

**MINUTES OF THE AUDIT COMMITTEE**  
**Tuesday, February 25, 2025 @ 9:30 AM**  
**City Hall Council Chambers | 4850 Argyle Street, Port Alberni, BC**

---

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

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

**GALLERY:** 3

**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 approved with the addition of an updated copy of page 12 of the Capital Plan.*

**CARRIED**

**B. ADOPTION OF MINUTES**

*MOVED AND SECONDED, THAT the minutes of the Audit Committee meeting held on November 26, 2024, be adopted, as presented.*

**CARRIED**

**C. UNFINISHED BUSINESS**

The Director of Finance provided additional information requested at the November 26, 2024 Audit Committee Meeting.

- Is there a summary of the projects using Growing Communities Fund grant?  
*Going forward all projects will be listed.*
- Line 15210 – Fines and Parking Tickets; the YTD is the same amount, why?  
*\$134,000 in fines in 2024, the Financial Plan has been adjusted.*
- Line 23121 – Engineering Consulting Services; why is it up 229.62%?  
*Consulting services for Developments that were not in the capital plan (small lot subdivision) and Argyle Street engineering*
- Payment to Co-op for landscaping?  
*The payment was returning landscaping deposit to Co-op.*
- Line 15320 – Rentals; why is it up 224%?  
*Market adjustment to rentals for rent for Childcare Centre, Harbour Quay rentals etc.*

**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 December 31, 2024.

*Members inquired as follows:*

- Councillor Dame attended the Affordable Housing Conference on December 9, 2024 and has an expense of \$2,190.92, on December 11, 2024 the RCM Conference with an expense of \$161.00, what are these expenses?

*Councillor Dame responded that \$2,190.92 was for registration and hotel, \$161.00 was for the banquet dinner.*

---

**E. REPORTS**

***General Fund - Revenue***

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

- General Purposes – taxes up slightly.
- Class 5 to Class 2 utilities.
- Law Enforcement under budget; we hadn't received the rent.
- Economic Development overage due to grants received.
- Rentals are up due to charging market value.
- Recreation Services saw increases over plan for the additional games from the Bulldogs playoff run, these revenues offset some of the additional expenditure for the additional services in 2024.
- Fines and Parking Tickets are over budget due to enforcement at the Port Pub.

*Members inquired as follows:*

- Did the Museum not receive all of their grants in 2024?  
*\$65,000 is the usual grant amount.*

***General Fund - Expenditures***

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

- Chief Administrative Officer and Corporate Services are under budget due to vacancies.
- Bylaw Enforcement is over due to the Port Pub expenses.
- Administration is under but expected to balance out.
- By-Election was an unexpected expense as noted.
- RCMP collective agreement saw increases not planned for; the Collective Agreement increases, including the signing bonus.
- Fire Protection – Fire crew collective agreement higher than budgeted.
- Line 23110 – Engineering Administration higher due to allocation of positions.
- Line 23121 – Engineering Consulting Services higher due to Argyle Street improvements.
- Public Works roof expense – borrowing from water fund to cover this expense.
- Line 26132 – Consulting Services – OCP – this included all consulting services, grant funding of \$200,000 will be coming.
- Line 26235 – Economic Development – grant funding coming, revenue matching.
- Multiplex had some additional expenses.
- Line 27510 – Museum Services – under due to position vacancy.
- Line 27515 – Museum Programs – Curatorial – over budget.
- Interest & Debt Servicing – still looking at completing this, finalizing still needs to be done.

***Sewer Revenue Fund Update***

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

- Increasing rates annual still haven't achieved full revenue, close but not where we would like it to be.
- Line 108220 – Transfer to Sewer Capital Fund – slightly under budget.

---

***Water Revenue Fund Update***

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

- Water is starting to get a healthy reserve fund.

***Capital Funds Update***

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

- Many items have been completed. The Somass development will remain on until the sale of the land.
- ERRF fund expended, supply chain is getting back to normal.
- Burde Street work just starting.
- Connect the Quays – there is \$551,687 remaining.
- Train Station receiving additional funding from leased properties revenue fund.

*Members inquired as follows:*

- Does the City still put old vehicles up for auction? What happens to old vehicles?  
*The manager will look at the best options, that might be selling the vehicle or trading it in.*
- Do we have a Fleet Manager that looks after the fleet?  
*Yes.*

**F. VENDOR CHEQUE REGISTER REPORT**

The Director of Finance provided an overview of the vendor cheque register report from October 1, 2024 to December 31, 2024.

- Payment to Bakers Dozen.  
*EFAP annual lunch.*
- Payment to Dog Mountain Brewery.  
*Employee coffee fund [paid by staff] and Bulldogs games concession.*
- Payment to Dry Creek Townhouse.  
*Director of Finance will look into this item.*
- Payment to Todd Patola.  
*Travel reimbursement – UBCM.*

**G. INVESTMENTS REPORT**

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

**H. OTHER COMPETENT BUSINESS**

**I. QUESTION PERIOD**

R. Smith inquired as follows:

- San Group has two significant properties in town where does uncollected taxes get allocated?  
*The plan would be to receive the property taxes at some point once the issue is resolved.*
- Fire Crew – a payment for retroactive, does that include exempt staff?  
*No.*
- What about overtime, is that also captured in that number?  
*Yes.*

- Line 23130 – Supervision Operations – budgeted \$390,448, YTD \$568,761 why is there such a difference.  
*Supervisor doing capital projects, we will need to make adjustments.*
- On the cheque register there is a payment to Joanne Hidber & Joseph Hidber what is this for?  
*Director of Finance to follow up.*
- L42 Solutions – what is this payment for?  
*Network switch replacement.*
- Is there anyway to fix the echoing of the mikes during the meeting?  
*Yes, the problem was another Councillor had their laptop on the livestreaming of the meeting.*
- Payments to Pulver Crawford Munroe LLP, is this for legal advice?  
*Yes.*

L. Walerius inquired as follows:

- Water Fund Revenue and Expenses don't balance, need to have it amended or clarified.  
*Director of Finance to review.*
- Questions related to the February 3, 2025 Committee of the Whole meeting – aquatic centre reserve fund only increase is from interest, why is this?  
*CAO: Council is working with ACRD on the construction of a new pool.*
- Reserves - Park Land Acquisitions the beginning balances are the same from 2024 onward, why?  
*CAO: It is up to Council to increase reserves.*
- Reserves – Land Sale the beginning balances are the same from 2024 onward, why?  
*As properties are sold these amounts will be updated. These are the balances at the beginning of the year.*
- Question from the February 24, 2025 Regular Meeting of Council – Reserves | Land sales – if the land is purchased would this be drawn down?  
*Yes, these funds are drawn down as work is completed for the redevelopment*
- Asset Reserve – is this new?  
*Yes, we will have a policy coming. This is a fund to put monies back into our leased assets.*
- Is the Asset Reserve for all of the City's leased facilities?  
*Yes.*
- Do you have a list of these leased facilities?  
*No, not a specific list but these include Alberni Harbour Quay, among others.*
- \$50,000 is being allocated to the Train Station ventilation system from the asset renewal, is the lessee making payments?  
*The person leasing the property is doing so at fair market value over 10 years. The lessee is making improvements on behalf of the City.*
- Is the ventilation in Phase 2?  
*CAO: We don't look at the lease in phases.*
- Ventilation system was done in 2024?  
*CAO: In 2024 air and cooling system was done, the ventilation system will happen in 2025.*

---

**J. ADJOURNMENT**

*MOVED AND SECONDED THAT the meeting be adjourned at 10:49 am.*

**CARRIED**

CERTIFIED CORRECT



Councillor Cindy Solda, Chair