

**Financial Planning Committee
Meeting Minutes
February 16, 2011**

Location: Victoria Boardroom

Date: February 16, 2011

Attending: Alison Morse (Chair), Louise Bell, Peter Luckham, Christine Torgrimson, Sheila Malcolmson, David Graham, Joyce Clegg, Sue French, Gary Steeves, Susan Morrison

Staff: Linda Adams, Craig Elder, Lisa Dunn, Mac Fraser, and Nancy Rogers

Call to order: 10:02 a.m.

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1. Approval of Agenda
Addition to agenda - LPC application fees report
4.6 Sub A- Application fees subcommittee decision

Change Agenda date to February 16, 2011

The agenda was approved as amended by consensus.

 2. 2.1 Minutes of previous meeting January 19, 2011
No changes were requested to the January 19, 2011 minutes.

Resolution FIN798/11
It was moved and seconded that the Financial Planning Committee adopt the minutes of January 19, 2011 as presented. **CARRIED UNANIMOUSLY**

 3. Follow-up Action List
The Follow-up Action List was received by the committee with no questions or comments.

 4. 4.1.1 Briefing – Updated Forecast to March 31, 2011
Craig Elder reviewed the forecast briefing note and advised the Committee that the projection in September 2010 was a surplus of \$40,000, while the surplus estimate has now increased to \$220,000. Craig Elder advised that some of this

surplus could be used in 2011/12 to reduce taxes. Discussion of this issue was deferred until the budget discussion.

The Committee requested amendments to the briefing note to explain that amortization was a new requirement for 2010/11 and the budget was prepared before the full implications were understood, plus an indication that the amortization would be more accurate in the future.

Resolution FIN799/11

It was moved and seconded that the Financial Planning Committee forward the Financial Forecast for fiscal 2011 to Trust Council as amended.

CARRIED UNANIMOUSLY

5. 4.2.1
Briefing - Public Feedback on
2011/12 Budget Proposal

Craig Elder advised approximately 70 responses had been received, and that more comments on the budget proposal have been received since the agenda package was finalized. All comments will go into a binder for Trust Council. The comments will be organized to show which comments were received by the Financial Planning Committee, and which comments were received after the Financial Planning Committee meeting. The deadline for the public to submit comments is March 4, 2011.

The Financial Planning Committee discussed the public's comments on the budget proposal. Trustee Torgrimson provided her analysis and summary of the comments.

Resolution FIN800/11

It was moved and seconded that the Financial Planning Committee receive the document submitted by Trustee Torgrimson relating to budget comments on the 2011/12 proposed budget.

CARRIED UNANIMOUSLY

Craig Elder advised that he has not responded to the people who submitted emails.

Resolution FIN801/11

It was moved and seconded that the Financial Planning Committee request staff send a written response to those that

responded to the request for input on the Trust budget thanking them and indicating that their submission was reviewed at the Financial Planning Committee meeting.

CARRIED UNANIMOUSLY

6. 4.3.1
RFD – Trustee Remuneration
Bylaw 142

Craig Elder reviewed the document with the Committee and advised the Committee that he will add the requirement for three readings to the Recommendations section of the RFD before it goes to Trust Council.

Resolution FIN802/11

It was moved and seconded that the Financial Planning Committee forward the RFD on trustee remuneration and Bylaw No. 142 to Trust Council and recommend approval.

CARRIED UNANIMOUSLY

Craig Elder requested that he receive any motions to be made at Trust Council regarding the trustee remunerations in advance of Trust Council so that he can review the motions and analyze the financial impact of possible adjustments before the debate occurs.

7. 4.4.1 to 4.4.3
2011/12 Budget
Recommendation

Craig Elder reviewed the management changes to the proposed budget outlined on document 4.4.2 based on new information from the financial forecast and other sources. The resulting tax increase would be 3.44%.

Resolution FIN803/11

It was moved and seconded that the Financial Planning Committee adopt the summary of management changes in document 4.4.2.

CARRIED UNANIMOUSLY

Craig Elder reviewed document 4.4.1 Summary Budget Proposal with the Committee explaining the proposed appropriation from surplus of \$202,000, which included additional carryovers from 2010/11 to reduce taxes in 2011/12.

Mac Fraser discussed document 4.4.3 that outlined a request of \$24,000 for an additional Bylaw Enforcement Officer between April 1 and September 30, 2011. He advised that under the current budget proposal this would be covered by surplus being carried forward to fiscal 2011/12.

Resolution FIN804/11

It was moved and seconded that \$24,000 be included in the budget for the Bylaw Enforcement Officer 6 month contract.

CARRIED UNANIMOUSLY

Craig Elder advised that without an additional appropriation from surplus this budget addition would increase the proposed tax increase to 3.86%. Therefore, the comment stating that “the acceptance of the Bylaw Enforcement Officer proposal will not result in a tax increase” in document 4.4.3 will be removed when presented to Trust Council.

The Committee asked about the current level of the surplus and the implications of using 2010/11 surplus to reduce taxes. Craig Elder advised that the current level of surplus is at 94% of the recommended amount. The current proposal for carry over from surplus is \$95,000. An additional \$100,000 appropriation from surplus would still result in a net contribution to surplus of \$25,000 for fiscal 2010/11. The additional \$100,000 appropriation from surplus would reduce the proposed tax increase to 2.14%.

Resolution FIN805/11

It was moved and seconded that the Financial Planning Committee dedicate another \$100,000 from surplus to the budget to reduce the tax increase.

**In Favour - 9
Opposed – 1 (Morse)
CARRIED**

The Committee discussed other changes to the 2011/12 budget. The first of these was the First Nations strategy funds of \$10,000.

Lisa Dunn advised the committee that these funds are to hire an expert to set priorities around the formation of a strategy and policy to enable the next council to move forward on First Nations issues and protocol agreements.

Linda Adams advised that a request for proposals will be done through consultation with the executive committee. The project is intended to guide Trust Council on where to focus energy and funds as we interact with 25 First Nation groups.

Resolution FIN806/11

It was moved and seconded that the Financial Planning Committee remove \$10,000 currently in the draft budget to develop first nations strategy and policy.

OPPOSED UNANIMOUSLY - DEFEATED

Trustee Torgrimson advised that she felt additional funds were needed in the 2011/12 budget for climate action strategy on Salt Spring Island to support community initiatives in green house gas reductions.

Resolution FIN807/11

It was moved and seconded that the Salt Spring Island strategic plan allocation of \$5,000 for climate change mitigation be increased from \$5,000 to \$12,000.

Resolution FIN808/11

It was moved and seconded to amend the motion as follows: That the Salt Spring Island strategic plan allocation of \$5,000 be increased from \$5,000 to \$10,000.

On the amendment

**In Favour – 2 (Morse, Luckham)
Opposed – 8
AMMENDMENT - DEFEATED**

On the main motion

**In Favour – 5 (Bell, Malcolmson,
French, Morrison, Torgrimson)
Opposed – 5
MAIN MOTION - DEFEATED**

Resolution FIN809/11

It was moved and seconded that the Financial Planning Committee forward the 2011/12 budget to Trust Council as amended.

CARRIED UNANIMOUSLY

Linda Adams advised the Committee that such a significant change in the budget should be communicated to the public as soon as possible. The Committee recommended that a news release be done to convey the message that the public feedback was taken into account and the Financial Planning Committee is recommending a new budget proposal to Trust Council.

Resolution FIN810/11

It was moved and seconded that the Financial Planning Committee request that the Executive Committee communicate the revised budget to the public prior to March Trust Council.

CARRIED UNANIMOUSLY

4.5.1.
RFD – Financial
Plan Bylaw No. 143

Chair Morse asked the Committee if they have any questions on the assumptions used to create the 5 year plan. No questions were asked by Committee members.

Craig Elder advised that the numbers on the 5 year financial plan indicate for 2011/12 will be updated to reflect the approved budget recommendation.

Resolution FIN811/11

It was moved and seconded that the Financial Planning Committee send the RFD on Financial Plan Bylaw No. 143 to Trust Council as amended.

CARRIED UNANIMOUSLY

8. 4.6 (Sub A)
Application Fees
Sub-Committee

The Local Planning Committee (LPC) has requested a joint committee of FPC and LPC members to look at application fees.

Chair Morse asked for volunteers from FPC for the committee.

FPC volunteers for the committee are Gary Steeves, Peter Luckham, Joyce Clegg and David Graham. Mac Fraser advised that he recommends 2 to 3 volunteers from each of the committees.

Resolution FIN812/11

It was moved and seconded that the Financial Planning Committee puts forward Peter Luckham, Joyce Clegg, Gary Steeves and David Graham to be appointed to a sub-committee on application fees if one is established.

CARRIED UNANIMOUSLY

9. 4.6
Financial Planning Committee
Report to Trust Council

The Committee requested that the information about the Application fees sub-committee be included on the Financial Planning Committee report to Trust Council

Resolution FIN813/11

It was moved and seconded that the Financial Planning Committee forward the FPC report as amended to Trust Council.

CARRIED UNANIMOUSLY

- 10.4.7.1
RFD – Borrowing
Anticipation Bylaw No. 141

Craig Elder advised that it has come to his attention that the references in the Bylaw are incorrect and that they will be amended before the Bylaw goes to Trust Council.

Resolution FIN813/11

It was moved and seconded that the Financial Planning Committee forward the RFD on the borrowing anticipation Bylaw No. 141 as amended to Trust Council.

CARRIED UNANIMOUSLY

11.4.8
RFD-Quarterly Financial Statements
To December 31, 2010

Craig Elder reviewed the financial statements to December 31/10.

Resolution FIN814/11

It was moved and seconded that the Financial Planning Committee forward the December 31, 2010 financial statements to Trust Council.

CARRIED UNANIMOUSLY

Next Meeting Tuesday, May 31, 2011.

Meeting adjourned 12:33 p.m.

Nancy Roggers

Alison Morse

Recorder

Chair