Strengthen relations with First Nations

- 4.5. Adopt a Reconciliation Declaration.
- 4.6. Adopt and implement a Reconciliation Action Plan.
- 4.7. Develop a Trust Area-wide archaeological impact strategy and establish a Cultural Working Group.
- 4.8. Develop heritage preservation overlay mapping for the Trust Area and model heritage regulatory bylaws for protection of potential heritage and cultural sites.



STRATEGIC PLAN 2018-2022

5. GOVERNANCE

OBJECTIVE

To improve and modernize the ability of the Islands Trust to regulate land use activity and work with others

STRATEGY

- 5.1. Amend the *Islands Trust Act* or other legislation to:
 - i. Allow for entry warrants
 - ii. Grant authority to use municipal ticketing for development permit enforcement
 - iii. Enable adoption of development approval information bylaws by local trust committee
 - iv. Add First Nations to the list of bodies with whom the Trust works in cooperation
 - v. Enable delegation to staff the issuance of development permits
 - vi. Clarify foreshore zoning authority
- 5.2. Provide a secretariat role to forums within the Trust Area.
- 5.3. Undertake a Governance and Management Review.
- 5.4. Implement a Trust Council Policy analysis, review and amendment of deemed top priorities for consideration and approval by Trust Council.
- 5.5. Request additional funding from the Province.
- 5.6. Amend the Policy Statement introductory and definitions sections.
- 5.7. Determine if additional changes to the Policy Statement are desired by Trust Council.

To amend the Policy Statement



Appendix B

Islands Trust

Financial Statements

Financial Statements of

ISLANDS TRUST

Year ended March 31, 2021

ISLANDS TRUST

Financial Statements

Year ended March 31, 2021

Financial Statements

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MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of Islands Trust (the "Trust") are the responsibility of the Trust's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting standards for local governments as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Trust's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Trust, acting through its Audit Committee, meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by Trust Council. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Trust's financial statements.



Chief Administrative Officer



Director of Administration Services



KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250-480-3500
Fax 250-480-3539

INDEPENDENT AUDITORS' REPORT

To the Trustees of Islands Trust and the Minister of Municipal Affairs and Housing

Opinion

We have audited the financial statements of Islands Trust which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of change in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Islands Trust as at March 31, 2021, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Island Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Islands Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Island Trust's financial reporting process.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Islands Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Island Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Islands Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Victoria, Canada
September 20, 2021

ISLANDS TRUST

Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Financial assets:		
Cash and cash equivalents (note 2)	\$ 4,806,743	\$ 1,092,028
Accounts receivable	208,046	243,553
Investments (note 3)	-	2,930,428
	<u>5,014,789</u>	<u>4,266,009</u>
Liabilities:		
Accounts payable and accrued liabilities	776,043	447,260
Wages and benefits payable	1,418,674	1,318,019
Deferred revenue	159,144	32,387
Employee benefit obligations (note 4)	251,349	189,781
Obligations under capital leases (note 5)	31,555	43,727
Cost recovery deposits (note 13(b))	19,290	4,029
	<u>2,656,055</u>	<u>2,035,203</u>
Net financial assets	2,358,734	2,230,806
Non-financial assets:		
Tangible capital assets (note 6)	403,190	501,281
Prepaid expenses	165,919	150,836
	<u>569,109</u>	<u>652,117</u>
Commitments (note 11)		
Contingent liabilities (note 12)		
Accumulated surplus (note 7)	<u>\$ 2,927,843</u>	<u>\$ 2,882,923</u>

The accompanying notes are an integral part of these financial statements.

Approved by the Trust Council:



Peter Luckham, Trustee



Peter Grove, Trustee

ISLANDS TRUST

Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	Budget (note 9)	2021	2020
Revenue:			
Property tax - general	\$ 6,783,140	\$ 6,783,141	\$ 6,696,752
Property tax levy - Bowen Island municipality	303,021	303,026	329,634
Property tax - special requisition	75,500	75,500	98,500
Government transfers (note 8)	180,000	397,000	193,201
Fees and sales	115,000	168,378	102,051
Interest income	85,000	22,054	102,281
Other income	12,000	3,688	161,853
Total revenue	7,553,661	7,752,787	7,684,272
Expenses (note 10):			
Council services	1,350,007	1,165,825	1,217,690
Local trust committee services	5,953,425	5,602,994	5,691,915
Trust conservancy services (note 13)	891,379	939,048	763,014
Total expenses	8,194,811	7,707,867	7,672,619
Annual surplus	(641,150)	44,920	11,653
Accumulated surplus, beginning of year	2,882,923	2,882,923	2,871,270
Accumulated surplus, end of year	\$ 2,241,773	\$ 2,927,843	2,882,923

The accompanying notes are an integral part of these financial statements.

ISLANDS TRUST

Statement of Change in Net Financial Assets

Year ended March 31, 2021, with comparative information for 2020

	Budget (note 9)	2021	2020
Annual surplus	\$ (641,150)	\$ 44,920	\$ 11,653
Acquisition of tangible capital assets	-	(85,982)	(288,451)
Acquisition of leased tangible capital assets	-	(4,687)	-
Amortization of tangible capital assets	140,000	188,760	174,759
Loss on disposal of capital assets	-	-	570
	(501,150)	143,011	(101,469)
Acquisition of prepaid expenses	-	(15,083)	(51,790)
Change in net financial assets	(501,150)	127,928	(153,259)
Net financial assets, beginning of year	2,230,806	2,230,806	2,384,065
Net financial assets, end of year	\$ 1,729,656	\$ 2,358,734	\$ 2,230,806

The accompanying notes are an integral part of these financial statements.

ISLANDS TRUST

Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 44,920	\$ 11,653
Items not involving cash:		
Amortization of tangible capital assets	188,760	174,759
Loss on disposal of tangible capital assets	-	570
Changes in non-cash operating assets and liabilities:		
Accounts receivable	35,507	(178,917)
Wages and benefits payable	100,655	134,056
Accounts payable and accrued liabilities	328,783	(18,574)
Deferred revenue	126,757	3,226
Employee benefit obligations	61,568	53,575
Cost recovery deposits	15,261	(23,148)
Prepaid expenses	(15,083)	(51,790)
Net change in cash from operating activities	887,128	105,410
Capital activities:		
Acquisition of tangible capital assets	(85,982)	(288,451)
Investing activities:		
Redemption of (purchase of) investments	2,930,428	(181,040)
Financing activities:		
Principal payments on obligations under capital leases	(16,859)	(16,943)
Change in cash and cash equivalents	3,714,715	(381,024)
Cash and cash equivalents, beginning of year	1,092,028	1,473,052
Cash and cash equivalents, end of year	\$ 4,806,743	\$ 1,092,028
Supplemental cash flow information:		
Assets acquired under capital lease	\$ 4,687	\$ -

The accompanying notes are an integral part of these financial statements.

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

Islands Trust (the “Trust”) is incorporated under the Islands Trust Act of British Columbia (as amended). The objectives of the Trust are to preserve and protect the Trust area and its unique amenities and environment for the benefit of the residents of the Trust area and of the Province generally.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The pandemic impacted the Trust’s operations resulting in a decrease in certain types of revenue, and changes in expenses and cash flows.

1. Significant accounting policies:

The financial statements of Islands Trust are prepared by management in accordance with Canadian public sector accounting principles for local governments as recommended by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Trust are as follows:

(a) Reporting entity:

The financial statements include a combination of all the assets, liabilities, revenues, expenses, and changes in fund balances and in financial position of the trust council and the local trust committees.

The Trust occasionally conducts work on behalf of development applicants on a cost-recovery basis. These trust activities are not included in the financial statements.

(i) Consolidated entities:

The Trust does not control any significant external entities and accordingly no entities have been consolidated with the financial statements.

(ii) Funds held in trust:

The Trust administers operations of The Islands Trust Conservancy. The annual expenses of The Islands Trust Conservancy are reported by the Trust in accordance with The Islands Trust Act (note 13).

(b) Basis of accounting:

The Trust follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(c) Revenue recognition:

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability under section PS 3200 of public sector accounting standards.

Revenue unearned in the current period is recorded as deposits or deferred revenue.

Tax revenue is recognized on an accrual basis.

(d) Cash and cash equivalents:

Cash and cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

(e) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on restricted funds is added to the investment and forms part of the deferred revenue balance.

(f) Employee future benefits:

The Trust and its employees make contributions to the Public Service Pension Plan, which provides benefits directly to employees upon retirement. These contributions are expensed as incurred.

A gratuity is also available to employees upon retirement. The cost of this benefit is paid by the Public Service Pension Plan.

(g) Liability for contaminated sites:

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the Trust is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(h) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Furniture and equipment	5
Computers	3
Leasehold improvements	lesser of remaining term of the lease and useful life

Amortization is charged annually, including in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Trust's ability to provide goods and services, or when the value of future economic benefits associated with the asset are less than the book value of the asset.

The Islands Trust is fortunate to have, and to be mandated to protect, many natural assets in the Trust Area that reduce the need for engineered infrastructure that might otherwise be required by other government agencies to provide various services to the islands. This includes island aquifers (water storage and filtration); streams, ditches and wetlands (rain water management); forests (carbon sequestration); and foreshore areas (natural seawalls). Canadian public sector accounting standards do not provide for the valuation and recording of such assets in the financial statements. As such, these natural assets are not reported in these financial statements. Nevertheless, the Trust acknowledges the importance of these assets and the need to manage them in conjunction with engineered infrastructure that is managed by other government agencies.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(h) Non-financial assets (continued):

(iii) Works of art and historical treasures:

Works of art and historical treasures are not recorded as assets in these financial statements.

(iv) Interest capitalization:

The Trust does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(v) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(i) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Estimates include assumptions used in estimating provisions for accrued liabilities. Actual results could differ from these estimates.

2. Cash and cash equivalents:

	2021	2020
Bank account balances	\$ 4,806,743	\$ 1,092,028

3. Investments:

There are no investments held at March 31, 2021. At March 31, 2020, investments consisted of guaranteed investment certificates with a cost plus accrued interest that approximated market value. The stated interest rates were 2.16% and the maturity dates ranged from April 2020 to August 2020.

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

4. Employee benefit obligations:

	2021	2020
Vacation pay	\$ 206,998	\$ 154,612
Compensatory time off	44,351	35,169
	<u>\$ 251,349</u>	<u>\$ 189,781</u>

Vacation pay and compensatory time off represent the liability for accumulated banks for draw down at future dates and/or for payout on approved retirement, or upon termination or death.

Other pension plans:

The Trust and its employees contribute to the Public Service Pension Plan (a jointly trustee pension plan). The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at March 31, 2020, the plan has about 67,000 active members and approximately 51,000 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The latest actuarial valuation as at March 31, 2020, indicated a funding surplus of \$2,667 million for basic pension benefits on a going concern basis. The next valuation will be as at March 31, 2023. Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The Trust paid \$350,126 (2020 - \$339,085) for employer contributions to the plan in fiscal 2021.

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

5. Obligations under capital leases:

The amounts due for obligations under capital leases are as follows:

2022	\$ 15,446
2023	15,446
2024	4,166
2025	1,056
<hr/>	
Total minimum lease payments	36,114
Less amounts representing interest (at rates ranging from 4.70% to 5.20%)	4,559
<hr/>	
Present value of net minimum capital lease payments	\$ 31,555

Interest of \$2,366 (2020 - \$2,367) relating to capital lease obligations has been included in expenses on the statement of operations.

6. Tangible capital assets:

	Furniture				Total	Total
	Denman Island	and Site	equipment Computers	Leasehold improvements	2021	2020
Cost:						
Balance, beginning of year	\$ 10,000	\$ 249,552	\$ 266,804	\$ 386,975	\$ 913,331	\$ 651,850
Additions	-	4,687	85,982	-	90,669	288,451
Disposals	-	(5,213)	-	-	(5,213)	(26,970)
Balance, end of year	10,000	249,026	352,786	386,975	998,787	913,331
Accumulated amortization:						
Balance, beginning of year	10,000	147,668	178,486	75,896	412,050	263,691
Additions	-	37,591	73,287	77,882	188,760	174,759
Disposals	-	(5,213)	-	-	(5,213)	(26,400)
Balance, end of year	10,000	180,046	251,773	153,778	595,597	412,050
Net book value, end of year	\$ -	\$ 68,980	\$ 101,013	\$ 233,197	\$ 403,190	\$ 501,281

Contributed tangible capital assets:

There were no contributed assets received during 2021 or 2020.

In fiscal 1994, the Denman Island Ratepayers' Association donated \$10,000 which was used by the Trust to purchase the Denman Island Old School Site from School District #71. The Trust agreed to facilitate the sale of the school site between School District #71 and the Ratepayers' Association and to hold title to the property on behalf of the community. The Denman Island Ratepayers' Association has leased the building on the site from the Trust for 99 years for a total fee of \$10.

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

6. Tangible capital assets (continued):

Included in tangible capital assets is assets under capital leases with a net book value of \$31,790 (2020 - \$43,712).

7. Accumulated surplus:

Accumulated surplus consists of:

	2021	2020
Invested in tangible capital assets	\$ 371,636	\$ 457,554
General Revenue Fund	2,370,288	2,218,831
Local Trust Committee Project Specific Reserve Fund	92,889	121,272
Special property tax requisition fund	93,030	85,266
	<u>\$ 2,927,843</u>	<u>\$ 2,882,923</u>

8. Government transfers:

Government transfers recorded as revenue on the statement of operations are comprised of:

	2021	2020
Provincial operating grant	\$ 180,000	\$ 180,000
Provincial restricted grant	30,000	-
Federal restricted grant	187,000	-
Salt Spring Island Water Protection Project	-	7,672
Transport Canada	-	2,772
Other	-	2,757
	<u>\$ 397,000</u>	<u>\$ 193,201</u>

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

9. Budget data:

The budget data presented in these financial statements is based upon the 2021 operating budget approved by Trust Council on April 20, 2020. The following reconciles the approved budget to the budget figures reported in these financial statements.

	Budget amount
Operating budget:	
Revenue	\$ 8,054,811
Less appropriation from surplus	(501,150)
	7,553,661
Expenses	8,054,811
Plus amortization expense	140,000
	8,194,811
Annual deficit	\$ (641,150)

10. Classification of expenses by object:

	2021	2020
Staff salaries and benefits	\$ 4,848,823	\$ 4,803,756
Traveling/training and recruitment	46,386	183,064
Council and trustee costs	743,057	892,660
Elections	-	61
Office operations	972,074	976,337
Programs	597,481	370,836
Legal	311,286	270,006
Amortization	188,760	175,329
Loss on disposal of assets	-	570
	\$ 7,707,867	\$ 7,672,619

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

11. Commitments:

The Trust is committed to leases for rented premises. Minimum future payments in the next five years are as follows:

2022	\$ 320,699
2023	298,392
2024	241,568
2025	117,642
2026	-

12. Contingent liabilities:

In the normal course of operations, claims for alleged damages are made against the Trust. The Trust records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable. The Trust is covered through an independent insurance program against certain claims.

13. Trust activities:

(a) Trust Conservancy:

The Trust pays the administration expenses of The Islands Trust Conservancy (the "Conservancy") which is related through the composition of the Conservancy's Board. The Conservancy is empowered to accept donations, grants and bequests and to hold land and other property in compliance with a plan approved by the Ministry of Municipal Affairs and Housing. The Conservancy's Board is comprised of three members from Trust Council and up to three members appointed by the Minister of Municipal Affairs and Housing.

For financial reporting purposes, the Trust and the Conservancy are reported on separately. These financial statements present the financial position and results of operations of the Trust.

The Conservancy's annual expenses are funded by and reported as part of the Trust in accordance with The Islands Trust Act. These expenses are summarized as follows:

	2021	2020
Operations and Property Management	\$ 701,124	\$ 527,344
Board	5,378	19,043
Administration	232,546	216,627
	\$ 939,048	\$ 763,014

ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2021

13. Trust activities (continued):

(b) Cost-recoveries:

The Trust administers trust activities on behalf of development applicants on a cost-recovery basis. These activities are included in cost recoveries and are as follows:

	2021	2020
Cash received during the year	\$ 32,550	\$ 58,025
Cash paid during the year	17,289	81,173

The net payable from development applicants of \$19,290 (2020 - \$4,029) is included in cost recoveries on the statement of financial position.

Annual Report

2020/21



ISLANDS TRUST CONSERVANCY

Board



Kate-Louise Stamford
Chair



Linda Adams



Donald Clarke



Sue Ellen Fast



Doug Fenton



Susan Hannon

Staff



Kathryn Martell
Ecosystem Protection Specialist



Kate Emmings
Manager



Carla Funk
Fundraising Specialist



Nuala Murphy
Property Management Specialist



Erin Coulson
Communications Specialist



Jemma Green
Covenant Management and
Outreach Specialist



Corlynn Strachan
Administrative Assistant

Message from the Islands Trust Conservancy Board Chair

It was only a few months into the COVID-19 Pandemic when we prepared the Islands Trust Conservancy Annual Report last year, yet already the effects of the lockdown, physical distancing, and concerns about the illness, itself, were becoming apparent to island communities. Speaking to resilience and flexibility, we prepared for the extra challenges of supporting and enhancing species and ecosystems on islands in the Salish Sea during a very uncertain time for everyone.

As predicted, natural places became islands of safe company in a world of physical distancing; touchstones of natural space to breathe and appreciate the here and now, away from daily statistics and travel bans. The nature reserves, covenanted lands, and parks that Islands Trust Conservancy supports became even more popular local destinations for island communities. What wasn't predicted was how rampant the acquisition of rural island real-estate would become. While this has provided opportunities for the Conservancy as land has changed ownership, it has also potentially priced many biodiverse areas out of consideration.

We celebrated our 30th anniversary as Islands Trust Conservancy this past year and marked that occasion with the addition of the 30th nature reserve at Sandy Beach, Lheḱ'tínes/Keats Island. This exceptional entrant to the protected places we have the great honour to steward in perpetuity brought together the local community, First Nations, and partner conservancies as a great example of how the Conservancy wants to move forward in the future. Ongoing collaboration among these important partners will yield a management plan over the next year.

Despite travel restrictions, Islands Trust Conservancy staff continued to monitor the lands in our care. Almost all the nature reserves and covenants were visited either by staff, in a manner that was safe and respectful to local residents, or by on-island partner conservancies and contractors. Visits were prioritized by assessed risk and those areas that could not be monitored in person over the past year will be monitored in the upcoming season, if B.C. health guidelines permit travel over the summer.

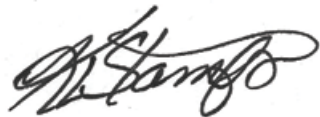
In October of 2020, Islands Trust Conservancy began the vital work of preparing a Reconciliation Action Plan reflective of commitments made through the Reconciliation Declaration passed in the previous year. In January of 2021, the Board also approved a detailed Fund Development Action Plan prepared by staff and scoping in activities to 2025.

Another important highlight of 2020/2021 was the signing of an agreement between Islands Trust Conservancy and the Federal Ministry of Environment and Climate Change — to provide enhanced support programs for island species at risk over three years. It has been exciting to be recognized as an area of high diversity in need of special consideration at the national level, and the Conservancy was well poised for acceptance of these funds with respect to existing programs.

As you will read in greater detail in the summaries of our four Regional Conservation Plan goals, and the various program highlights from this past year, Islands Trust Conservancy significantly advanced its goal of protecting unique and fragile island ecosystems. The work that was done — the research, the community outreach, the Conservancy Board initiatives — would not have been possible without the extraordinary commitment and professionalism of Islands Trust Conservancy staff who, along with their Islands Trust colleagues, stepped up to the challenges that working in a pandemic presented.

It is with this continued support from our talented staff, passionate donors, volunteers and landholders, and our conservation partners throughout the Trust Area, the province, and the country, that Islands Trust Conservancy will continue to protect and enhance the exceptional biodiversity of these islands in the years to come.

Sincerely,



Kate-Louise Stamford
Chair, Islands Trust Conservancy



Acknowledgement

Islands Trust Conservancy acknowledges that we work within the treaty lands and territories of the BOKÉĆEN, K'ómoks, Lək'wəŋən, Lyackson, MÁLEXEĒ, Qualicum, Quw'utsun Tribes, scəwáθən məsteyəxʷ, Scia'new, səlilwətaʔt, SEMYOME, shíshálh, Skwxwú7mesh, Snaw-naw-as, Snuneymuxw, Spune'luxutth, STÁUTW, Stz'uminus, ʔaʔəmen, toq qaymíxʷ, Ts'uubaa-asatx, Wei Wai Kum, We Wai Kai, WJOLEĒP, WSIKEM, Xeláltxw, Xwémalhkwu/ʔop qaymíxʷ, and xʷməθkʷəy̓əm.

Reconciliation Declaration

Islands Trust Conservancy acknowledges that the lands and waters that encompass the Salish Sea have been home to Indigenous Peoples since time immemorial. We recognize that we are all intertwined in the ecosystems that are the lands, waters, culture, and ecology that embody this place.

Islands Trust Conservancy will strive to create opportunities for knowledge-sharing, understanding, and collaboration as people come together to preserve and protect the special nature of the islands within the Salish Sea.

Islands Trust Conservancy is committed to the protection and preservation of this place through processes that respect and honour reconciliation and mutually respectful relationships with Coast Salish Indigenous Peoples. We express our recognition for the past, present, and future stewardship and knowledge that has been shared by Indigenous Peoples and are humbled and grateful.

Adopted: July 16, 2019, by the Islands Trust Conservancy Board in METULIYE (Victoria)

Islands Trust Conservancy

Role

Islands Trust Conservancy was established April 1, 1990, by the *Islands Trust Act* to preserve natural landscapes, cultural heritage, and ecosystems in the Islands Trust Area. The area is nestled within the Salish Sea and includes most of the Gulf Islands and Átl'ka7tsem/Howe Sound. As the regional land trust for the Islands Trust Area, Islands Trust Conservancy works with landholders, local conservancies, and communities to protect places of natural significance in perpetuity. Islands Trust Conservancy receives donations of land, conservation covenants, and cash; monitors and manages land to conserve and restore biodiversity; and works with islanders on private land stewardship. As a *qualified donee*, Islands Trust Conservancy provides receipts for income tax purposes for all eligible donations.

This year, the Islands Trust Conservancy Board continued its effort to incorporate reconciliation with First Nations into its decision-making, and to develop mutually respectful relationships with Coast Salish Indigenous Peoples through the Reconciliation Declaration adopted in July of 2019.

Board Members

Kate-Louise Stamford, Gambier Island (2014–2018, Chair, 2018–present)

Sue Ellen Fast, Bowen Island Municipality (2018–2019, Vice Chair, 2019–present)

Doug Fenton, Thetis Island (2018–present)

Linda Adams, Salt Spring Island (Appointed Member, August 2018–present)

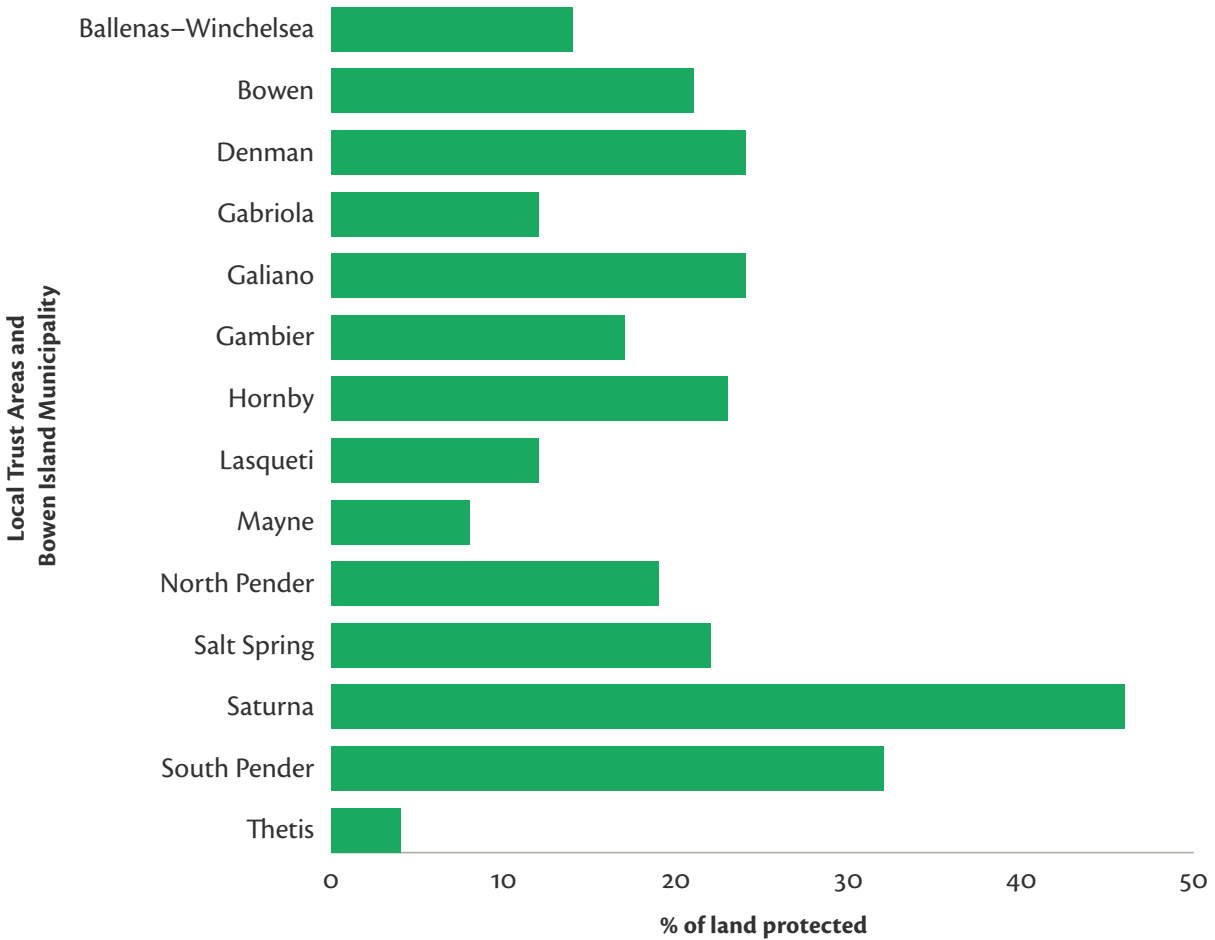
Donald Clarke, Victoria (Appointed Member, January 2020–present)

Special thanks from the Board to Susan Hannon, Salt Spring Island (Appointed Member, November 2019–November 2020)

Protected Places in the Islands Trust Area

Over 1,300 hectares of ecological and cultural value, including 12,958 metres of shoreline on 107 properties, have been protected by Islands Trust Conservancy as of March 2021. Combined with properties protected by public and non-profit conservation organizations (including Islands Trust Conservancy), there is a total of 15,541 hectares of protected land in the Islands Trust Area. This represents 20 per cent of the region.

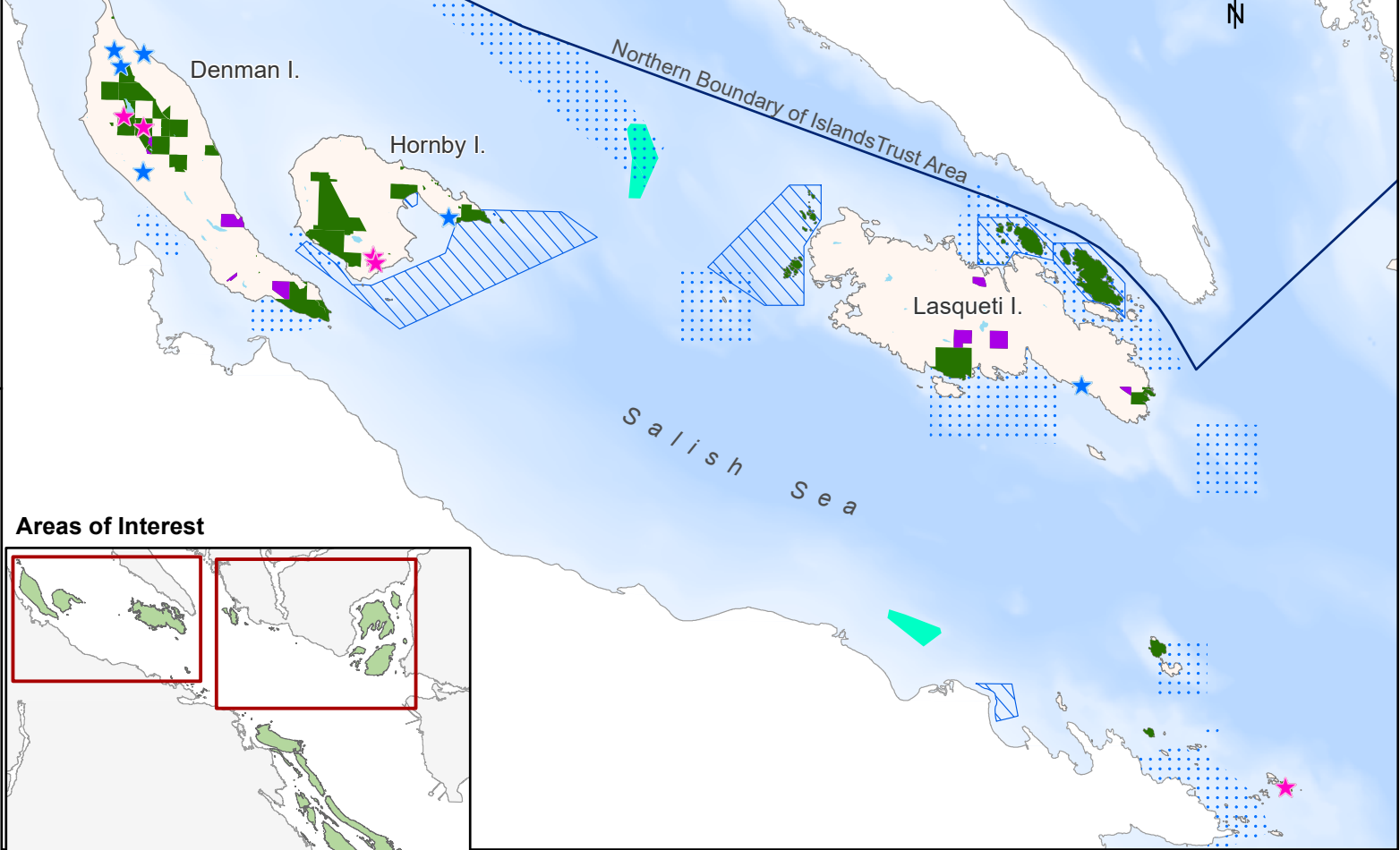
Protected Places in Each Local Trust Area and Bowen Island Municipality as of March 31, 2021



1,300+ ha of ecological and cultural value
12,958 m of shoreline
107 properties
677 ha ITC Nature Reserves
634 ha ITC Conservation Covenants
15,541 ha protected in the Islands Trust Area when including other conservation organizations
 = **20%** of the region

Protected Places in the Islands Trust Area as of March 31, 2021

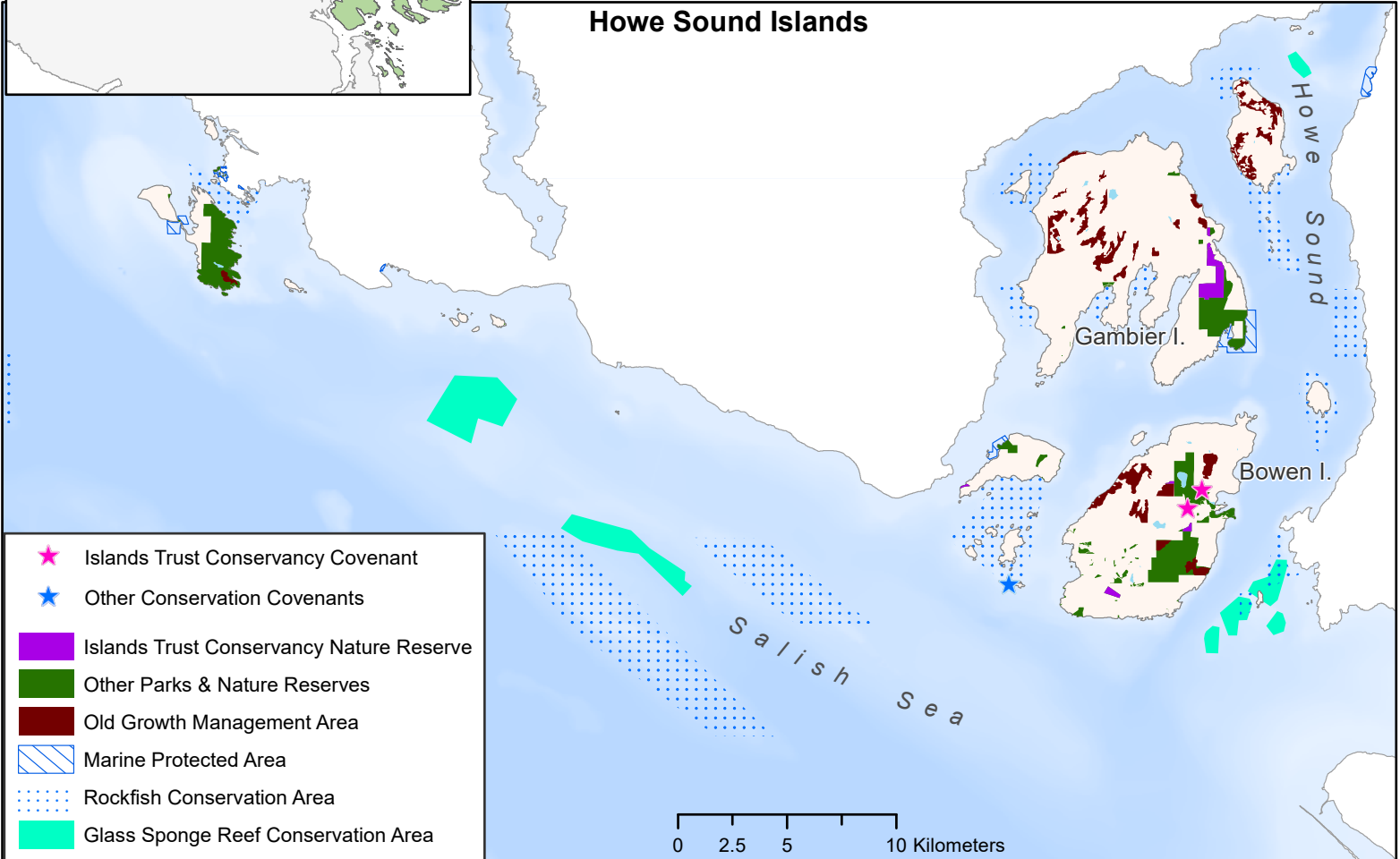
Northern Islands



Areas of Interest



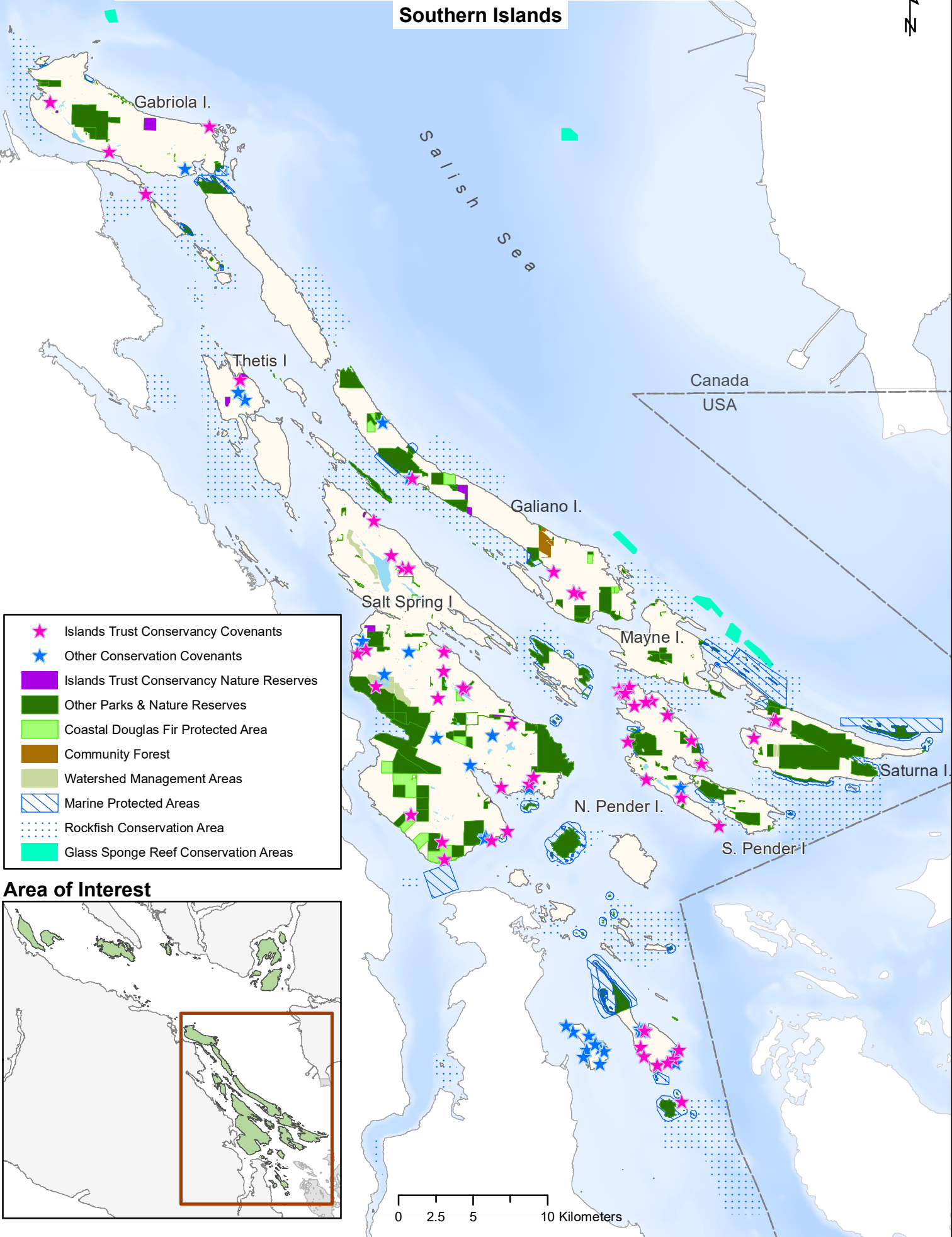
Howe Sound Islands



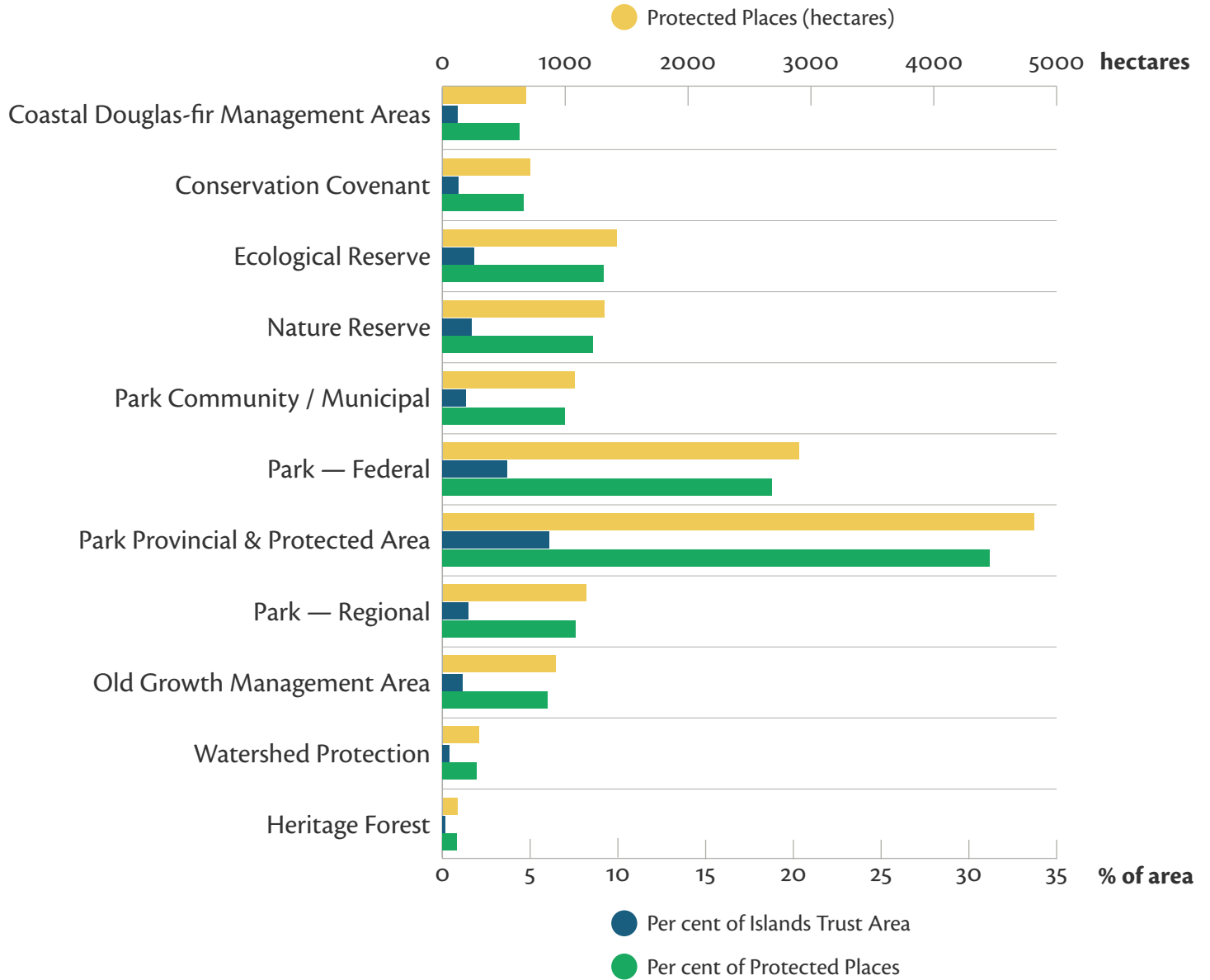
- ★ Islands Trust Conservancy Covenant
- ★ Other Conservation Covenants
- Islands Trust Conservancy Nature Reserve
- Other Parks & Nature Reserves
- Old Growth Management Area
- Marine Protected Area
- Rockfish Conservation Area
- Glass Sponge Reef Conservation Area

Protected Places in the Islands Trust Area as of March 31, 2021

Southern Islands



Types of Protected Places in the Islands Trust Area



Where a property has more than one type of protection, only the primary, or strongest, type of protection has been included in these calculations.



Arbutus Flowers, Gerald Island. PHOTO: SAVAGESWAN

Regional Conservation Plan

The Regional Conservation Plan 2018–2027 guides the work of Islands Trust Conservancy to protect the ecosystems of and around islands in the Salish Sea. This ten-year plan is science-based and community-informed, and includes valuable input from six Coast Salish First Nations.

Islands Trust Conservancy designed the [Regional Conservation Plan 2018–2027](#) to centre around four long-term goals. These goals help the Conservancy to focus its efforts and resources on the species and habitats most urgently in need of conservation. Islands Trust Conservancy staff prepared a summary of activities and accomplishments as assessed through the lens of the four long-term goals identified in the Regional Conservation Plan:

Goal 1: Knowledge-based Conservation Planning

Identify, investigate and communicate about important natural areas to generate action on conservation priorities

To support the protection of a greater variety of species and the healthy maintenance or improvement of more ecosystems in the Islands Trust Area, Islands Trust Conservancy seeks to build its detailed knowledge of ecosystems and species in the region. Islands Trust Conservancy uses a variety of data to inform careful decisions on how to manage and care for land. The Conservancy also communicates this information strategically, to local, provincial, and national conservation partners and to landholders who may be interested in voluntarily protecting land through conservation covenants or donations of time, treasure, or talent.

Mapping and Data Analysis

Islands Trust Conservancy acquires and analyzes data and shares it with others. In 2020/2021, Islands Trust Conservancy:

- Updated protected-area mapping for the region and contributed to the British Columbia Non-Governmental Organization Conservation Areas Database
- Participated in data-sharing with local, regional, and provincial organizations and partnerships conducting research and gathering data about eelgrass and bull kelp beds, forage fish spawning areas, and forest protection — as examples
- Shared data with three federal agencies concerned with marine resource protection and two local governments conducting management planning for parks
- Worked with Islands Trust to provide data and analysis for a pilot Coastal Douglas-fir Forest Protection project on Salt Spring Island

Planning and Adapting for Climate Change

Islands Trust Conservancy is developing practical actions to ensure that our work includes both adaptation and mitigation in response to climate change. In 2020/2021 Islands Trust Conservancy:

- Coordinated with Islands Trust staff on projects to identify relevant indicators to measure climate change impacts and the impacts of mitigation actions
- Continued to analyse likely impacts of changing climate conditions on this region's specific species and ecosystems
- Participated in training workshops to adapt our land management practices to factor in climate change

Goal 2: Collaboration with First Nations and Relationship Building

Strengthen relationships with First Nations to identify and collaborate on shared conservation goals

Islands Trust Conservancy, through its collaboration with Islands Trust, continued to build and strengthen engagement with First Nations in the Salish Sea during 2020/2021. During the COVID-19 pandemic many islanders began to realize and understand the importance of being on the land and how our well-being is woven into the landscapes and connections with nature. These are things that First Nations people have understood since time immemorial.

For Islands Trust Conservancy, 2020/2021 was a time of reflection, allowing for reviews of processes and policies to ensure that the work undertaken is reflective of the Truth and Reconciliation Commission (TRC) Calls to Action, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the Province of British Columbia's *Declaration on the Rights of Indigenous Peoples Act* (DRIPA), and the Missing and Murdered Indigenous Women and Girls (MMIWG) Calls for Justice. Islands Trust Conservancy staff participated in reconciliation training conducted through Islands Trust. This training supported the TRC Calls to Action to learn about the history and legacy of residential school, Indigenous Law, and UNDRIP.

When COVID-19 protocols allowed, staff also participated in guided site visits with Harold Joe, Quw'utsun Tribes Archeological Consultant

and Cultural Knowledge Holder, to learn about how to respectfully be on the land and to create understanding of culturally sensitive ways of being. Cultural Knowledge is a critical component of caring for land and understanding the responsibilities of respecting cultural features.

Islands Trust Conservancy continued to strive to fulfill the Islands Trust Conservancy Reconciliation Declaration in its engagement and relationship-building with First Nations. Many nature reserves are locations of cultural heritage for First Nations, and protection from land-altering activity under

“The Gulf Islands are rich and vast with our culture and our history. To see old tools, old remnants of ancestral creations, shows the extent of our lives on the islands since time immemorial ... protecting cultural history and learning more is the responsibility of everyone.”

— Harold Joe, Quw’utsun Tribes Archeological Consultant and Cultural Knowledge Holder



S’ul-hween X’pey/Elder Cedar Nature Reserve. PHOTO: KRISTINE MAYES

the management of Islands Trust Conservancy is the first step to the preservation and protection of these locations. 2020/2021 saw continued collaboration on management plans that are informed by the need to preserve Indigenous cultural heritage and significant sites, and the need to ensure that sustainability and stewardship is inclusive of Indigenous ways of knowing. The Cultural Management Plan Template created in 2019/2020 was shared with First Nation councils and associations to begin management planning processes for the nature reserve at Sandy Beach on Lhek’tines/Keats Island, as well as those nature reserves that have reached their 10-year planning review, such as S’ul-hween X’pey/Elder Cedar on Gabriola Island. First Nations art, language, and Cultural Knowledge was also an important part of new signage for the Fairyslipper Forest Nature Reserve (Thetis Island) and the S’ul-hween X’pey/Elder Cedar Nature Reserve (Gabriola Island). ITC Board and staff anticipate that the Cultural Management Plan Template and signage procedures will evolve over time as Islands Trust Conservancy builds more meaningful relationships with First Nations in the Salish Sea.

Islands Trust Conservancy remains committed to identifying ways to work together and partner with First Nations to ensure the conservation and protection of the islands and waters of this fragile and sensitive ecosystem. Humbly learning and understanding the history and legacy of the past and the impacts that have led to the alienation of First Nations from their homelands and cultural places is vital for all those working in the space of conservation, and the Conservancy continues its commitment to that goal.

Goal 3: Protect Core Conservation Areas

Continue to secure and manage Islands Trust Conservancy lands and conservation covenants to maximize ecological integrity

The core of Islands Trust Conservancy’s work is to understand and secure lands within the islands of the Salish Sea that conserve the highest biodiversity values and to grow protected area networks — contiguous conservation areas that allow for species migration and that support plant, animal, and human wellbeing.

We have developed systematic approaches rooted in western science, and increasingly guided by Indigenous ways of knowing/expertise, to determine which areas are most in need of our collective efforts. We also work to communicate conservation best practices and specific conservation actions taken by Islands Trust Conservancy to land-use planners and decision-makers, and to support the work of partner conservation groups through the [Opportunity Fund](#).

“Our lives depend on the lives of flora and fauna, so we’d best act now. Nature bats last, as my friend John Clarke used to say.”

— Lisa Baile, donor of the Lisa Baile Nature Reserve on SDAY, ES/North Pender Island and author of the book *John Clarke: Explorer of the Coast Mountains*



Brooks Point Regional Park, South Pender Island. PHOTO: KRISTINE MAYES

2020/2021 Conservation Covenants

Covenants are a useful tool that permanently protect natural features on private property while allowing landholders to retain ownership of their land. Islands Trust Conservancy manages the [Natural Area Protection Tax Exemption Program \(NAPTEP\)](#), which provides island landholders with an annual 65% property tax reduction on the portion of their land protected by a conservation covenant. This incentive is unique to the Islands Trust Area.

In 2020/2021, the Conservancy worked on negotiations for 100 hectares of conservation covenants. Although no new conservation covenants were registered, conservation efforts on these lands were advanced. Islands Trust Conservancy continued to promote the NAPTEP program and support land management across our 76 conservation covenants. Work included the publication of a Covenant Landholder Newsletter, in May 2020, and community-focussed communications such as The Heron newsletter, website updates, news releases, and social media content.

2020/2021 Land Acquisitions

Sandy Beach Nature Reserve (3.3 hectares), Lhek'tines/Keats Island:

The Sandy Beach Nature Reserve is a location of cultural heritage for Skwxwú7mesh (Squamish) and sə́ilwətaʔt (Tsleil-waututh) Nations and protection from land-altering activity under the management of the Islands Trust Conservancy is the first step to the preservation and protection of this location.

Sandy Beach was a part of “Keats Camp,” a Baptist summer youth camp operated by the Convention of Baptist Churches of British Columbia, which was founded in 1926. The land was transferred from the Convention of Baptist Churches of B.C. to Islands Trust Conservancy on December 18, 2020, as part of a rezoning and subdivision application and came with a \$12,000 contribution which has been allocated to a new property management fund to be further built out in the years to come. It is the 30th nature reserve created in 30 years by Islands Trust Conservancy.

Lisa Baile Nature Reserve (4.0 hectares), SDAYES/North Pender Island:

Lisa Baile donated this property to become the Lisa Baile Nature Reserve on February 25, 2021. The nature reserve is also the twenty-fifth protected area donated to the Conservancy through the Ecological Gifts Program. It contains a mixed mature forest of largely Douglas-fir and western

redcedar, and rises steeply to a ridge with small rocky bluffs and Garry oak and arbutus woodlands, with patches of native wildflowers such as fairy-slipper, camas (a lily), chocolate lily, and fawn lily. The Lisa Baile Nature Reserve expands an existing 9-hectare grouping of conserved lands, increasing this network of protected places in the Salish Sea to nearly 13 contiguous hectares that will provide habitat for regional species in perpetuity.



Jemma Green, Covenant Management & Outreach Specialist.
PHOTO: CARLA FUNK



Nuala Murphy, Property Management Specialist. PHOTO: CARLA FUNK

Despite significant — at times, absolute — local travel restrictions put in place by provincial and local health authorities, Covenant Management & Outreach Specialist Jemma Green and Property Management Specialist Nuala Murphy were still able to complete the annual monitoring visits to assess multiple conservation covenant and nature reserve lands in alignment with public health orders. As Islands Trust Conservancy protected places grow in number, the resources required for management of these special properties also increase. Monitoring and land management is integral to responsible caretaking of conservation lands.

ISLANDS TRUST CONSERVANCY

Opportunity Fund: Kick-starting Conservation 2005–2021

28
9

grants to
conservation
partners on
islands

**1st
grant**

Salt Spring Island

*Result: Mount Erskine
Provincial Park ▶*

Latest grant: Bowen Island Conservancy
Result: Cape Roger Curtis Conservation Area



\$104,000

granted since 2005



\$47,000,000!



total appraised value of properties
protected by kick-starting grants
to conservation partners



Largest grant
\$7,000



Smallest grant
\$700



Average grant
\$3,700

200+
donors

Generosity of donors to the Opportunity Fund has kick-started conservation on islands of the Salish Sea.

100% of donations go to our partners and individual landowners in support of important conservation projects.

To donate call 250-405-5186, visit islandstrust.bc.ca/donate-to-conservancy/
or mail a cheque to Islands Trust Conservancy, 200–1627 Fort Street, Victoria, BC V8R 1H8

Photos by Kristine Mayes; design by Erika Rathje



Opportunity Fund

The [Opportunity Fund](#) provides support for hard-to-fundraise costs associated with land protection and leverages donations through matching funds for land-acquisition campaigns. The disbursement of funds is guided by the Regional Conservation Plan and the Islands Trust Conservancy Board considers applications twice per year.

In 2020/2021, generous and forward-thinking Islands Trust Conservancy donors contributed \$3,994 in tax receipted donations to the Opportunity Fund. As of March 2021, the Opportunity Fund had \$14,498, with \$6,500 in approved, but unspent, grants, leaving an available-to-grant balance of \$7,998. Islands Trust Conservancy approved the following Opportunity Fund grants:

- \$5,000 to Bowen Island Conservancy
- Two grants to the Denman Conservancy Association — \$5,000 and \$4,000
- \$2,500 to Salt Spring Island Water Preservation Society

Taking Care of What We Have

Acquiring a property or signing a conservation covenant is just the first step in ecosystem protection. Islands Trust Conservancy monitors and manages nature reserves in its care according to [management plans](#) that identify long-term conservation and restoration goals. In 2020/2021, Islands Trust Conservancy undertook many property management projects in partnership with local island-based conservancies, including:

- Monitoring Islands Trust Conservancy nature reserves to assess property management needs
- Monitoring Islands Trust Conservancy conservation covenants to maintain relationships with landowners and ensure compliance
- Revising management plans for Inner Island and Lindsay Dickson nature reserves (Denman Island), and Deep Ridge and Lower Mt. Erskine nature reserves (Salt Spring Island)
- Developing the first management plan for Valens Brook Nature Reserve (Denman Island)
- Initiating management plan revisions for Coats Millstone and S'ul-hween X'pey/Elder Cedar nature reserves (Gabriola Island), Ruby Alton Nature Reserve (Salt Spring Island), and the first management plan for Moore Hill Nature Reserve (Thetis Island)

- Removing exotic invasive species from conservation covenants and nature reserves on Little D'Arcy, Denman, Gabriola, Galiano, Link, Salt Spring, and Thetis islands
- Initiating a trail-building project in Salish View Nature Reserve (Lasqueti Island)
- Trail maintenance on all nature reserves with trails to ensure safe passage
- Planting and caging trees in the fifth restoration work party to restore an additional 0.4 ha of Coastal Western Hemlock forest in Brigade Bay Bluffs Nature Reserve (Gambier Island). *Since 2017, approximately 1.2 hectares of forest (almost 3 acres) has been replanted at this reserve*
- Initiating pond restoration at Salish View Nature Reserve, Lasqueti Island, with 841 native plants installed and fenced
- Monitoring forest restoration projects at Morrison Marsh and Lindsay Dickson nature reserves (Denman Island), Mount Trematon, John Osland, and Salish View nature reserves (Lasqueti Island), Trincomali Nature Sanctuary (Galiano Island), and Long Bay Wetland and Brigade Bay Bluffs Nature Reserves (Gambier Island)
- Developing access, with kiosk and informative panels for Fairyslipper Forest Nature Reserve (Thetis Island) and a new entrance sign at S'ul-hween X'pey/Elder Cedar Nature Reserve (Gabriola Island)
- Collaborating with Parks Canada, First Nations, the Province of B.C., and the Sidney Island community on the Sidney Island Ecosystem Restoration Project to benefit the ecological health of Islands Trust Conservancy covenant lands
- Participating in the Capital Region Invasive Species Partnership



Ecosystem restoration work party of Gambier Island Conservancy directors and volunteers planting trees at Brigade Bay Bluffs Nature Reserve, Gambier Island.

Goal 4: A Strong Voice for Nature Conservation

Continue to build internal and shared organizational strength and resilience to ensure long-term nature conservation in the Islands Trust Area

Reflecting on the 30th anniversary of Islands Trust Conservancy throughout this past year inspired board and staff to consider which mainstays of knowledge, technique, and tools of the trade could continue to support shared goals, and which might best be adapted to meet the changing needs of a swiftly evolving world. New programming and funding sources required that the Conservancy grow and develop in new ways.

NEW Species at Risk Program: Expanding our Capacity to Care for Land

In the autumn of 2020, Islands Trust Conservancy signed a three-year agreement with Environment and Climate Change Canada (ECCC) to deliver a [Species at Risk Program](#) (SAR Program) for the Islands Trust Area. The agreement included a financial commitment from ECCC of \$597,000, with \$187,000 allocated to programming in 2020/2021.

To launch the SAR Program, the Conservancy:

- developed two new staff positions: Species at Risk Program Coordinator (full-time) and Conservation Technician (summer staff); these positions will be hired in 2021/2022
- acquired professional services for land securement (surveys, legal advice, and appraisals)
- conducted species-at-risk surveys on five properties
- completed outreach to 403 landholders with high-value Coastal Douglas-fir ecosystems
- removed invasive species from 30 hectares of rare species habitat
- planted over 880 plants, including 27 species, to restore habitat for species at risk

Evolving Communications

This past year, with challenges to in-person gathering, the Conservancy honoured its commitment to communicate the value of conservation in the Salish Sea by reaching out to the public via online meetings, social media, website updates, and multiple print publications — the Covenant Landholders Newsletter in May 2020 and [The Heron](#) newsletter (Autumn 2020 and March 2021).

Islands Trust Conservancy also dedicated significant time to updating its website content and merging its web presence with that of Islands Trust. The Conservancy anticipates that this will draw more traffic to its webpages and help to deliver its message to a broader community. Look for up-to-date information at islandstrust.bc.ca/conservancy.

Each of these outreach efforts brings in new potential allies, donors, staff members, and leaders. Each forms a series of connections and conversations that can lead the community to understand the Islands Trust Conservancy story, and in that way to understand their part in protecting islands in the Salish Sea.

Strengthening Our Financial Supports

In 2020/2021, Islands Trust Conservancy strengthened its financial resiliency using a diversity of tools. Under its Fund Development Plan, the Conservancy began focussed outreach to donors and expanded its reach through partnership in the Canadian Association of Gift Planners' [Will Power](#) program. Will Power is a campaign to link donors and advisors to causes that matter to them and the Conservancy hopes to reach new audiences through partnership in the program.

In addition to support from donors, the Conservancy expanded its financial resiliency by starting a Property Management Fund and by securing grant funds for property management projects. Established using a contribution associated with the Sandy Beach Nature Reserve acquisition, the Property Management Fund will support large or unanticipated property management costs. The Fund will need to be grown before it can be applied to projects, so the Conservancy has also worked to secure grant funds. Grants in 2020/2021 included the funding from Environment and Climate Change Canada for a Species at Risk Program, noted above, and a \$25,000 grant from the Habitat Conservation Trust Foundation through the provincial COVID-19 Economic Stimulus Initiative (CESI). CESI funds will support wetland restoration work on Lasqueti and Sidney islands.

Build Strong Conservation Partners

Coastal Douglas-fir and Associated Ecosystems Conservation Partnership

Islands Trust Conservancy staff are members of the Coastal Douglas-fir and Associated Ecosystems Conservation Partnership (CDFCP) Steering Committee and Securement Committee. In 2020/2021 Islands Trust Conservancy collaborated with the CDFCP to provide a series of workshops to local governments.

“I loved this land when I bought it 34 years ago. I deliberately cleared as little as possible, and used all of what I did clear. I had considered NAPTEP for some time, and, [...] looking back, it has been one of the clearest actions in my life to say — we have got to stop wrecking the planet we live on.”

— Tom Knott, Myra Powers NAPTEP Covenant landholder, Hornby Island



Licorice ferns, Hornby Island. PHOTO: KRISTINE MAYES

Land Trust Alliance of British Columbia

Islands Trust Conservancy is a member of the Land Trust Alliance of British Columbia (LTABC). Founded in 1997, LTABC represents 35 land trust members across the province, providing resources, professional development, and advocacy services to the land trust community. In 2020/2021, Islands Trust Conservancy worked with LTABC and Environment and Climate Change Canada to create a resource about the impacts of conservation on property value: [Property Assessments on Conservation Lands](#).

Partnering to Address Invasive Species

Islands Trust Conservancy joined the Capital Region Invasive Species Partnership (CRISP) in 2019 and continued to work with the partnership in 2020/2021. This group of land managers, representing the local governments of the region, meets regularly to discuss invasive species prevention, control, containment, and eradication concerns, and to share knowledge and resources to tackle the growing problem of invasive species. CRISP also has strong connections with other coastal regional working groups and the province and this network has been an invaluable resource for Islands Trust Conservancy as they manage invasive species in our nature reserves and on conservation covenant lands.

Stewardship Education

Islands Trust Conservancy encourages islanders to get involved in conserving and stewarding private land by supporting conservation education and sharing information on best practices for land care. In 2020/2021, Islands Trust Conservancy promoted private land conservation through its website, the Heron newsletter (printed and online), e-news updates to subscribers, and Facebook posts. Islands Trust Conservancy brochures are also available in local libraries, real estate offices, and Islands Trust offices throughout the region.

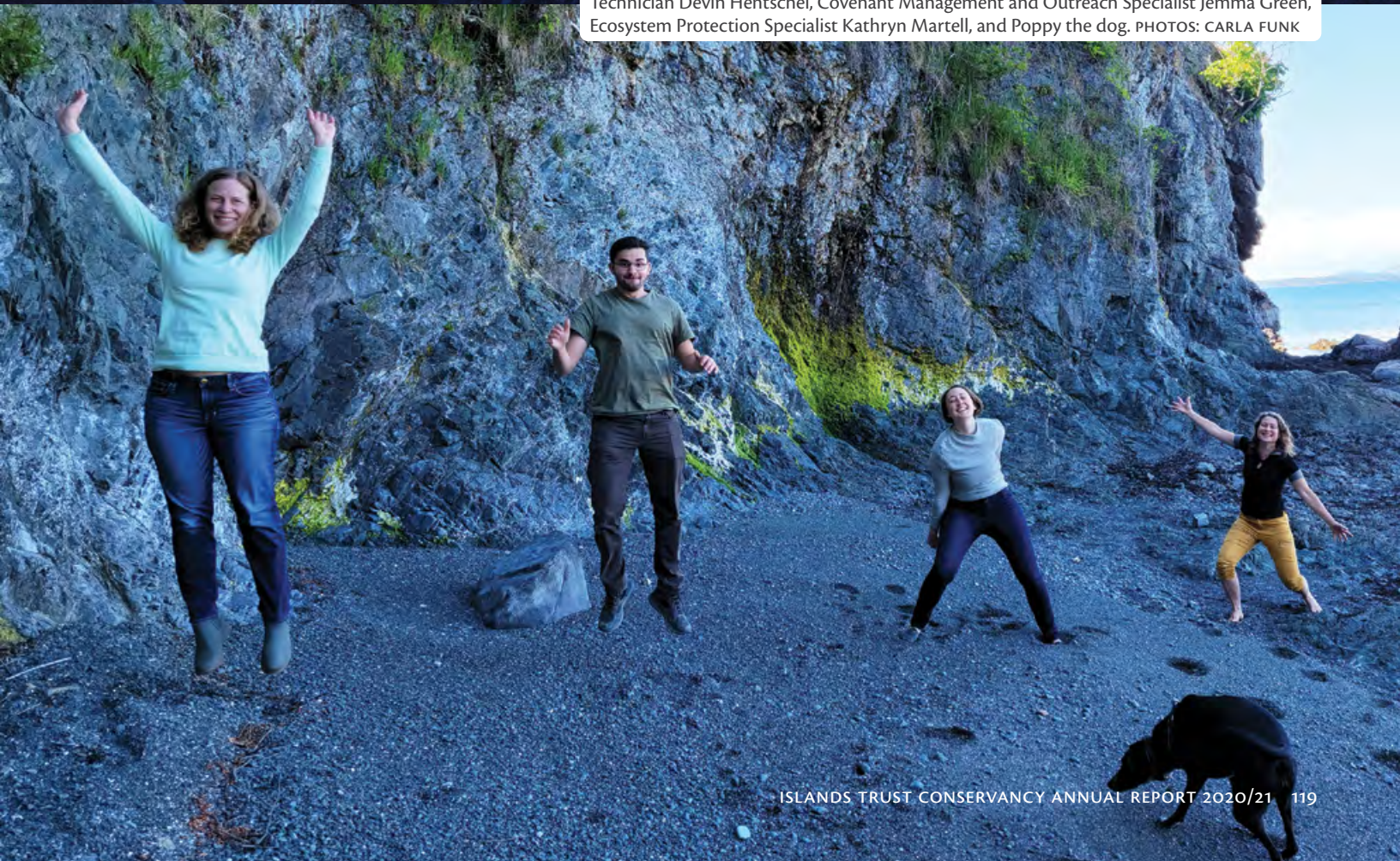
Concluding Statements

In times of uncertainty, people turn to the timelessness of nature. That local islanders and British Columbians, in general, continue to have the opportunity to enjoy the benefits of our fragile island biodiversity is due to the commitment of provincial leaders almost half a century ago, who had the wisdom and foresight to create a nature's trust on the islands in the Salish Sea.

The preserve and protect mandate of Islands Trust has become increasingly relevant since 1974, when then Minister of Municipal Affairs James Lorimer first proposed the creation of the *Islands Trust Act*. Land conservation was strengthened with the creation of Islands Trust Conservancy on April 1, 1990, which enabled land acquisition and receipt of donations from the public. Islands Trust Conservancy is pleased to be celebrating 30 years of land conservation in the Salish Sea.



Islands Trust Conservancy Property Management Specialist Nuala Murphy, Conservation Technician Devin Hentschel, Covenant Management and Outreach Specialist Jemma Green, Ecosystem Protection Specialist Kathryn Martell, and Poppy the dog. PHOTOS: CARLA FUNK



Appendix C Islands Trust Conservancy Financial Statements

Islands Trust Conservancy (Conservancy) prepares Financial Statements annually, in compliance with the requirements under section 46 of the Islands Trust Act.

Under the Islands Trust Act, the Conservancy may receive money, land and other property as donations or through grants in order to further the object of the Islands Trust. The Conservancy uses Canadian Public Sector Accounting Standards, including standards for government non-profit organizations, to manage its funds and land assets. The Conservancy currently holds and manages the following funds:

- **Opportunity Fund:** Used for unrestricted resources, most notably for the Opportunity Fund Grant Program.
- **Restricted Fund:** Used for internally and externally restricted assets, including grants, funds restricted for property management and funds restricted for land acquisition.
- **Capital Fund:** used to record the value of land donated, acquired or transferred without external restrictions.
- **Endowment Fund:** Used primarily for land that is restricted through the Ecological Gifts Program or through donation restrictions.

In its 2020/21 Financial Statements, the Conservancy recognizes the following items of note:

- grant funds for a new Species at Risk Program, funded by Environment and Climate Change Canada;
- acquisition of two new nature reserves: Sandy Beach Nature Reserve (3.3 hectares), Lhek'tines/Keats Island and the Lisa Baile Nature Reserve (4.0 hectares), SDAYES/North Pender Island; and,
- establishment of a new Property Management Fund.

While the Conservancy manages land and funds as noted in its Financial Statements, costs of Islands Trust Conservancy operations are the responsibility of Trust Council under the Trust Council budget process. Details on these costs are available in the Islands Trust Financial Statements.

Financial Statements of

**THE ISLANDS TRUST
CONSERVANCY**

And Independent Auditors' Report thereon

Year ended March 31, 2021



KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250-480-3500
Fax 250-480-3539

INDEPENDENT AUDITORS' REPORT

To the Trustees of The Islands Trust Conservancy Board, the Trustees of Islands Trust and the Minister of Municipal Affairs and Housing

Opinion

We have audited the financial statements of the Islands Trust Conservancy (the Entity) which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our auditors' report, the financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations, its changes in fund balances and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at March 31, 2021 and March 31, 2020
- the donations revenues and excess of revenues over expenses reported in the statements of operations for the years ended March 31, 2021 and March 31, 2020
- the fund balances, at the beginning and end of the year, reported in the statements of changes in fund balances for the years ended March 31, 2021 and March 31, 2020



- the excess of revenues over expenses reported in the statements of cash flows for the years ended March 31, 2021 and March 31, 2020.

Our opinion on the financial statements for the year ended March 31, 2020 was qualified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our auditors’ report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Victoria, Canada

August 24, 2021

THE ISLANDS TRUST CONSERVANCY

Statement of Financial Position

March 31, 2021, with comparative information for 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2021 Total	2020 Total
Assets:						
Current assets:						
Cash	\$ 15,754	\$ 348,420	\$ -	\$ -	\$ 364,174	\$ 196,907
Short-term investments (note 3)	-	189,225	-	88,000	277,225	249,433
Federal grants receivable	-	53,500	-	-	53,500	-
Due from Islands Trust	-	-	-	-	-	191
	15,754	591,145	-	88,000	694,899	446,531
Investments	-	-	-	-	-	113,155
Land (notes 4 and 6)	-	-	10,327,169	6,886,532	17,213,701	14,190,701
	\$ 15,754	\$ 591,145	\$ 10,327,169	\$ 6,974,532	\$ 17,908,600	\$ 14,750,387
Liabilities:						
Current liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,715
Due to Islands Trust	-	81,598	-	-	81,598	-
	-	87,598	-	-	81,598	3,715
Fund Balances:						
Unrestricted	15,754	-	-	-	15,754	21,731
Investment in land (note 4)	-	-	10,327,169	-	10,327,169	7,624,169
Internally restricted (note 5)	-	35,632	-	-	35,632	23,268
Externally restricted (note 5)	-	473,915	-	-	473,915	422,972
Restricted for endowment purposes (note 6)	-	-	-	6,974,532	6,974,532	6,654,532
	15,754	509,547	10,327,169	6,974,532	17,827,002	14,746,672
	\$ 15,754	\$ 591,145	\$ 10,327,169	\$ 6,974,532	\$ 17,908,600	\$ 14,750,387

The accompanying notes are an integral part of these financial statements.

Approved by the Trust Conservancy Board:



Board member



Board member

THE ISLANDS TRUST CONSERVANCY

Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2021 Total	2020 Total
						(Schedule 2)
Revenue:						
Donations:						
Cash	\$ 15,938	\$ 1,025	\$ -	\$ -	\$ 16,963	\$ 209,405
Land	-	-	2,703,000	320,000	3,023,000	70,000
Grants	-	207,144	-	-	207,144	5,219
Rental income	-	10,455	-	-	10,455	10,306
Investment income (loss)	110	28,870	-	-	28,980	(6,119)
	16,048	247,494	2,703,000	320,000	3,286,542	288,811
Expenses:						
Repairs and maintenance - Alton property	-	9,108	-	-	9,108	2,595
Bank charges	31	79	-	-	110	31
Donations to conservancy groups	9,994	-	-	-	9,994	6,220
Species at Risk	-	187,000	-	-	187,000	-
	10,025	196,187	-	-	206,212	8,846
	\$ 6,023	\$ 51,307	\$ 2,703,000	\$ 320,000	\$ 3,080,330	\$ 279,965
Excess of revenue over expenses						

The accompanying notes are an integral part of these financial statements.

THE ISLANDS TRUST CONSERVANCY

Statement of Changes in Fund Balances

Year ended March 31, 2021, with comparative information for 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	Total
Fund balances, March 31, 2019	\$ 28,844	\$ 464,092	\$ 7,624,169	\$ 6,349,601	\$ 14,466,706
Excess (deficiency) of revenue over expenses	(2,613)	212,579	-	70,000	279,966
Interfund transfer	(4,500)	(230,431)	-	234,931	-
Fund balances, March 31, 2020	21,731	446,240	7,624,169	6,654,532	14,746,672
Excess (deficiency) of revenue over expenses	6,023	51,307	2,703,000	320,000	3,080,330
Interfund transfer (note 7)	(12,000)	12,000	-	-	-
Fund balances, March 31, 2021	\$ 15,754	\$ 509,547	\$ 10,327,169	\$ 6,974,532	\$ 17,827,002

The accompanying notes are an integral part of these financial statements.

THE ISLANDS TRUST CONSERVANCY

Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 3,080,330	\$ 279,966
Item not involving cash:		
Donation of land	(3,023,000)	(70,000)
Changes in non-cash operating working capital:		
Accounts payable	(3,715)	3,715
Federal grants receivable	(53,500)	-
Due to Islands Trust	81,789	(2,818)
	<u>81,904</u>	<u>210,863</u>
Capital activities:		
Cash paid to acquire land	-	(234,931)
Investing activities:		
Increase in short-term investments	(27,792)	(44,928)
(Increase) decrease in long-term investments	(806)	9,277
Redemption of investments	113,961	-
	<u>85,363</u>	<u>(35,651)</u>
Increase (decrease) in cash	167,267	(59,719)
Cash, beginning of year	196,907	256,626
Cash, end of year	<u>\$ 364,174</u>	<u>\$ 196,907</u>

The accompanying notes are an integral part of these financial statements.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

The Islands Trust Conservancy (the “Trust Conservancy”) is incorporated under The Islands Trust Act of British Columbia and is empowered to accept donations, grants and bequests on behalf of The Islands Trust and to hold land and other property in compliance with a Trust Conservancy plan approved by the Ministry of Municipal Affairs and Housing.

The Islands Trust (the “Trust”) is also incorporated under The Islands Trust Act of British Columbia. The objectives of the Trust are to preserve and protect the Trust area and its unique amenities and environment for the benefit of the residents of the Trust area and of the Province generally.

The Trust Conservancy is administered by the Trust and for financial reporting purposes, the Trust and the Trust Conservancy are reported on separately. The Trust Conservancy’s annual expenses are funded by and reported as part of the Trust in accordance with The Islands Trust Act. These financial statements present the financial position and changes in fund balances of the Trust Conservancy.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards including the 4200 standards for government not-for-profit organizations:

(a) Fund accounting:

The Trust Conservancy follows the restricted fund method of accounting for contributions.

The Opportunity Fund reports unrestricted resources.

The Restricted Fund reports the assets, liabilities, revenue and expenses related to internally and externally restricted assets.

The Capital Fund reports the assets, liabilities, revenue and expenses related to the Trust Conservancy’s capital assets.

The Endowment Fund reports resources that are contributed for endowment purposes.

(b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(b) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses. When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations. During the years presented, there are no unrealized gains and losses, and as a result, no statement of remeasurement gains and losses has been included in these financial statements. All investments held by the Trust Conservancy are classified as Level 2 investments for fair value measurement and there were no changes in classification in the years presented.

(c) Land:

Purchased land is recorded at cost. Contributed land is recorded at estimated fair value at the date of contribution.

(d) Revenue recognition:

Restricted contributions are recorded as revenue of the appropriate restricted fund when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recorded as revenue of the Opportunity Fund in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Contributions for endowment are recorded as revenue in the Endowment Fund balance.

Interest income earned on Endowment Fund resources is restricted for the purpose of maintaining certain specified property and is recorded in the Restricted Fund. Interest income of internally restricted funds is recorded as revenue of the Restricted Fund. Other interest income is recorded as revenue of the Opportunity Fund when earned.

All other forms of income are recorded as revenue of the Opportunity Fund when received or receivable.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(e) Liability for contaminated sites:

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the Trust Conservancy is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(f) Natural assets:

The Trust Conservancy is fortunate to have, and to be mandated to protect, many natural assets in the Island Trust Area that reduce the need for engineered infrastructure that might otherwise be required by other government agencies to provide various services to the islands. This includes island aquifers (water storage and filtration); streams, ditches and wetlands (rain water management); forests (carbon sequestration); and foreshore areas (natural seawalls). Canadian public sector accounting standards do not provide for the valuation and recording of such assets in the financial statements. As such, these natural assets are not reported in these financial statements. Nevertheless, the Conservancy acknowledges the importance of these assets and the need to manage them in conjunction with engineered infrastructure that is managed by other government agencies.

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Significant estimates include assumptions used in estimating the fair value of contributed land at the date of contribution. Actual results could differ from those estimates.

2. COVID-19 Pandemic:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The pandemic impacted the Conservancy's operations resulting in a decrease in certain types of revenue, and changes in expenses and cash flows. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the Conservancy is not practicable at this time.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

3. Short-term investments:

Short-term investments consist of an endowment fund with the Victoria Foundation and Municipal Finance Authority of British Columbia ("MFA") Short Term Bond and Money Market Funds. Investments in MFA Funds are recorded at market value.

4. Land:

	Acquisition date	2021	2020
Inner Island Nature Reserve, Denman Island	1992	\$ 70,000	\$ 70,000
Coats Millstone Reserve, Gabriola Island	1994	100,000	100,000
Medicine Beach Nature Sanctuary, North Pender Island	1996	477,000	477,000
Cunningham Reserve, Salt Spring Island	1994	265,000	265,000
Deep Ridge Reserve, Salt Spring Island	1992	255,000	255,000
Lower Mt. Erskine Nature Reserve, Salt Spring Island	1996	284,000	284,000
Kwel Nature Sanctuary, Lasqueti Island	1997	195,497	195,497
Singing Woods Nature Reserve, Bowen Island	1999	157,000	157,000
Trincomali Nature Sanctuary, Galiano Island	2001	242,406	242,406
Horton Bayviary Nature Reserve, Mayne Island	2002	210,000	210,000
Morrison Marsh Nature Reserve, Denman Island	2006	438,000	438,000
Brigade Bay Bluffs Nature Reserve, Gambier Island	2006	150,000	150,000
Long Bay Wetland Nature Reserve, Gambier Island	2006	305,000	305,000
Elder Cedar Nature Reserve, Gabriola Island	2007	658,000	658,000
Mount Artaban Nature Reserve, Gambier Island	2009	1,177,000	1,177,000
Fairy Fen Nature Reserve, Bowen Island	2011	1,817,000	1,817,000
Laughlin Lake Nature Reserve, Galiano Island	2013	56,000	56,000
Vanilla Leaf Land Nature Reserve, Galiano Island	2014	217,000	217,000
Fairy Slipper Forest Nature Reserve, Thetis Island	2017	550,266	550,266
Sandy Beach Nature Reserve, Keats Island	2021	2,703,000	-
		\$ 10,327,169	\$ 7,624,169

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

5. Restricted Fund balances:

	2021	2020
Internally restricted:		
McFadden Creek management fund	\$ 23,632	\$ 23,268
Property Management fund	12,000	-
	35,632	23,268
Externally restricted:		
Alton Nature Reserve - maintenance fund	160,128	130,590
Morrison Fund	20,294	20,269
Covenant Defense Fund	115,273	113,508
Lasqueti Acquisition Fund	35,304	33,069
Gambier Acquisition Fund	129,121	124,243
Thetis Island Acquisition Fund	1,295	1,293
Conservation Stimulus Fund	12,500	-
	473,915	422,972
	\$ 509,547	\$ 446,240

6. Restricted for endowment purposes:

	Acquisition date	2021	2020
Short-term investments			
Alton Nature Reserve - maintenance	2002	\$ 88,000	\$ 88,000
Land:			
Lindsay Dickson Nature Reserve, Denman Island	2001	2,200,000	2,200,000
Alton Nature Reserve, Salt Spring Island	2002	454,000	454,000
McFadden Creek Nature Sanctuary, Salt Spring Island	2015	422,601	422,601
Properties acquired under the Federal Government Ecological Gifts program:			
Mt. Trematon Nature Reserve, Lasqueti Island	2006	320,000	320,000
David Otter Nature Reserve, Bowen Island	2007	620,000	620,000
John Osland Nature Reserve, Lasqueti Island	2012	890,000	890,000
Valens Brook Nature Reserve, Denman Island	2013	280,000	280,000
Burren's Acres Nature Reserve, Gabriola Island	2014	210,000	210,000
Moore Hill Nature Reserve, Thetis Island	2017	780,000	780,000
Valens Brook Nature Reserve, Denman Island	2019	85,000	85,000
Salish View Nature Reserve, Lasqueti Island	2020	304,931	304,931
Baile Nature Reserve, North Pender Island	2021	320,000	-
		6,886,532	6,566,532
		\$ 6,974,532	\$ 6,654,532

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

6. Restricted for endowment purposes (continued):

Investment gains (losses) on endowment funds for the year of \$22,914 (2020 - (\$13,127)) have been recorded in the Restricted Fund.

Two properties owned by the Trust Conservancy, the Lindsay Dickson property on Denman Island, and the Alton property on Salt Spring Island, were donated on the condition that the properties be used and managed in certain ways. The Lindsay Dickson property was donated “for so long as the land is used as a nature reserve for the use, benefit and enjoyment of the residents of B.C.”. The Alton property is to be held, managed and preserved for its ecological environment and scenic features and not as a recreational park. The residence, gardens and driveway are to be preserved and managed for non-profit purposes.

In the event that these properties are not managed accordingly, the properties could revert to the Province of British Columbia in the case of the Lindsay Dickson Nature Reserve and to the Executors of the donor’s estate in the case of the Alton Nature Reserve.

In 2015, the McFadden Creek Nature Sanctuary on Salt Spring Island was donated to the Trust Conservancy on the condition that the property was to be protected, preserved and maintained in its natural state. Should a disposition of this property ever be triggered, there is a Right of First Refusal on the property in favor of the Wild Bird Trust of BC.

Certain properties as listed in the preceding table were acquired under the Federal Government Ecological Gift program. Recipients of ecological gifts are responsible for maintaining the biodiversity and environmental heritage values of the property in perpetuity.

7. Interfund transfer:

During the year, there was an interfund transfer of \$12,000 from the Opportunity Fund to the Restricted Fund representing cash contributions associated with the acquisition of the Sandy Beach Nature Reserve on Keats Island.

8. Related party:

The Trust is related to the Trust Conservancy through the composition of the Trust Conservancy’s Board. The Trust Conservancy’s Board is comprised of three members from the Trust’s Council and up to three members appointed by the Minister of Municipal Affairs and Housing.

The Trust Conservancy’s annual expenses are funded by and reported as part of the Trust in accordance with The Islands Trust Act. The expenses are summarized as follows:

	2021	2020
Operations and property management	\$ 701,124	\$ 527,344
Board	5,378	19,043
Administration	232,547	216,627
	<u>\$ 939,049</u>	<u>\$ 763,014</u>

For the year ended March 31, 2021, amounts owing to Islands Trust were \$81,598 (2020 - nil).

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

9. Financial risks and concentration of risk:

The Trust Conservancy's financial instruments consist of cash, short-term investments, investments and amounts due to Islands Trust. It is management's opinion that the Trust Conservancy is not exposed to significant interest, currency or credit risk arising from these financial instruments. The maximum exposure to credit risk at March 31, 2021 is the carrying value of cash, short-term investments and investments. The Trust Conservancy deals with creditworthy counterparties to mitigate credit risk. The Trust Conservancy manages its liquidity risk by monitoring its operating requirements. Interest rate risk is not significant due to the short term nature of investments held. There have been no significant changes to risk exposure in the years presented.

THE ISLANDS TRUST CONSERVANCY

Statement of Financial Position

Schedule 1

March 31, 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2020 Total
Assets:					
Current assets:					
Cash	\$ 25,205	\$ 171,702	\$ -	\$ -	\$ 196,907
Short-term investments (note 2)	-	161,433	-	88,000	249,433
Inventory of fundraising items	26	165	-	-	191
	25,231	333,300	-	88,000	446,531
Investments	-	113,155	-	-	113,155
Land (notes 4 and 6)	-	-	7,624,169	6,566,532	14,190,701
	\$ 25,231	\$ 446,455	\$ 7,624,169	\$ 6,654,532	\$ 14,750,387
Liabilities:					
Current liabilities:					
Accounts payable	\$ 3,500	\$ 215	\$ -	\$ -	\$ 3,715
Due to Islands Trust	-	-	-	-	-
	3,500	215	-	-	3,715
Fund Balances:					
Unrestricted	21,731	-	-	-	21,731
Investment in land (note 4)	-	-	7,624,169	-	7,624,169
Internally restricted (note 5)	-	23,268	-	-	23,268
Externally restricted (note 5)	-	422,972	-	-	422,972
Restricted for endowment purposes (note 6)	-	-	-	6,654,532	6,654,532
	21,731	446,240	7,624,169	6,654,532	14,746,672
	\$ 25,231	\$ 446,455	\$ 7,624,169	\$ 6,654,532	\$ 14,750,387

THE ISLANDS TRUST CONSERVANCY

Statement of Operations

Schedule 2

Year ended March 31, 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2020 Total
Revenue:					
Donations:					
Cash	\$ 3,486	\$ 205,919	\$ -	\$ -	\$ 209,405
Land	-	-	-	70,000	70,000
Grants	-	5,219	-	-	5,219
Rental income	-	10,306	-	-	10,306
Investment income (loss)	152	(6,271)	-	-	(6,119)
	3,638	215,173	-	70,000	288,811
Expenses:					
Repairs and maintenance - Alton property	-	2,594	-	-	2,595
Bank charges	31	-	-	-	31
Donations to conservancy groups	6,220	-	-	-	6,220
	6,251	2,594	-	-	8,846
	\$ (2,613)	\$ 212,579	\$ -	\$ 70,000	\$ 279,965
Excess (deficiency) of revenue over expenses					

The accompanying notes are an integral part of these financial statements.

If you are reading a print version of this report, you can access hyperlinks by going to the online version at islandstrust.bc.ca/about-us/accountability/annual-report/

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ISLANDS TRUST CONSERVANCY



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