

## DNV looking to drop some services

Resident priorities to be polled as budget shortfalls continue

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The District of North Vancouver will soon be asking its residents to take a hard look at what services they want their municipality to deliver, and how much they are willing to pay for them.

Like many municipalities, the district is facing a sizeable budget deficit this year. The estimated \$1.2- to \$2-million shortfall is driven by fewer developments, falling investment earnings and the removal of some industrial lands from the tax rolls.

Property owners will see a tax increase next year, and unionized district staff have been told to fund their contracted wage increase through cutbacks and efficiencies in their departments.

In an interview with the North Shore News, chief administrative officer David Stuart said that even when the economy improves, the district will still face a long-term structural deficit.

"The growth rate in the district is about half a per cent and has been for some time," he said. "The increases in our major costs -- labour, materials and energy -- will well exceed that."

Taxpayers will also soon see sharp increases in regional taxes, money collected through the district but passed on immediately to Metro Vancouver, TransLink, and the school district.

On top of this, many aging buildings and other pieces of infrastructure will need to be replaced in the coming years.

With this in mind, Stuart said it's unsustainable for the district to simply keep raising property taxes each year, and there are only so many cost efficiencies to be found. With revenues essentially static and costs inevitably rising, some way must be found to bend the two trends back towards each other.

"I don't believe we should promote growth simply for the sake of revenue, and there is a debate over whether development actually pays for itself in the long run," Stuart said.

"We have just completed an inventory of all the services we deliver," he said. "We're going to go to council, and then to the public, to ask what services we need to deliver

and at what level, and who should pay for them.

"We're looking at each service through two lenses. The first is the public good lens: How much does this service benefit the community as a whole? There's a continuum there over how to pay for it. At one end you have a user-pay system, at the other a tax-subsidy."

Stuart cited services offered to developers as something the public would expect to be paid for by the user, in this case the developer. At the other end, recreational facilities would likely be prohibitively expensive if the broader community didn't subsidize them.

"There's a reason why there aren't many private swimming pools," he said.

Secondly, the district will use a "legislative requirement lens."

"This looks at what services we are legally required to deliver," Stuart said. "In most cases, the law says we don't strictly have to, but if we are going to deliver a service, we have to meet a certain standard."

But some services could conceivably be handed over to the private sector or a not-for-profit group, or shared with the other North Shore municipalities. Stuart declined to list examples, for labour-relations reasons, but said he had "several in mind."

"Ultimately the question is which services, at what level, and what is the best way to deliver them?" he said.

Stuart acknowledged that many of these questions might lead to uncomfortable answers. "That's why we want to get this issue on the table. We pride ourselves on our sustainability, and this is about fiscal sustainability."

In the spring, the district will begin an extensive public consultation process, similar to this year's official community plan update process, which was widely praised for attracting broad public input.

The district process will likely involve a survey, a series of open house meetings, and the use of social media such as Facebook and Twitter. Stuart hopes to have a final budget in front of council by March of 2010.

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