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THE VANCOUVER SUN

Vernon mayor quits after padding expenses

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Page: A1 / FRONT

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Vernon Mayor Sean Harvey resigned Monday after tearfully admitting he used his city expense account to spend thousands of dollars on personal items such as restaurant meals and out-of-town trips.

"I have misused my expense account, and when confronted about it, out of fear, I lied," he said as he sat in the mayor's chair for the last time, with four family members standing behind in support.

Harvey initially said last week that he used false names on his receipts to protect the identity of potential investors with whom he dined.

But in his statement Monday, he said, "What started as a genuine, if misguided, attempt to protect the identity of business people and investors wanting to set up projects in my community opened the door to abuse. They say that power tends to corrupt and absolute power corrupts absolutely, and at some point I started to take the power you had entrusted to me for granted."

Harvey claimed more than \$24,000 in expenses last year, claiming to have had expensive meals with other politicians, including one with Kelowna Mayor Walter Gray that cost \$481 and one with Premier Gordon Campbell that cost \$105. Both the mayor and the premier's office denied any knowledge of the meals.

Harvey's salary as mayor was \$56,000 per year, according to acting mayor David O'Keefe. City councillors' annual salary is \$18,000.

O'Keefe said that in light of the mayor's admission, council will be reviewing its expenses policy. "We all realize that the expense policy will have to be tightened up."

The RCMP's commercial crime unit in Vancouver is reviewing the situation to see if any criminal offences were committed, RCMP spokesman Sgt. John Ward said.

In his statement, Harvey apologized to councillors and the people of Vernon for his actions, saying he had shamed the city.

He said he would cooperate with the RCMP investigation and repay the money he claimed as expenses.

Vernon RCMP Cpl. Henry Proce said the investigation will go back several years and likely last long after November's municipal elections. Until then, councillors will rotate each month to serve as acting mayors, O'Keefe said.

Harvey was elected mayor in 1999 at the age of 29 and was re-elected in 2002 with two-thirds of the vote in a two-way race against long-time councillor Klaus Tribes.

Vernon residents credited Harvey for the many major developments in the city.

"He was basically looked at as a mayor who got a lot of things functioning again in the North Okanagan," said 21-year Vernon resident Reiner Stass, who witnessed Harvey's resignation.

IMAGES



BCTV News on Global
Sean Harvey resigned Monday as the mayor of Vernon. (FPinfomart: Restricted, Canada.com: Restricted)

"He's perceived as the person who brought a lot of development. A lot of capital projects were started under his mayorship."

Said resident Marnie Skobalski: "He was a good mayor, but he did a stupid thing and stood up and held himself accountable for it."

O'Keefe praised Harvey's work as mayor, saying, "He was young, aggressive, and helpful in bringing developers to town. I think most of the people in Vernon are shocked by what happened, because he was doing a very good job.

"But the public trust has been broken by the former mayor and there isn't anyone who would agree with how he handled things."

Harvey's problems began last week when two local residents provided Kelowna television station CHBC with copies of the mayor's expense account information they obtained through Freedom of Information legislation.

At a special meeting Thursday, Vernon councillors asked Harvey to step down while the RCMP investigated.

In resigning, Harvey forfeited his salary for the remainder of what would have been his term as mayor.

Harvey was investigated earlier this year on conflict-of-interest allegations involving local land deals, but was cleared of any financial misconduct.

In addition to possible criminal charges, Harvey faces a lawsuit connected with personal business dealings. He is being sued by a former business partner for fraudulent misrepresentation and deceit. Dr. Chris Laidlaw is seeking between \$50,000 and \$100,000 in damages.

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