

**MINUTES OF THE AUDIT COMMITTEE**  
**Monday, November 28, 2022 @ 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 (arrived at 9:33 am)

**STAFF:** T. Pley, Chief Administrative Officer  
T. Slonski, Director of Corporate Services  
R. Macauley, Deputy Director of Finance  
A. O'Connor, Receptionist

**GALLERY:** 2

**A. CALL TO ORDER**

The meeting was called to order at 9:30 AM.

**B. APPOINTMENT OF CHAIR**

*MOVED AND SECONDED, THAT Members of the Committee appoint Councillor Solda as Chair of the Audit Committee for the 2023 calendar year.*

**CARRIED**

**C. APPROVAL OF THE AGENDA**

*MOVED AND SECONDED, THAT the agenda be approved as printed and circulated.*

**CARRIED**

**D. ADOPTION OF MINUTES**

*MOVED AND SECONDED, THAT the minutes of the Audit Committee meeting held on September 22, 2022 be adopted.*

**CARRIED**

*Members received a copy of the Terms of Reference. In advance of the next Audit Committee meeting, the Director of Finance to provide an orientation to the members of the Committee given the new appointments.*

**E. UNFINISHED BUSINESS**

**F. QUARTERLY ANALYSIS OF MAYOR AND COUNCIL TRAVEL + DEVELOPMENT EXPENSES**

The Deputy Director of Finance provided an overview of Mayor and Council travel and development expenses up to September 30, 2022.

**G. REPORTS**

***General Fund - Revenue***

*No additional information was requested by the Committee.*

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### **General Fund - Expenditures**

*Members inquired as follows:*

- Line 22130 Community Policing – can you find this information somewhere else and what does it cover?  
*It is found in reports and it relates to the Public Safety Building and the volunteers including wages and expenses.*
- Line 23727 Off-Street Parking – what type of expenses are related to off-street parking?  
*To be confirmed by the Director of Finance at future meeting.*
- Line 26701 Harbour Quay Overhead – what makes up these expenses and why are they overbudget?  
*A review of the nature of expenses to be brought to a future meeting.*
- Line 27156 & 27173 – Glenwood Centre/Children's Programs – could staff provide clarity on these costs/programs?
- Line 27510 Museum Services – are these staffing costs?  
*This line item reflects staffing, supplies, contract services. Revenues are generated from admissions.*
- Line 27710 McLean Mill City Operations – could staff expand on this item, in particular how costs/responsibilities are applied in the heritage & non-heritage zone given City's contractual relationship with the AVCoC.
  - i. *City expense – electricity, fire extinguishers: heritage zone. Non-heritage zone: fire sprinklers*
  - ii. *3-year operating costs: \$150,000 per year.*
  - iii. *Renewal of lease with Chamber of Commerce to be approved by Council.*
  - iv. *In past – 3<sup>rd</sup> party: entire site.*
  - v. *Split non-heritage expenses with Chamber of Commerce.*
  - vi. *City is responsible for heritage zone maintenance.*

### **Sewer Revenue Fund Update**

*Members inquired as follows:*

- Line 95611 Sewer Penalty – what is a sewer penalty?  
*A penalty is applied for late payments.*

### **Water Revenue Fund Update**

*No additional information was requested by the Committee.*

### **Capital All Funds Update**

*Members inquired as follows:*

- Account 485553 | Asset Management Implementation – Looking for another Asset Manager Coordinator (ACRD). When we change to a new company, will the original budget funds of \$60,000 be available?  
*No, approaching the resource need differently in following year.*
- Account 485627 | Replace Garage Door Openers (7) – Have they been ordered and will there be an increase in price if they have not?  
*Have not made the purchases. Item to be discussed during 2023 Financial Plan process.*

- Account 485310 | Clock Tower Repair/Removal Plan – Has the grant award of \$379,353 been added to this line item?  
*Yes.*

**H. VENDOR CHEQUE REGISTER REPORT**

The Deputy Director of Finance provided an overview of the vendor cheque register report from August 1, 2022 – October 31, 2022. Members sought clarity as follows:

- Payment to Estate of Clarence W. Nash.  
*Pre-authorized withdrawal tax refund for deceased property owner.*
- Payment to Industria Construction Corp? Which project is this for?  
*Argyle Sewer forcemain project.*
- Payment to Todd Patola?  
*Transactions related to the City's annual tax sale.*

**I. INVESTMENTS REPORT**

The Deputy Director of Finance provided a verbal overview of the City's investment portfolio as of September 30, 2022.

*MOVED AND SECONDED, THAT staff invite the City's investment firm to attend a future Audit Committee meeting to share investment policies/practices with members of the Committee.*  
**CARRIED**

**J. OTHER COMPETENT BUSINESS**

**K. QUESTION PERIOD**

Leslie Walerius inquired as follows:

- When will the new Procurement Policy be posted on the website?  
*It was an oversight and will be posted.*
- General Funds – Line 15320 – Who manages the buildings when the City leases it out? 2021 \$192,403; 2022 \$106,923; difference of \$85,480. Why was it reduced? Does the City pay a vacant building fee?  
*Depends on the lease agreement. A large component of the difference was from one of the AHQ tenants vacating the premises and Council waiving rental fees payable [Alberni Aquarium]. The City also paused on repopulating available spaces until such time as the City was able to complete an appraisal of the units.*
- When will the City announce the results of the Train Station RFP No. 001-22?
- What is the current status of the Asset Management Maintenance System and what is the time frame for it to be fully implemented? What are the requirements of the Federal 2018 grant and is the City expected to return some or all of the grant if the requirements were not fulfilled?  
*The grant was completed and submitted to Council for approval in June of 2022, then submitted to the grantor for final payment of grant funding.*

Roland Smith inquired as follows:

- Grant received for asset management not returned. Was it used and if not, is there a target date?

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*Director of Finance to reply at future meeting.*

- Connect the Quays – bids closed Aug 21. Who was the successful bidder? Status?  
*1 bid; it was non-compliant.*
- Account 485542 Connect the Quays and \$787,000 spent to date.
- Line 485523 6<sup>th</sup> Ave – Argyle St. Angus St. – overbudget. Were monies redirected?  
*Internal staff resources were used on the project, operational resources were diverted; we will review the costs incurred and confirm the allocation was correct.*
- Reimbursement of \$8,900 to W. Thorpe. Could staff expand on this?  
*City share of educational costs.*

**L. ADJOURNMENT**

*MOVED AND SECONDED, THAT the meeting be adjourned at 10:35 am.*

**CARRIED**

CERTIFIED CORRECT



Councillor Cindy Solda, Chair