

August 13, 2018

PUBLIC NOTICE REGARDING DOUG BONDUE ARENA

At its meeting on Wednesday, August 8, 2018 the Village of Port Alice Council made the difficult decision to close the Doug Bondue Arena. This decision was a direct result of Neucel Cellulose Mill not paying their property taxes by the due date of July 31, 2018.

The Village of Port Alice’s fiscal year runs from January to December. Taxes are billed in June and due by July 31 each year. Expenditures made before taxes are received, are either funded by borrowing from the bank (like an overdraft) or borrowing from the Village’s own funds (reserves, surpluses). In 2018 expenditures were funded by borrowing from the Village’s own funds.

The General Taxation amount for 2018 for the Village of Port Alice is \$1,083,801.00 of this amount Neucel’s (industrial property only) share is \$ 758,660.00 which is 70% of our property taxes. The Village of Port Alice has also had to pay Neucel’s share of School, Police, Regional District of Mount Waddington, Regional Hospital District of Mount Waddington, BC Assessment and Municipal Finance Authority taxes which were due on August 1, 2018. The total of these taxes was \$201,000.

The total amount owed to the Village for taxes by Neucel is \$ 959,660.

The budgets that are funded by taxation are as follows

Budgets funded by taxation	Budget	Spent to date net of revenue	Neucel’s Share of spent to date
Emergency Services	\$ 74,850.00	\$ 32,216.00	\$ 22,551.20
Public Works	\$ 498,250.00	\$ 237,070.00	\$ 165,949.00
Arena	\$ 185,700.00	\$ 82,572.00	\$ 57,800.40
Community Centre & Seavac	\$ 160,530.00	\$ 93,073.00	\$ 65,151.10
General Government	\$ 164,471.00	\$ 164,471.00	\$ 115,129.70
	\$ 1,083,801.00		\$ 426,581.40

As of August 10, 2018 the Village of Port Alice is in a shortfall of \$ 627,581 due to Neucel’s non-payment.

The Village of Port Alice Council decided to make cuts to services rather than continue to deplete our surplus at the current rate. One of these cuts has been the Doug Bondue Arena. This was a difficult decision to make but over the last year there has only been an average of 20 people on the ice per day.

The Arena Budget for 2018 is \$ 185,700.00 the Revenue budgeted is \$13,000.00 this leaves \$ 172,700 which is funded by tax money. Neucel's share of this amount is \$ 120,890.00. The amount spent to date in the Arena is \$ 88,584.00 leaving \$ 97,116.00 in expenditures to the end of the year.

Also, due to the tragic accident that occurred in Fernie, the Technical Safety Authority has stepped up the safety program for Arenas in BC. They have made several orders for the Doug Bondue Arena including having staff in the Arena seven days a week rather than the five days we have now. The estimated cost of these orders is an additional \$ 35,000 in expenditures to December 31, 2018 that were not budgeted for. Due to these extra expenses the total estimated expenditures for the Arena to the end of the year are \$ 132,116.00

In addition to the closure of the Doug Bondue Arena the Village of Port Alice Council also decided to cut the hours at the Community Centre. Starting in September they will be closing at 8:00 pm every night rather than 9:00 pm. Council also decided not to fill the vacant position of CAO at this time. The rest of the Village budgets will be cutting their expenses by 15%.

The Village of Port Alice will continue to keep the following items as a priority: clean water, sewer, streetlights, garbage, safe roads and the fire department.

Capital Projects in the Village of Port Alice such as the Marina Project and the Sewer Treatment Plant Upgrade will not be effected at this time as they are not funded by current taxation but by Grants and Reserves.

The Mayor has requested meetings with Premier John Horgan, Minister of Transportation /MLA Claire Trevena, MP Rachel Blaney, Minister of Municipal Affairs and Housing Selina Robinson and Minister of Forest, Lands, Natural Resource Operations & Rural Development Doug Donaldson to discuss our situation.

If you have any questions regarding this notice you can call the Village Office at 250-284-3391 or email info@portalice.ca

Bonnie Danyk, Acting CAO