

MINUTES OF THE AUDIT COMMITTEE
Tuesday, June 24, 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
S. Smith, Director of Development Services/Deputy CAO
K. Motiuk, Deputy Director of Corporate Services
A. O'Connor, 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.

CARRIED

B. ADOPTION OF MINUTES

MOVED AND SECONDED, THAT the minutes of the Audit Committee meeting held on February 25, 2025, be adopted, as presented.

CARRIED

C. UNFINISHED BUSINESS

The Director of Finance provided additional information requested at the February 25, 2025 Audit Committee Meeting.

- Vendor Cheque Register – Payment to Dry Creek Townhouse.
90% utility upgrade project.
- Question Period – Payment to Joanne and Joseph Hidber.
Refund of tax sale bid after Redemption of property.

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, 2025.

E. REPORTS

General Fund - Revenue

The Director of Finance presented the report. The Committee did not have any comments or questions.

General Fund - Expenditures

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

- Line 21285 – Employee Wellness (EFAP) – 1-time expenditure for insurance change; see Line 21930 – Insurance.
- Line 22441 – Fire Prevention – increase due to employee retirement; end of employment expenses.
- Line 23121 – Engineering Consulting Services – increase in expenditures due to an amendment to the Parks, Recreation and Culture Master Plan.

- Line 27531 – Industrial Heritage Centre/Curling Rink Building – adjustments to be made; need to be spread out among facilities.

Sewer Revenue Fund Update

The Director of Finance provided the Sewer Revenue Fund Update. The Committee did not have any comments or questions.

Water Revenue Fund Update

The Director of Finance presented the Water Revenue Fund update. The Committee did not have any comments or questions.

Capital Funds Update

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

- It is too early in the year to provide comment.

F. VENDOR CHEQUE REGISTER REPORT

The Director of Finance presented the Vendor Cheque Register report from October 1, 2024 to December 31, 2024. The Committee did not have any comments or questions.

G. INVESTMENTS REPORT

The Director of Finance provided a verbal overview of the City's investment portfolio as of March 31, 2025. The first quarter of the year is a time when the cash flow is low. As the tax collection process begins this cash improves in June. Interest rates are declining and return on the investment are anticipated to return to historic levels.

Members inquired as follows:

- Is it tight because of the tariff fees?
Time of year; rely on reserves we have. Other municipalities are different. It is not unusual because taxes are at July 1.

H. OTHER COMPETENT BUSINESS

The Director of Finance provided a verbal overview of the Audit Committee Terms of Reference.

Members inquired as follows:

- Discussed the possibility of not having Audit Committee meetings and having items discussed by all of Council at either a Regular Council meeting or a Committee of the Whole meeting.
- Concerns stated were public input and transparency.
- Comments were made regarding the format and the timing of the quarterly reports.

MOVED AND SECONDED, THAT the Audit Committee recommends Council direct Administration conduct a review of the Audit Committee Terms of Reference.

CARRIED

MOVED AND SECONDED, THAT the Audit Committee receive the report from the Director of Finance titled "Audit Committee / Terms of Reference review" dated May 20, 2025.

CARRIED

I. QUESTION PERIOD

R. Fraser inquired as follows:

- Is the total amount spent on all the Master Plans \$1.8M?
Director of Finance - All items are for the Master Plans; shifting of funds; approximation of funds.
- Burde Street renewal – Road paving is 1.2M and storm is 1.2M = 2.5M??
*Director of Finance - Consolidated numbers; amendment at meeting yesterday?
Yes, a resolution was made at the Regular meeting yesterday.*
- CSO 9th to North Park Drive – what is it?
Director of Finance - Also in resolution; discussed at yesterday's Regular meeting and at a Committee of the Whole.

R. Smith inquired as follows:

- Which City project were Bunt & Associates Engineering hired for?
Director of Finance to follow up.
- Also, Tetra Tech?
Director of Finance to follow up.
- Argyle Street Development expenditures seems scattered.
Director of Finance - It is broken down. Moving forward the total project cost will be displayed in single line, funding displayed separately based on the policy.
- How much was budgeted and how much has been spent?
Director of Finance - Amendments to those projects; anything spent will come forward under one project in future.
- There is a notation dependent on grant funding. Did we get grant funding?
Director of Finance - Council approved the application, but it hasn't been submitted.
- The project is going ahead already. Can the grant be applied for after?
Director of Finance - Grant awards and eligible projects start date would be set out by grant funder, in order to have a successful application a detailed project scope and cost could be beneficial before applying, this is the approach with the project.
- A big portion of the overhead utilities are moving underground and I don't understand why. Has BC Hydro been approached for an estimate for moving the overhead utilities underground?
Question for Planning and Infrastructure Services.
- If you change the procedure for the Audit Committee meeting and have the meeting during the Committee of the Whole, will you be able to have discussions, since the Committee of the Whole meetings are already loaded?
Agreed. Concerns regarding the timing of meetings and how can we have better access to the public asking questions.
- That is part of it. The meetings are already 3 to 5 hours in length. What is better, 1 long meeting or smaller ones?
All valid points; different perspective: change format, how would it affect current practice and purpose of Committee. Such items as the decision making and oversight, needs to be revised, to be done better and timely. The Committee of the Whole meetings are long but better for input of the entire Council. Is it ideal for transparency because typically there are only three people in the audience.

Deputy CAO: appropriate to ask Council whether we should have all of Council at the meeting.

Time and staff.

*Can we do this better? How can we do the best job? Don't want to inconvenience the public.
How do we assist Council?*

R. Fraser made a clarification to his early question regarding BC Hydro.

- Take the design and give it to BC Hydro and to the Contractor to see how the process works.
*Subject has been explored as part of consideration and the City is aware.
Is Burde Street buried? Deputy CAO - No.*

L. Walerius inquired as follows:

- Line 15190 Vacant Building Registration Permit Fees – Have any revenues been collected?
*Director of Finance - One instance a few years ago.
Deputy CAO: It is a Bylaw that staff are looking at. We haven't used very much in the past.*
- What is the City doing to collect fees?
Deputy CAO: It is not a vacant building tax; it is a Bylaw, which are two different things. The goal is to get the building in compliance.
- Line 19114 Operating Funds from Prior Years – What are these funds?
Director of Finance - Transfer from surplus.
- When is it applied?
Director of Finance - When required.
- Line 21215 Legal Services – 75% is already expensed. What are these for to date?
*We would not comment on type of legal services.
Director of Finance - They are in-camera discussions.*
- What is the current status of the water meters? How many have been installed?
*Director of Finance - This is a question for Infrastructure Services.
It is an ongoing project.*
- What are the costs to date for the Port Pub demolition?
Director of Finance to follow up.

Councillor Dame left the meeting at 10:38 a.m.

- Commented on how the Audit meetings started very casual, but are more formal now. Spoke about changes to meeting. Concerned about the ability to ask questions or restrictions on questions if the meeting were sent to the Committee of the Whole meetings. Also concerned about public transparency.

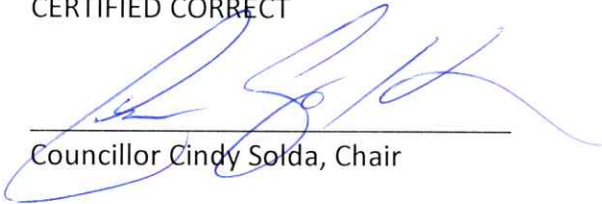
Councillor Dame returned to the meeting at 10:40 am.

J. ADJOURNMENT

MOVED AND SECONDED THAT the meeting be adjourned at 10:40 am.

CARRIED

CERTIFIED CORRECT



Councillor Cindy Solda, Chair