

## What are the Real Costs of the Draft Policy Bylaw and Impacts on Taxpayers?

Gulf Islander Jeff Green

I am opposed to advancement of the Draft Policy Bylaw without a consideration of the financial costs, justified needs for new staff and expertise, and likely increases on tax levies to the residents of the Islands Trust area.

The Draft Policy Bylaw includes multiple new or expanded areas where the Trust wants to increase its regulatory and geographic reach (see bulleted list in Section 2.0). Expansion of the Trust's responsibilities will require hiring of substantial numbers of new staff or contractors, as well as costs for office facilities and expenses. The Draft Policy is silent on the budget implications of the proposed changes and effects on tax payers within the Trust Area.

In 2021, the total budget for the Islands Trust was \$9.1 million (flyer entitled "Islands Trust" included with the 2021 property tax notices). Of this, 74% was spent on local planning services, 14% on Trust Council Programs and Services, and 12% on the Island Trust Conservancy. Trustee costs were just over \$532,000 while Trust staff costs were just under \$4 million. The vast majority of the \$9.1 million budget was paid for by property tax levies (85%) with an additional 6% from grants, 1% from application fees, 7% from surplus funds and 1% from investment income.

From 1994/95 to 2021/22, the Trust increased its tax levy to property owners by over 300% (<https://islandstrust.bc.ca/document/islands-trust-budget-history-1994-95-to-2021-22/>). The large majority of this increase was associated with the hiring of a large number of permanent and part time staff. The Trust currently has 59 staff. Of these, 18 permanent staff have salaries ranging from \$80K to \$181K while the remainder have salaries less than \$75K.

The Trust needs to justify these large and continued increases in costs and their ongoing hiring of employees. As an example, why does the Trust need to hire a full-time Endangered Species Specialist and several new Administrative Assistants (as proposed in the 2022/23 budget)? The Trust needs to assess their efficiency and efficacy in delivering their core mandate and focus tightly on that mandate.

Unlike other regional and municipal governments, the Trust does not construct, upgrade or maintain community infrastructure (e.g., utilities, roads and trails, community buildings, parks); provide support services to Trust residents (e.g., schools, recreation facilities, health services, police); or enforce all land use bylaws (<https://islandstrust.bc.ca/island-planning/general-resources/bylaw-compliance-and-enforcement/>). Regional governments and the Province provide these.

Instead the Trust exerts its authority through land use planning (e.g., bylaws, zoning); review of development applications and issuance of permits; and tools for environmental and heritage conservation (e.g., restrictive covenants) (<https://islandstrust.bc.ca/document/briefing-marine-protection-tools/>). The Islands Trust Council also can advocate to various government bodies on issues outside their regulatory authority.

The 10% increase in the Trust budget over the past two years has come at a time when the residents of the Trust Area are dealing with the impacts of COVID on their employment and income, as well as the highest inflation rate in more than 18 years. Other factors, such as the recent increase in costs for the RCMP, which will be paid for by all residents of the Trust Area, will add to the existing tax burden. These multiple tax increases will affect all island residents and businesses and will further exacerbate housing affordability and housing diversity.

As part of advancing the Draft Bylaw, the Islands Trust needs to:

1. Estimate the likely costs of their expanded and new mandates. The Trustees need to carefully consider the full financial implications of their decisions before they approve the Draft Bylaws and bring them into force.
2. Determine how the existing budget and expenditures can be modified to reduce existing costs to accommodate new costs for proposed expanded and new mandates. The need for each of the current 59 Trust staff should be carefully reviewed and justified.
3. Identify if new revenue sources can be sourced.
4. Provide residents with a realistic estimate of projected increases in tax levies in the next 5-10 years as a result of the Draft Policy Bylaw.

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