February 16, 2020

Mr. Russ Hotsenpiller

Chief Administrative Officer

Islands Trust

Office 200, 1627 Fort Street

Victoria, BC V8R

Dear Sir,

The Saturna Island Ratepayers and Residents Association (SIRRA) takes an interest in the Islands Trust Budget 2020/21 Consultation.

As such SIRRA requests your response to the bulleted points below.

The Islands Trust presents financial statements by comparing the proposed budget to last year’s budget.  While such practice may be common with local governments, the practice is not helpful toward the understanding of taxpayers, and therefore is unsatisfactory.

Expenditures of the Trust have increased year on year. A draw from "surplus/reserve funds" obscures the true rate of increase in Islands Trust’s expenditures.

The Trust is planning to spend $800,000 more than the year ending March 2019 - an increase of almost 12%. In the current economic climate, the Trust has a fiscal responsibility to constrain expenditures.

* SIRRA requests that actual expenditures be presented year over year so that the financial picture is clear and open to assessment of the Trust’s operational management.

The Trust invites feedback on "Budget 2020/21" - however the reality is that 90% is already allocated to salaries and other overheads. In turn, the taxpayers, have been asked for input on the small fraction associated with an overly elaborate Strategic Plan, i.e., on an expenditure of $620,650 over 5 years - $175,650 to be spent in the current year, which represents 2.14% of the budget. This is a waste of time and effort on the part of those the Trust is supposed to serve.

The taxpayers have not been asked to comment on the other 97.86% (nearly $8 million) of the expenditure while the Trust continues to grow as an institution that is absent rigorous financial or managerial review by a higher-level authority.

The questions posed in the feedback survey were couched to avoid disagreement or criticism. There was no option to allow a response of "none of the above" with respect to the various initiatives. It is clear that no consideration has been given to reducing overall expenditure and property taxes.

* Why are taxpayers not invited to comment on the details of the entire budget of $8,180,478?

The Trust indicates that a significant expenditure is on the execution of "planning services". An opportunity exists to review the scope of these activities and staffing levels in order to reduce effort and cost to the taxpayers. CRD duplicates many of the Trust’s services.

* Is the Trust willing to consider how a reduction in scope and costs might be achieved, including with respect to the large cost of "planning services"?

We would appreciate a response to these points. We can meet with representatives of the Trust at your convenience.

Thank you,

Michel Chiasson, President

Saturna Island Ratepayers and Residents Association

cc: Honourable Selina Robinson, Minister of Municipal Affairs and Housing

MLA Adam Olsen, Leader, BC Green Party

Island Trust Council Members