

4.1.viii. Policy & Procedure

LOCAL TRUST COMMITTEE LOCAL EXPENSE ACCOUNT

Trust Council: June 6, 1992

Amended: September 16, 2005; June 13, 2008; March 9, 2011

A: PURPOSE:

To define procedures for the planning, accounting and administration of Local Trust Committee (LTC) Local Expense account as provided for in the annual budget. Implementation of the policy will allow for independent management of and responsibility for the funds by the Local Trust Committee.

B: REFERENCES:

1. Annual Budget Document
2. *Islands Trust Act, S. 14*

C: POLICY:

1. Planning

- a) A funding allocation for each local trust committee will be prepared at the beginning of every fiscal year, subject to the total amount approved in the Islands Trust budget;
- b) The allocation will be based on the pro-rata share of converted assessed values for each local trust area, adjusted as follows:
 1. the minimum local expense budget for an LTC is adjusted to \$3,000
 2. any adjustment required to bring the total of all LTC Local Expense budgets to the total amount approved by the Islands Trust Council shall be applied to the three highest local expense budgets in proportion to those budgets
 3. the resulting calculated amounts for each LTC shall be rounded to \$100 until the total result equals the total amount approved by the Islands Trust Council
- c) Local Expense funds may be enhanced through an internal transfer for funds from the LTC Trustee (Travel) Expense account. Similarly, funds may be transferred from Local Expenses to Trustee Expenses; and
- d) LTCs should prepare and adopt by resolution a detailed working budget that outlines the anticipated expenditures for the year.

2. Disbursement

- a) Disbursements must only be made as authorized by the *Islands Trust Act* and typically include the following:
 - i) Advisory Planning Commission expenses (meeting and secretarial costs)
 - ii) LTC meeting costs including hall rental, external facilitation costs, and secretarial costs
 - iii) Local mail-outs and/or trustee newsletters
 - iv) Open house costs
 - v) Funding to outside organizations or individuals for goods or services that support the land use planning mandate of the LTC.

- b) Disbursements must be made in accordance with the budget allocation, be processed via the Trust's financial system, and comply with all financial policies and procedures, including use of purchase orders or service contracts where required, and appropriate approvals by the Treasurer and/or designate;
- c) Disbursements should be approved by a local trustee as authorization to charge the expense against the local expense account, however any disbursement over \$200 must be approved by resolution of the local trust committee;
- d) Expenditures under \$20 should be charged as a personal expenditure and will be reimbursed accordingly through an expense voucher submission; and
- e) Expenditures cannot exceed the annual budget allocation provided to each LTC by Trust Council. However, if an LTC anticipates extraordinary costs they should approach Executive Committee for a budget adjustment.

3. Reporting

- a) LTCs, via the Regional Planning Managers, will be provided with monthly expense summaries; and
- b) Trust Council will be apprised of the status of the overall Local Expense budget on a quarterly basis.

4. Responsibilities

- a) Trust Council is responsible for approving the annual LTC Local Expense budget allocation;
- b) The Treasurer is responsible for preparing the annual budget request; for calculating the distribution to LTC's, for ensuring that periodic reports are provided to LTCs, and for ensuring that all financial controls, policies and procedures are adhered to;
- c) Regional Planning Managers are responsible for coordinating LTC budget requirements and for assisting LTCs in the planning and disbursement of Local Expense funds; and
- d) Local Trust Committees are responsible for adopting a budget for the funds allocated to them, for spending funds according to that budget, and for ensuring that all planned disbursements are reported to the Trust's finance department.