

# north shore news

## JAMES: Municipalities under auditor's microscope

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Just  
**ASKING**  
Elizabeth James



*"This office is going to make a difference for B.C. families by making sure local governments are maximizing (value for) taxpayers' hard-earned dollars...the bottom line is that it's about accountability to taxpayers. Under my leadership, this office will be independent, accessible, fair and transparent."*

— Basia Ruta, Jan. 17, 2013

When Basia Ruta, a certified professional accountant, assumed her position as British Columbia's first auditor general for local government on Jan. 15, 2013, she came to the province with impressive credentials.

Not the least credit on her resume was that she had worked with the federal auditor general.

We were told that, despite the fact that her office would report to and be monitored by a five-member provincially appointed audit council, she would be unfettered by political influence.

British Columbians hoped they could now have confidence that the hefty dollars they send to their local governments would be monitored — if not before the dollars were spent, then at least to see whether they'd given value for money.

For my part, having seen the early stages of a gathering storm in the City of North Vancouver, I hoped that municipality's performance might be one of the first to come under the new auditor's microscope.

Alas, that was not to be. Instead, the storm as storms are wont to do, not only picked up breadth and speed, it's now a fully fledged, unpleasant hurricane which has cost and is costing city taxpayers enormously in wasted staff time, reputation and dollars.

Today, nothing short of a full review of the past three to four years of the city's operation, and of alleged events during and since last November's election, can clear the air and provide city residents with anything that resembles the truth, the whole truth and nothing but.

Be that as it may, remembering the circumstances surrounding former B.C. auditor general John Doyle's departure, I remained cynical about Ms. Ruta's optimism. Moreover, as her termination unfolded last March, my reservations about the independence of the municipal auditor general seemed confirmed.

In hindsight, many British Columbians and provincial business groups may have expected too much too soon from Ms. Ruta and her new Surrey-based office.

Coming to us from Ontario's municipal regulations and liaising with the audit council, Ruta's first job would have been to familiarize

herself with the Community Charter and pertinent information about almost 200 municipal and regional districts in B.C. — a mammoth task in itself.

Nonetheless, in May 2013, Ruta announced her office would conduct performance audits of a representative 18 local governments on three audit topics: 1. Achieving Value for Money in Operational Procurement; 2. Local Government Performance in Managing Police Agreements and Police Budget Oversight; and 3. Learnings from Local Government Capital Government Procurement Projects and Asset Management Programs.

West Vancouver was included in Topic 1, and North Vancouver district in Topic 3.

As noted in an April 2015 review by former provincial government deputy minister Chris Trumpy (Report on the Governance and Operations of the Auditor General for Local Government), once appointed, Ruta's focus was on "initiating and completing audits. "Time was not spent establishing how the responsibilities and accountabilities set out in the Act would work in practice."

That answers my question: If the auditor planned to report on 18 municipalities in only 10 months or so, why did the audit council whose job it was to "provide comments to the AGLG on the Annual Service Plan" allow her to proceed under the illusion that such was even possible, especially knowing the auditor's office was under-staffed from the outset?

On the basis that she was wrongfully terminated, Basia Ruta has approached the courts to regain her job and back-pay, while the audit council is conducting a search for a new auditor.

No matter the result of the recruitment, our caretaker auditor Arn van Iersel says the audit council hopes to fill the position by September.

The court's decision will be interesting because it's my impression that Ruta's head rolled because of an institutional breakdown — incomplete terms of reference, lack of clarity in the legislation and too-high expectations before the office was fully staffed and operational.

That said, although understandably unwilling to comment on his predecessor, Van Iersel said he believes a municipal auditor general is essential if we are to have local government accountability.

"So the mantra I keep repeating," he told me, "is that we are restoring credibility in the office, one audit at a time." Then he ended our conversation with a smile saying, "We'll do that if we under-promise and over-deliver."

I came away thinking that if that philosophy applied to all levels of government, taxpayers would likely have a different premier and a far less acrimonious relationship with the City of North Vancouver.

*After 16 years with the multi-disciplinary Perinatal Programme of B.C. and later in various endeavours in the growing high-tech industry, Elizabeth James now connects the dots every second Wednesday on local, regional and provincial issues. She can be reached via email at [rimco@shaw.ca](mailto:rimco@shaw.ca) (<mailto:rimco@shaw.ca>).*

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