

MINUTES OF THE AUDIT COMMITTEE
Tuesday, May 24, 2022 @ 9:30 AM
in the City Hall Committee Room

PRESENT: Councillor D. Washington, Chair
Councillor C. Solda
Councillor R. Paulson

STAFF: T. Pley, Chief Administrative Officer
T. Slonski, Director of Corporate Services
A. McGifford, Director of Finance
T. Feltrin, Receptionist

GALLERY: 1

A. CALL TO ORDER & APPROVAL OF THE AGENDA

The meeting was called to order at 9:32 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, 2022, be adopted.
CARRIED

The Director of Corporate Services provided clarification in regard to the format of the Audit Committee meetings noting that:

- meetings will be held in Council Chambers
- should members of the public have financial/audit related questions prior to the next scheduled meeting, they are encouraged to submit questions directly to the Director of Finance. Members of the public in attendance and who may have questions of the committee will continue to be given the opportunity to ask questions of the members during Question Period [as outlined on the agenda]
- staff will place upcoming audit committee meeting notices/agendas in a more prominent location on the City's website
- until the Committee meets again, minutes are prepared in draft form. It is the Committee's prerogative as to whether prepared minutes are amended when received at the next meeting.

MOVED AND SECONDED, THAT members of the Audit Committee request that staff place a copy of the letter submitted by L. Walerius dated February 28, 2022 on the next regular meeting agenda of Council under correspondence for information.

CARRIED | Res. No. 22-02

C. UNFINISHED BUSINESS

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, 2022. Staff noted that it is expected that travel expenses will increase now that COVID restrictions are relaxed.

E. REPORTS

General Fund - Revenue

No additional information was requested by the Committee.

General Fund - Expenditures

Members inquired as follows:

- Line 22140 Parking Enforcement – will we go back to parking enforcement?
Yes, the City will be looking at reinstating enforcement measures.
- We are in the 1st quarter and note there are increases in some budget amounts, are Manager's monitoring these numbers?
Yes, Manager's receive weekly reports and monitor their departmental budgets on a regular basis including the Director of Finance who monitors all departmental budgets.
- Vehicle Maintenance & Replacement – we are at 104% for the 1st Quarter?
Yes, the coding for the expenses will be reviewed ensuring that the correct code is used.
- Youth programming is expensive if looking to register a number of children, do we have a tiered program for larger families?
Service provision is the responsibility of Council, as such, the Director of Parks, Recreation and Heritage will provide a response to Council at a future meeting.

Sewer Revenue Fund Update

Members inquired as follows:

- Has Tritech Group Ltd., completed their work [lagoon]?
Some work remains outstanding.
- Sewer administration fees expenditures are almost at 40% of budget?
At the start of the year provincial permits and lease payments are due, over the year the expenditures are anticipated to be within budget.

Water Revenue Fund Update

Members inquired as follows:

- What is the status of the Water Meter Replacement Program?
Council will be receiving a report from the City's Director of Engineering and Public Works speaking to this program in the near future.

Capital All Funds Update

Members inquired as follows:

- Account 485627 | Fire Hall – Replace garage door openers [7]?
These are industrial garage door openers.
- McLean Mill capital expenses?
Include capital funding for previous years (2020 & 2021) and 2022 grants received from the Alberni-Clayoquot Regional District and federal government.
- Is McLean Mill still classified as Heritage site?
Yes.
- Is the City responsible for maintenance?
Yes, on the Heritage Site. The Manager of Facilities has a list of capital projects improvements.
- Can we use the \$60,000 for maintenance?
May be used for capital maintenance however, not for operating maintenance.

F. VENDOR CHEQUE REGISTER REPORT

The Director of Finance provided an overview of the vendor cheque register report from February 1, 2022 – April 30, 2022.

- Payments to NCS Fluid Systems consisting of three identical amounts?
The Director of Finance will look into this item.
- Payments to 0946982 BC Ltd?
Staff clarified this company is Ace Flagging and payments reflect associated work.
- Payments to the Alberni Valley Chamber of Commerce?
Payments are for contracted services.
- Payment to Copcan Contracting?
City's contractor engaged to carry out renovations on the Public Safety Building.
- Payment to Ministry of Environment?
Operating Permit.
- Who is MNP LLP?
City's Auditors.
- Payment to Perfectmind?
Perfectmind is the City's Recreation Programming Software.
- Payment to WSP Canada Ltd?
An engineering consulting firm.

G. INVESTMENTS REPORT

The Director of Finance provided a verbal overview of the City's investment portfolio as of March 31, 2022. The Finance Director also noted that the City will be issuing a Request for Proposals as it relates to providing the City with investment services.

Members inquired about the 'sell' line items noted in the portfolio. Staff noted that this typically reflects when investments mature. When this occurs, they are either re-invested or the City may need to replenish its general bank account.

H. OTHER COMPETENT BUSINESS

I. QUESTION PERIOD

Roland Smith inquired as follows:

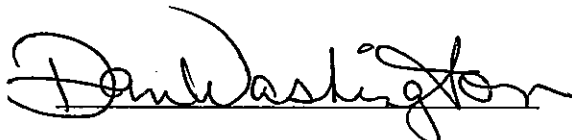
- Is the Mill Rate [Municipal Tax rate] comprised of three categories – General, Debt, and Vancouver Island Regional Library?
Yes.
- Please clarify Off Street Parking?
The City established a bylaw [in the '70s] which captures, for the most part, properties identified in the City's downtown area. Fees established by this bylaw are collected via the City's annual property tax notice for the purpose of ongoing maintenance.
- McLean Mill expenses noted there are 2-line items in the City's five-year financial plan, 150K and 74,274 for City operations, is this capital included in the list of items mentioned by the members today? Would it be correct to add the two figures to the 4 items identified on page 18 of today's agenda?
The Director of Finance noted that there is an operating component in the Capital Plan and yes, it would be correct to add the figures for the current year planned expenditures [\$150,000, \$74,274 for operational expenditures and \$30,000 new capital planned for 2022].
- Connect the Quays project seems to have a shortfall of \$88,000, will there be other provincial/federal funding coming in or will the City be making an adjustment?
For clarity, Carbon Reserve Fund has \$88,000 allocated to the project, not Gas Tax as stated at meeting.
- At the last Traffic Advisory Committee, it appears a commitment to re-pave Ship Creek Road is being planned for next year but I don't see this listed in the budget.
Staff will follow-up with the Director of Engineering and Public Works.

J. ADJOURNMENT

MOVED AND SECONDED THAT the meeting be adjourned at 10:18 am.

CARRIED

CERTIFIED CORRECT



Councillor Dan Washington, Chair