

**MINUTES OF THE AUDIT COMMITTEE**  
**Tuesday, May 28, 2024 @ 9:30 AM**  
**City Hall Council Chambers | 4850 Argyle Street, Port Alberni, BC**

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**PRESENT:** Councillor C. Solda, Chair  
Councillor D. Dame

**ABSENT:** Councillor T. Patola

**STAFF:** A. McGifford, Director of Finance  
M. Fox, Chief Administrative Officer  
T. Feltrin, Recording Secretary

**GALLERY:** 6

**A. CALL TO ORDER & APPROVAL OF THE AGENDA**

The meeting was called to order at 9:30 AM.

*MOVED AND SECONDED, THAT the agenda be amended to include an item under 'Other Competent Business' H.1 | Credit Card Payments at City Hall. The agenda was then adopted, as amended.*

**CARRIED**

**B. ADOPTION OF MINUTES**

*MOVED AND SECONDED, THAT the minutes of the Audit Committee meeting held on February 27, 2024, be adopted, as presented.*

**CARRIED**

**C. UNFINISHED BUSINESS**

The Director of Finance provided additional information requested at the February 27, 2024 Audit Committee meeting.

- Payment to BC Housing?  
*The payment was for 50% of the Development Cost Charges [DCC] on Vimy Street project.*
- Payment to Bakers Dozen?  
*The payment was for the EFAP Staff Appreciation lunches.*
- Payment to Fitness Experience?  
*The payment was for inspection/repair of fitness equipment.*
- Payment to Graphic Office Interior?  
*The payment was for office furniture at the RCMP Detachment.*
- Payment to Neighbourhood Welcome Program?  
*The payment was from Economic Development for the new resident's program.*
- Payment to Cindy Solda?  
*Payment for travel expenses from the Vancouver Island Economic Summit.*

**D. QUARTERLY ANALYSIS OF MAYOR AND COUNCIL TRAVEL + DEVELOPMENT EXPENSES**

The Director of Finance provided an overview of Mayor and Council travel and development expenses up to March 31, 2024.

*Members inquired as follows:*

- Missing Chamber of Commerce lunch sessions for Councillor Solda?

*Charges from the Chamber of Commerce for Councillor Solda have not been received.*

**E. REPORTS**

***General Fund - Revenue***

The Director of Finance provided a summary of the General Revenue Fund as follows:

- Property taxes, special assessments and grants in lieu of taxes won't be realized until the 2<sup>nd</sup> Quarter.

*Members inquired as follows:*

- Line 15210 Fines and Parking Tickets – do we not have special constables issuing tickets?

*Special constables [commissionaires] have not been hired, we have been utilizing Bylaw Enforcement.*

***General Fund - Expenditures***

*No additional information was requested by the Committee.*

***Sewer Revenue Fund Update***

The Director of Finance provided a summary of the Sewer Fund Revenue and Expenses as follows:

- No billing has taken place in the 1<sup>st</sup> quarter, no revenue to report.

***Water Revenue Fund Update***

*No additional information was requested by the Committee.*

***Capital Funds Update***

The Director of Finance provided a summary of the Capital Projects as follows:

- 2024 projects would be just underway in the first quarter of the year.
- Some challenges getting vehicles, cost increases from 2022.
- Allocation for Burde Street is \$1.2M, this will include streetscape and storm works. A report will be coming to Council regarding this project.

*Members inquired as follows:*

- Childcare Centre project – how far away are we from opening?

*Parking lot is being paved, working with the province and service provider to get to completion. 98% complete at present.*

- Status of Rollin building and grounds?

*A report coming to Council – decisions to be made on next steps.*

- Project #23021 – Intersection Safety #1a Gertrude/Roger – why was only a small amount of money used?

*Project is paused with the change in Director role and was in the beginning stages with design work taking place.*

- Project #23059 – Water Meter Replacement Project – will be putting out an RFP and does this include all the water meters?  
*Yes, it was included on the procurement list. Last year we felt that we could do the project in-house but the scope of the job is larger than anticipated. Will include approximately 300 meters.*
- Somass Redevelopment – when will all the buildings be down?  
*Two buildings will remain on site at present. One more is scheduled to come down. Of all buildings taken down to date, 95% of materials were salvaged with 5% going to the landfill. We will report on the amount that will be recycled.*

**F. VENDOR CHEQUE REGISTER REPORT**

The Director of Finance provided an overview of the vendor cheque register report from February 1 – March 31, 2023.

- North Island College  
*Director of Finance will look into this item.*
- Street, Angeline  
*Community Action Team – grant funded expense.*

**G. INVESTMENTS REPORT**

The Director of Finance provided a verbal overview of the City's investment portfolio as of March 31, 2024.

**H. OTHER COMPETENT BUSINESS**

**1. Credit Card Payments at City Hall**

The Director of Finance spoke about the intent of taking credit card payments at City Hall as it was driven by citizens requesting to use their credit cards for payments. Consumer Protection has a service charge cap of 2.4%, this wasn't communicated to staff by service provider and wasn't presented to Council when the bylaw amendment was made. It would be very costly if the City had to comply to a 2.4% service charge, and expose the City to an unknown financial risk.

*Members inquired as follows:*

- At the moment what are the methods of payment at City Hall?  
*Cheque, cash, debit and payment through online banking.*
- Is there another provider that could go lower than 2.4%?  
*We are looking in to that, and will be bringing this back to Council.*

**I. QUESTION PERIOD**

R. Smith inquired as follows:

- On the Vendor Cheque Register there is a payment to Catalyst Paper, what was this for?  
*Reassessment of property – refund of taxation.*
- Payment to Frank Planning Collaborative?  
*They are our Official Community Plan contractor.*
- Payment to Island Timberframe?  
*Childcare centre project related cost.*

- Payment to Ministry of Environment?  
*Director of Finance will look into this item.*
- Payment to Port Alberni Port Authority?  
*Lease payment.*
- Connect the Quay – in January there was a push to get a budget item approved, but when you add up the items you had the money available so why push this through in January?  
*We work to bring in the lowest number on the project. Next phases we have quotes on each section to limit the cost of the final amount. There are times when decisions have to be made on site to limit costs.*
- Does splitting the costs have it appear more favourable?  
*We make changes to cut costs – we chose to do solar lights which doesn't require a sub contractor.*
- What exactly does the Connect the Quays crossing at Roger Street look like?  
*A pedestrian activated crossing across Roger Street will be installed.*
- What does a water meter cost per unit?  
*Can't give the exact cost per meter, but could range from \$120 to \$300 depending on the location of the unit.*
- What's the life span of these meters?  
*Water meter technology is changing and there are lots of variables.*

P. Finch inquired as follows:

- Where is the tracking of FTE employees?  
*This information was presented to Council on May 13, 2024.*  
Where can I find a copy of the organizational chart?  
*We are working on getting it on the City website. When we have it available we will provide a copy.*

L. Walerius inquired as follows:

- Regarding the Procurement summary, is this going to be presented quarterly?  
*Yes, it will be presented to Council quarterly.*
- Will it be presented at a Council meeting?  
*Yes, at a Council meeting.*
- Some items are missing from the Procurement Summary, why?  
*Not aware of any items missing from the Procurement Summary.*
- McLean Mill septic system was missing.  
*It wasn't a bid for tender. Any item over \$100,000 is placed on the summary.*
- Noticed it is \$229,000 reflecting \$38,000 over budget, why didn't it go to tender?  
*Approximately \$29,000 already spent for consultant work. The contractor bid approximately \$189,000. This was not over budget.*
- Why was \$30,000 rolled in to it?  
*The under-ground storage tanks were quoted in 2021 but was required work after review occurred.*
- What happens to the money that isn't spent?  
*Goes back to account that it came from.*

- How many water meters have been purchased?  
*More than 300 purchased and some have already been installed.*

*MOVED AND SECONDED, THAT staff bring a report to Council regarding the installation of water meters.*

**CARRIED**

- Procurement Policy – Does it include sustainability?  
*Managers try to include sustainability within the procurements, where possible. Demo of first buildings we used some timber to repair bridges at McLean Mill.*
- Is there a new government procurement group?  
*Yes, new to BC, it is through CivicInfo BC and called CANOE. There is no additional cost to the City (included in the Civicinfo membership).*

R. Fraser inquired as follows:

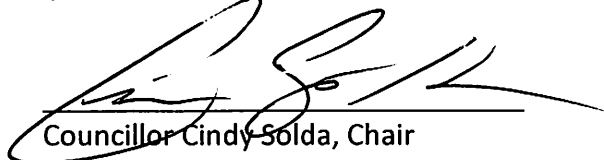
- What is the annual contribution to the ERRF fund?  
*There is an hourly portion and annual, depends on the piece of equipment, based on replacement values.*
- Was there a surplus for 2023?  
*Surplus is expected to be minimal for 2023. The Deputy Director of Finance is currently working on finalizing the value.*
- What is the status of the Victoria Quay foot bridge?  
*Our Project Manager has been working on creative ways for replacement within the budget allocated.*
- Burde Street project – why is it not combined now?  
*The project consists of Streetscape, Storm, Sewer. Moving forward presentation of all budget allocations would be helpful to show total project costs.*
- Are there funds from the developer for the development on Burde Street?  
*No, the DCC's were waived on this project.*
- Where do I find a copy of the DCC?  
*It is very out dated, we need to update our DCC's.*

**J. ADJOURNMENT**

*MOVED AND SECONDED THAT the meeting be adjourned at 11:05 am.*

**CARRIED**

CERTIFIED CORRECT



Councillor Cindy Solda, Chair