Radisson moves to overcome financial issues

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The Town of Radisson is stepping up efforts to collect hundreds of thousands of dollars in outstanding property taxes as well as \$88,000 in unpaid water bills from tardy homeowners and businesses in the community.

Clearing up the substantial backlog of overdue arrears is one of several measures aimed at getting the municipality's financial ship back on an even keel after several years of mounting debt.

A forensic audit of the town's finances was conducted earlier this year by the accounting firm of MNP after a petition to the town was submitted by a group of ratepayers in November, 2018. The audit covered the period from April 1, 2014 to November 28, 2018.

The MNP audit resulted in a report issued June 10, 2019, which documented a number of financial problems; including a significant amount of uncollected property taxes, outstanding water and sewer bills, and non-payment of education taxes by the municipality to the provincial government.

The MNP report also examined concerns arising from contracts related to the town's water treatment plant and waste collection services. both of which resulted in financial losses for the town.

The audit did not find any evidence of fraud, theft or misappropriation of funds. The RCMP have confirmed that there is no evidence of criminal wrongdoing and no charg-



financial

es have been laid.

However, the MNP audit said there was evidence of ineffective administration and lack of proper oversight by Radisson town council over a period of several years.

At a public meeting for ratepayers in Radisson on Wednesday, September 4, Radisson Mayor Leona Bennett said the financial situation facing the town "did not happen overnight, but rather over several years, several town council terms, and is due to a number of factors."

However, added Bennett. "this is our community and I can assure you; this council is dedicated to doing what is necessary to improving the financial position of this town."

Over the years, there has been a high turnover of administrative staff in the Radisson town office, but earlier this year an experienced Administrator and Assistant were hired.

Bennett said while the

town's financial difficulties are serious, the outlook is improving. The town's audited financial statement for 2017 was approved by the provincial government. The 2018 financial statement has been completed and is currently with the auditors to be filed prior to year end.

The 2018 and 2019 Gas Tax Funds and the first two revenue sharing payments for 2019, previously held by the Ministry for non-compliance, have now been released in August 2019, resulting in \$132,344.50 paid to the town," said Bennett.

Property tax arrears declined from \$412,000 in January, 2019 to \$247,000 as of the end of August, 2019. In addition, distress and seizure proceedings have been initiated on several properties.

The town has set up a direct debit system to allow ratepayers to make monthly payments.

Water utility invoices are

Radisson is working to overcome challenges

The town of

now required to be paid within 31 days. If the invoices are not paid, an overdue notice, which includes a 5% financial penalty, is then sent with a disconnection date. Utility arrears are no longer added to property taxes.

The town is now paying \$10,000 per month to the provincial Ministry of Education under an agreement to pay back the school tax arrears. The arrears has been reduced from \$262,000 to \$226,046.30.

Town council members are now more knowledgeable about duties and responsibilities, and monthly financial statements are reviewed at each town council meeting. Audited financial statements are now posted on the town website to improve transparency to ratepayers.

The town is working to improve the financial viability of the regional waste management partnership it entered into in 2017. It has updated, and is enforcing, its animal

control and nuisance abatement bylaws.

The September 4 public meeting in Radisson was orderly and civil, and appeared to be a major step toward healing some of the divisions within the community caused by the ongoing financial problems. A community clean-up day slated for Saturday, September 21 is aimed at bringing people together to beautify the community.







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