



## **Financial Planning Committee Minutes of Regular Meeting**

**Date of Meeting:** February 17, 2021  
**Location:** Electronic Meeting

**Members Present:** Peter Grove, Chair  
Laura Busheikin, Regional Planning Committee Representative  
Sue Ellen Fast, Executive Committee Representative  
Peter Luckham, Executive Committee Representative  
Deb Morrison, Trust Programs Committee Representative  
Laura Patrick, Executive Committee Representative  
Tahirih Rockafella, Local Trustee  
Dan Rogers, Executive Committee Representative  
Kate-Louise Stamford, Islands Trust Conservancy Board Representative

**Regrets:** Paul Brent, Vice Chair

**Staff Present:** Russ Hotsenpiller, Chief Administrative Officer  
Julia Mobbs, Director, Administrative Services  
David Marlor, Director, Local Planning Services  
Clare Frater, Director, Trust Area Services  
Nancy Roggers, Finance Officer  
Robert Barlow, Legislative Services Clerk/Recorder

### **1. CALL TO ORDER**

The meeting was called to order at 10:34 a.m. Chair Grove offered gratitude for being able to work and meet on the traditional and treaty territories of the Coast Salish First Nations.

### **2. APPROVAL OF AGENDA**

#### **2.1 New Items and Re-ordering of the Agenda**

The following addition was presented for consideration:

- Item 4.2, 2020/21 Financial Forecast Briefing, was not included in the original agenda package as a result of a technical issue and so was provided at the meeting.

#### **2.2 Approval of Agenda**

**By general consent** the Committee approved the agenda as amended.

### **3. ADOPTION OF MINUTES / COORDINATION**

#### **3.1 Minutes of Meetings**

3.1.1 Financial Planning Committee Minutes of January 20, 2021

## **ADOPTED**

By general consent the Committee approved the minutes as presented.

### **3.2 Resolutions Without Meeting**

None.

### **3.3 Follow up Action List**

Director Mobbs provided a status update to all items that are currently in progress:

- The work with the Regional Planning Committee on the Islands Trust application processing service fees structure continues;
- A note discussing accounting for grants received by the Trust has been included in the Budget Assumptions and Principles document for Trust Council;
- An analysis of the cost effectiveness of the satellite offices continues;
- A review of Trust Council policy 6.5.1, Reserves and Surplus, will be presented at a later meeting.

## **4. TRUST COUNCIL BUSINESS**

### **4.1 December 31, 2020 Financial Report - RFD**

Director Mobbs presented the RFD, indicated that the third quarter financial report indicates that Islands Trust is overall spending less than anticipated against the financial plan for 2020/21. This is primarily due to the ongoing operational impacts of the COVID-19 pandemic that have substantially reduced travel, training, and meeting costs, as well as underspending on salaries due to staff vacancies, and on projects in the year to date.

#### **FPC-2021-005**

**It was MOVED and SECONDED,**

that Financial Planning Committee request the Q3 Financial Report include an explanation as to why the LTC project budget is underspent.

**CARRIED**

### **4.2 2020/21 Financial Forecast - Briefing**

Received for information.

### **4.3 Forecasted Overspending in Specific Areas - Briefing**

Received for information.

### **4.4 Amendments to Policy 6.3.2 'Special Property Tax Requisition' - RFD for TC**

It was noted that this RFD is heading to the March Trust Council meeting and is shared with FPC for information in its role of advising Trust Council of financial matters and in acknowledgement that recommendations in the policy may influence discussion on the

## **ADOPTED**

current draft budget under review by FPC. It was also noted that staff continue to refine amendments to this policy prior to advancing it to Trust Council's upcoming meeting.

### **FPC-2021-006**

**It was MOVED and SECONDED,**

that Financial Planning Committee ask staff to procure advice on SSIWPA funding proposals and its compliance with the *Islands Trust Act*.

**CARRIED**

Discussion continued and included the following:

- The proposed language in section 2.2 may impact the budget process for all local trust committee projects, as opposed to applying specifically to projects considered for funding under special property tax requisitions.
- There may be a need to replicate the language in other Trust Council policies.

#### **4.5 2021/22 Budget D2V2: Changes Since Last Review - Briefing**

Director Mobbs presented an overview of the revisions to the draft budget since last review in January 2021.

Committee recessed at 11:44 a.m. and resumed at 12:15 p.m.

#### **4.6 2021/22 Budget Consultation Feedback - Briefing**

This briefing provided the results of the public consultation process for Trust Council's draft 2021/22 budget, which took place between January 22 and February 7, 2021. Director Frater indicated that a response from over 900 individuals was received, which is a substantial increase from previous years. She noted a few errors in the briefing that will be corrected before forwarding to the Trust Council.

Discussion included:

- The range of comments is similar to other years' comments including comments that indicate a lack of understanding about the Islands Trust's jurisdiction and how that relates to other governments responsibilities.
- One new set of comments is in regards to the impact of the Covid-19 pandemic.
- The real estate market for Trust Area properties is changing rapidly and impacting property values and affordability.
- There are various challenges as to how to interpret and understand the public feedback received.
- Director Frater will separate responses for each local trust area.

## **ADOPTED**

### **4.7 Draft 2021/22 Budget Recommendation to Trust Council**

#### 4.7.1 Draft Budget Session Outline

Director Mobbs noted that there will be approximately two hours of time at the upcoming Trust Council meeting to discuss financial matters, including the budget.

#### 4.7.2 Draft 2021/22 Budget Assumption and Principles – Briefing

Director Mobbs reviewed some highlights of the document and noted a correction that will be made to the briefing prior to it being forwarded to the Trust Council.

Discussion included:

- Freshwater Sustainability funding needs to be included in the document;
- Point 16, Local Planning Services, needs to be clarified
- Point 19, General Surplus, may need to be amended after the Committee addresses agenda item 5.2, Surplus Sensitivity Analysis.

#### **FPC-2021-007**

**It was MOVED and SECONDED,**

that Financial Planning Committee amend the second paragraph in item 16 of the 2021/22 Draft Budget Assumptions and Principles document by replacing the paragraph with the words “OCP and LTCs project budgets will be fairly distributed across the Trust Area”.

**CARRIED**

#### 4.7.3 Draft 2021/22 Budget Overview and Highlights – Briefing

Director Mobbs reviewed the briefing which includes a comparison to previous budgets and also to the current year forecast.

Discussion included:

- a desire to add more detail to staffing costs to indicate whether staff are funded from grants or taxes, and whether they are temporary/permanent or full-time/part-time;
- a desire to include the significance or impact of staff positions to help clarify the value of those positions;
- the Public Service Agency will not be setting the rate for benefits expense for base salaries until late March 2021, and therefore an approximate rate is being used;

## ADOPTED

- need to clarify if there is staff capacity available to undertake the proposed projects;
- The potential significant draw on the General Revenue Surplus fund would result in a lower than policy-recommended minimum value in the fund as set by Trust Council policy. Therefore, in order to adhere to that policy, the Committee would need to recommend a reduction of the use of those funds or an increase in taxation or a decrease in spending or some combination thereof. The current presented budget would result in a balance in the fund that would be approximately \$290,000 less than the minimum as set by the current policy.
- The Trust's historical use of surplus funds to support strategic plan projects items is not sustainable.

Trustee Rockafella left the meeting at 2:16 p.m.

The Committee recessed at 2:16 p.m. and reconvened at 2:30 p.m.

#### 4.7.4 Draft 2021/22 Budget Funding Requests

##### 4.7.4.1 Summary

The value of the Strategic Plan Projects and new staffing positions were discussed.

##### 4.7.4.2 Business Cases - Strategic Plan Projects and Staffing

###### **FPC-2021-008**

**It was MOVED and SECONDED,**

that Financial Planning Committee recommend to Trust Council that the Eelgrass Mapping Phase 1 be removed from the 2021/22 Budget.

**CARRIED**

Chair Grove had technical difficulties and lost connection. Trustee Luckham assumed the position of Chair.

###### **FPC-2021-009**

**It was MOVED and SECONDED,**

that Financial Planning Committee recommend to Trust Council that the Stewardship Education Program be reduced to \$9,000 to fund the Climate Change workshops from an Indigenous perspective.

**CARRIED**

Chair Grove returned to the meeting and resumed being the Chair.

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**ADOPTED**

**FPC-2021-010**

**It was MOVED and SECONDED,**

that Financial Planning Committee recommend to Trust Council that the “develop a set of climate change performance criteria” be removed from the 2021/22 budget.

**CARRIED**

**FPC-2021-011**

**It was MOVED and SECONDED,**

that Financial Planning Committee recommend to Trust Council that the Broadcast Meetings item be funded from operations.

**CARRIED**

**FPC-2021-012**

**It was MOVED and SECONDED,**

that Financial Planning Committee recommend to Trust Council that the Bylaw Communications position be removed from the budget.

**CARRIED**

**FPC-2021-013**

**It was MOVED and SECONDED,**

that Financial Planning Committee recommend to Trust Council that the September Trust Council meeting be held electronically and the budget be adjusted accordingly.

**CARRIED**

**FPC-2021-014**

**It was MOVED and SECONDED,**

that Financial Planning Committee recommend to Trust Council that the Governance Review be removed from the budget.

**CARRIED**

Committee recessed at 3:42 and returned at 3:50 p.m.

4.7.4.3 LTC Project Requests >\$5,000

**FPC-2021-015**

**It was MOVED and SECONDED,**

that Financial Planning Committee include \$45,000 for the Salt Spring Housing Action Initiative in fiscal year 2021/22 funded from surplus.

**CARRIED**

**ADOPTED**

4.7.4.4 ITC Budget Request

Provided for information.

4.7.5 SSIWPA Special Tax Requisition - RFD

Provided for information.

**4.7 Draft 2021/22 Budget Recommendation to Trust Council - continued**

**FPC-2021-016**

**It was MOVED and SECONDED,**

that Financial Planning Committee refer all budget documents with recommended amendments to Trust council.

**DEFEATED**

**FPC-2021-017**

**It was MOVED and SECONDED,**

that Financial Planning Committee forward a recommended amended budget to Council including the pre-amended budget and the list of recommended amendments made by FPC.

**CARRIED**

**4.8 Ministry Bylaws for Trust Council**

4.8.1 Financial Plan Bylaw No. 181 - RFD

**FPC-2021-018**

**It was MOVED and SECONDED,**

that Financial Planning Committee request staff to amend the five year financial plan to increase taxes as necessary and keep surplus at a minimum of 80 percent of the current policy minimum.

**CARRIED**

4.8.2 Revenue Anticipation Bylaw No. 182 - RFD

**FPC-2021-019**

**It was MOVED and SECONDED,**

**ADOPTED**

that Financial Planning Committee forward Financial Plan Bylaw 181 and Revenue Anticipation Bylaw 182 to Trust Council for decision.

**CARRIED**

**4.9 Financial Planning Committee Work Program**

Director Mobbs recommended the following items to be the Top Priorities for the Committee:

1. Budget 2021/22: Finalize for Trust Council and forward Financial Plan Bylaw 181 to the Ministry for approval
2. 2020/21 Financial Statement Audit
3. Review Trust Council Policy 6.5.1 Reserves and Surplus

**By general consent** the Committee adopted the recommended Top Priorities.

Trustee Patrick requested that an item for discussion for the next meeting is “work that needs to be done to reduce drawing from surplus over the next year before the next budget is done to be added to the Projects list”.

**FPC-2021-020**

**It was MOVED and SECONDED,**

that Financial Planning Committee forward the amended top priorities list to Trust Council for approval.

**CARRIED**

**5. BUSINESS**

**5.1 Property Tax Notice Insert - Briefing**

Director Frater presented the briefing, and received some feedback on a draft Islands Trust tax notice insert for 2021/22.

**5.2 Surplus Sensitivity Analysis - Briefing**

The Briefing was presented for information, and to inform discussion of potential amendments to Policy 6.5.1 Reserves and Surplus. This will be discussed at the next meeting.

**6. NEW BUSINESS**

None



**ADOPTED**

**7. TOWN HALL & DELEGATIONS**

None

**8. NEXT MEETING**

Wednesday, May 19, 2021, from 10:00 a.m. to 3:00 p.m.

**9. ADJOURNMENT**

**By general consent** the meeting adjourned at 4:53 p.m.

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Peter Grove, Chair

Certified Correct:

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Robert Barlow, Legislative Services Clerk/Recorder

**Minutes are not official until adopted at a subsequent meeting.**