

**MINUTES OF THE AUDIT COMMITTEE**  
**Tuesday, June 6, 2023 @ 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  
Councillor T. Patola

**STAFF:** McGifford, Director of Finance  
D. Monteith, Director of Corporate Services  
T. Feltrin, Recording Secretary

**GALLERY:** 2

**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 as printed and circulated.*  
**CARRIED**

**B. ADOPTION OF MINUTES**

*MOVED AND SECONDED, THAT the minutes of the Audit Committee meeting held on February 28, 2023, be adopted.*  
**CARRIED**

**C. UNFINISHED BUSINESS**

The Director of Finance provided additional information requested at the February 28, 2023 Audit Committee meeting.

- In the past prisoners have been given frozen food, has this changed?  
*No, prisoners are receiving frozen food unless there are dietary concerns.*
- Payments to Barkley Sound Community Choir?  
*The payments were for ticket sales.*
- Payments to Fraser Valley Refrigeration?  
*Project at the Multiplex.*

**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, 2023.

*Members inquired as follows:*

- Travel and Development – is it all one?  
*Yes, it is all one account.*
- Do development expenses take away from travel expense? Or does each Councillor have a share?  
*It is one account shared by all.*
- The AVICC expenses are not on the spreadsheet.  
*Those expenses will be on the next Travel & Development Expenses spreadsheet as they occurred in April.*

- Regarding the Federation of Municipalities Convention [FCM], will the ACRD be paying for a portion of the Mayors expenses? A board member has advised that this hasn't been brought up at their board meetings and they need to pass a motion to approve.  
*We will be submitting a portion of the Mayors expenses.*

**E. REPORTS**

***General Fund - Revenue***

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

- Public Works Service Charge are reconciled at year end.
- Line 14434 Residential Solid Waste Collection was billed in April, we won't see revenue until the second quarter.
- Other revenues all seem to be in line.

***General Fund - Expenditures***

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

- Line 21285 Membership fee for EFAP program expenses are incurred at the start of year
- Line 21290 Administration Services Recovered – insurance payment – need to leave a little bit of room for additions.
- Line 22421 Fire Crew – slightly higher due to retro pay.
- Line 22431 Communication System – utilizing the system more.
- Line 23134 Small Tools/Equipment/Supplies – some money spent at the beginning of the year on tools.
- Line 23881 Training Program is over budget, will be reviewing with Managers.
- Line 26237 Community Investment Program is under budget.
- Line 26238 Community Engagement – incorrect coding, this will be reviewed and brought back to the next meeting.
- Line 27140 AV Multiplex Concessions will be high with offsetting revenue
- Line 27515 Museum Programs – Curatorial – this amount is due to exhibits.
- Line 27180 Adult Programs – Parks and Recreation is offering more programs for adults.

*Members inquired as follows:*

- Public Works Administration – wouldn't these be fairly stable budget items?  
*Yes, typically they are, but when there are shop supplies that aren't allocated to a project they are placed in shop overhead.*
- Training Program – will this affect training throughout the year?  
*We will follow up with more information at the next meeting.*
- Is there a particular department that utilizes training more than others?  
*The Public Works department utilizes training on equipment.*
- Does the City pay for professional training for staff? Including University training?  
*In some cases. This is managed through Human Resources.*

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***Sewer Revenue Fund Update***

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

- Billing for sewer is done in April, we will see a change in the second quarter.

***Water Revenue Fund Update***

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

- Line 64121 Engineering Consulting Services – this line item is incorrect, we will review and follow up before the next meeting.

*Members inquired as follows:*

- Line 64141 Supply Inspection & Operation – what is this?  
*Bulk water supplies.*
- Line 64133 Customer Service Requests – how do we determine the budget for this?  
*We look at past years. We might see more activity as we go throughout the year.*

*If we are way under budget is that strange?*

*We can follow up and see what we spent last year.*

***Capital All Funds Update***

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

- The budget has been approved and we are trying to source out equipment purchases.
- Redford Street and 10<sup>th</sup> Avenue intersection is and work should be completed in 2023
- Burde/Anderson Avenue Development awaiting development to complete.

*Members inquired as follows:*

- Regarding replacement of vehicles – we may not get the amount budgeted for.  
*We try to do our best to be within budget.*
- City Hall window replacement, is this completed?  
*Yes, this project is complete and under budget.*
- On some of the projects happening now, where are we at? Is there a way to provide information on where the project is now?  
*Yes, it is possible, we would need to speak to the Engineering Department.*

***F. VENDOR CHEQUE REGISTER REPORT***

The Director of Finance provided an overview of the vendor cheque register report from February 1, 2023 – April 30, 2023.

- Payment to Alberni Valley Curling Club  
*Ice Plant Grant*
- Payment to American Process Group  
*The Director of Finance will look into this item*

***G. INVESTMENTS REPORT***

No report at this time.

**H. OTHER COMPETENT BUSINESS**

1. The Committee responded to questions raised in the February 26, 2023 correspondence provided by L. Walerius.

- Is the City required to pay the "Vacant Building Registration Permit" fees?  
*The City makes every effort to lease our buildings so that they are not vacant.*
- Is it possible for the Finance department to consult with the City Managers/Directors to provide a progress report (Percent Complete) for each project thereby providing valuable information to Audit Committee and the public?  
*It is possible.*

How many communities do this type of reporting?  
*It varies across the province.*

I don't think we are looking for a detailed analysis, maybe a brief summary.

*The information is only as useful as its accuracy. A Project Manager would know benchmarks along the way. This could be presented in a report if requested by Committee.*

*We could try to send this out to various managers. Could try to have this for the next meeting.*

*MOVED AND SECONDED, THAT staff provide project status completion on the date of report when reasonable.*

**CARRIED**

- As the cost of this project [6<sup>th</sup> Ave – Argyle St./Angus Street] has increased, could you please answer Mr. Smith's question from the November Audit Committee meeting – were monies redirected?  
*Costing of the project that went over came from reserves.*
- Please advise where the City's "Purchasing Card Policy" is located on the City Website.  
*It will be contained in the Policy Manual.*
- Who are credit cards issued to and what is the maximum amount that can be credited per purchase?  
*The Chief Administrative Officer - \$5,000, Mayor - \$5,000 and Director of Finance - \$15,000.*

Is there a listing of the Mayor's credit card expenses?  
*It is recorded on the Travel & Development spreadsheet.*

**I. QUESTION PERIOD**

- L. Walerius thanked the Committee for answering her questions and inquired as follows:

- Have the Terms of Reference been discussed at the Audit meetings?

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*There was a brief training session when the Terms of Reference were discussed.*

- Suggested the Committee members choose three Capital Expenditures and watch it to completion.
- Has the Asset Management position been filled?  
*Not yet, we are looking to fill it.*
- Line 15110 Business Licence Fees – why isn't there any revenue when the invoices go out in December?  
*Not completed yet as it is accrued.*
- Procurement Policy – what is the process for changing the suppliers?  
*Will need to look into this and get back to you.*

R. Smith inquired as follows:


- Connect the Quays RFP closed in April, we haven't had any updates, can you provide more information?  
*The CAO reported at a recent Committee of the Whole meeting that a contractor had been chosen and negotiations were taking place.*

**J. ADJOURNMENT**

**MOVED AND SECONDED THAT the meeting be adjourned at 10:43 am.**

**CARRIED**

CERTIFIED CORRECT

  
Councillor Cindy Solda, Chair