

LATE ITEM
August 13, 2018
Regular Agenda
Item E 1.1

To all concerned,

Although I have requested on several occasions to be allowed to move forward with restoring the Arrowview, including my architect providing a clear plan to meet the city's requirement, city council has refused to give me a chance to proceed with certainty that any further money I spend to meet the city's requirements will not be lost if council again rejects my request. Yes, I have been told by city staff that I can spend money and hope council allows me to move forward, but no guarantee has been provided thus far and is the reason I am writing again today. I hope it is understood that spending a bunch of money only to be told "no" and lose everything is not a fair option for anyone.

And further, even though it has been said that I never did anything with the building, please be clear that I had started non-permit work the same month I purchased the building only to be told by the city that I could not proceed until I met the city's requirements and so non-permit work like the roof - that is part of the city's safety issue - has not been touched even though it did not require a permit. So again I feel this was not fair and has prevented me from taking the steps that would have resolved this issue a long time ago.

The building had been cleared "safe for work" by a structural engineer and was being worked on, but when I purchased the building it suddenly became dangerous to work on yet no engineer documentation that the building is not safe to work in has ever been provided - while a structural engineer has said the building is safe to work in...

And now with the city stating that they will demolish my building and hand me the large bill - this is only going to waste a lot of money and cause me to lose my property to the city when all I have been asking for is a chance to try. And if the city won't let me try and simply threatens to demolish my property then the city is only pushing me into a corner with no choice but to take legal steps to save my property and investment. Of course, this is the last thing I want to do and is a further waste of money and time for all - but what choice do I have otherwise? Yes, the city may have big pockets and can afford lawyers or demolition, but I am not the city and these types of expenses are not an option I want to take or can afford and only force me in a corner.

So today I am simply asking that the city give me a guaranteed window to move forward with this effort without the risk of losing money because council is standing firm against me with no options available.

I am not sure why council is so hard about giving me a chance, but I am hopeful you will. As noted before, a structural engineer has cleared the building as structurally safe so the justification for demolishing seems to not consider all the other options to ensure what the city is concerned with. In fact, if I had been allowed to simply proceed in the beginning we would be a long way from where we are, instead of me still begging months later with no recourse.

I hope the city will consider what I am asking and provide a window for me to move forward within a legal framework. The architect has provided a clear timeframe to get this done and if the city will give me that window then this opportunity will not be lost for myself and the community of Port Alberni. And I do believe the success of this effort will bring more than financial gain; it can potentially be a showcase for what can be done... The city should be working to build on its past not destroy it. There are far too many empty lots in the city. It is time to rebuild, not demolish opportunity. I hope you all feel the same way. Nothing to lose, everything to gain, as they say...

Sincerely,

Raymond Letourneau



LATE ITEM - REG MTG
AUG 13/18
CITY OF PORT ALBERNI
F12.1

CLERKS DEPARTMENT
REPORT TO COUNCIL

TO: Tim Pley, CAO
FROM: Davina Hartwell, City Clerk
COPIES TO: Mayor & Council
DATE: August 13, 2018

SUBJECT: Temporary Change to Liquor Licence

Issue:

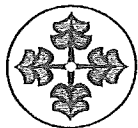
Council's comments required in regards to the Kingsway Hotel's intention to apply for a temporary change to their liquor licence to extend their hours over the Salmon Festival Weekend.

Recommendation:

That the report from the City Clerk dated August 13, 2018 be received and Council for the City of Port Alberni provide 'no objection' to the application by the Kingsway Hotel to the Liquor Control & Licensing Branch for a temporary extension of their liquor service hours to 2:00 a.m. on Salmon Festival weekend, August 31st through September 2nd, 2018

Respectfully submitted,

Davina Hartwell
City Clerk



LATE ITEM - REG MTG
AUG 13/18
CITY OF PORT ALBERNI
H-4.1

CAO
REPORT TO COUNCIL

TO: Mayor & Council

FROM: Tim Pley, CAO

COPIES TO: Cathy Rothwell, Director of Finance
Davina Hartwell, City Clerk

DATE: August 13, 2018

SUBJECT: Response to Questions – 2017 Financial Statements

Issue:

The City's failure to meet the legislative requirements of the Community Charter in regards to the 2017 Audited Financial Statements.

Background:

Since Council's agenda package was published on August 9, 2018, some members of Council have asked some questions related to the 2017 Audited Financial Statements and the City's failure to comply with the legislative requirements of the Community Charter.

The questions that have been asked are noted below with responses provided.

1. **At what point did the Financial Officer know that the May 15th deadline was not going to be met?**

When the Deputy Director of Finance announced retirement plans in early January steps were taken to provide coverage using existing staff. At that point in time the Director was aware that missing the statutory deadline was a risk but not an expectation.

During early 2018 the City experienced a second retirement in the Finance Department, followed by a full time employee stepping back from a full time position to part time. Those impacts were absorbed internally.

In early April when the City's Accountant (senior Finance Department CUPE staff position) became vacant due to sick leave the Director realized that the statutory deadline would be missed.

2. **Why was Council not informed until now that a statutory obligation was not met?**

At the April 23rd in camera meeting of Council the CAO updated Council on "Current Personnel Limitations" which were affecting workload and timelines.

3. **Was the Audit Committee made aware of the delay? If not, why not?**

The Audit Committee was not informed. The opportunity to provide the information would have been at the May 28th Audit Committee meeting.

4. Who was the letter of June 20th addressed to, and who was it delivered to?

The June 20th letter referred to in the July 23rd letter to Mayor & Council dated was addressed and delivered via email to the Director of Finance. A copy of the letter is attached.

5. What response did City staff make to the June 20th notice of being in violation? If the City responded in writing, please provide a copy of that correspondence.

The Director of Finance is in regular contact with ministry staff. In response to the June 20th letter from the Province, the Director of Finance communicated with Ministry staff verbally regarding the status of the audited financial statements for 2017. The other two items referenced, namely the Tax Rates Bylaw and the 2018-2022 Five Year Financial Plan were adopted by Council and submitted to the Province by the legislated deadlines.

6. When did it become obvious to staff that the City would not comply with the deadline, and what steps were taken to expedite completion of the task?

See the response to Question #1 for response to the first part of this question.

As far as mitigation steps, when the Deputy Director of Finance submitted notification of retirement the City began our standard hiring process which includes consulting with Council. The City's Accountant was appointed to act in the capacity of Deputy Director in the interim, and Accountant duties were shared among several Finance Department personnel. When the Acting Deputy Director of Finance (Accountant) fell ill, and the new Deputy Director of Finance was not available to immediately start employment with the City, the Finance Department suspended work on all but the most critical tasks, focusing on priorities.

The Director of Finance has completed much of the preparation for the audit on her own while also performing critical tasks from the Deputy Director position and the Accountant position.

The Auditors are scheduled to commence the Audit week of August 20th and the Province has been duly notified of expected timelines for completion.

Recommendation:

That the report from the CAO dated August 13, providing information regarding the 2017 Financial Statements, be received.

Respectfully submitted,

Tim Pley, CAO



June, 2018

Cathy Rothwell
Director, Finance
4850 Argyle Street, Port Alberni, BC V9Y 1V8

Email: Cathy_rothwell@portalberni.ca

Dear Cathy Rothwell:

I am writing to advise you that the City of Port Alberni has failed to comply with Section 167 of the *Community Charter* which requires all financial information to be submitted to the Inspector of Municipalities (Inspector) by May 15th each year.

As of the date of this letter, the Ministry of Municipal Affairs and Housing (Ministry) had not received the following item(s):

2017 Audited Financial Statements
2018 Tax Rates Bylaw
2018-2022 Financial Plan Bylaw

Without the above information the Ministry is unable to assess your local government's financial position and therefore cannot effectively review any bylaws submitted for the Inspector's approval.

Receiving timely and accurate financial information from local governments across British Columbia is critical to the Province fulfilling its role as steward of the municipal financial system and ensuring the local government system remains strong and financially viable.

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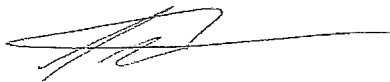
Local government annual financial information is also required by the bond-rating agencies that establish the borrowing rates available to the Municipal Finance Authority (MFA).

British Columbia local governments enjoy some of the lowest interest rates in Canada as a result of the AAA credit rating the MFA and local governments have worked so hard to achieve.

In previous years, the bond-rating agencies have expressed concerns to the MFA regarding the delay in receiving complete and accurate local government financial information. Such delays may have a negative impact on the current MFA AAA credit rating and affect interest rates for every local government in British Columbia.

Please ensure the above items are completed and submitted to the Ministry no later than July 13, 2018. After that date a letter will be sent to Mayor and Council to advise them of your jurisdiction's failure to comply with this statutory requirement.

Regards,

A handwritten signature in black ink, appearing to read 'Sean Grant', with a long horizontal flourish extending to the right.

Sean Grant
Director
Local Government Finance