

## Councillor slams 'totally unsustainable' spending at District hall



By North Shore Outlook

Published: **May 01, 2013 08:00 AM**

Updated: **May 01, 2013 09:119 AM**

The North Vancouver District government made public its audited 2012 balance books Monday. And while there was general agreement among council and staff that the District's financial situation is sound today, one councillor, Alan Nixon, sounded the alarm about what he called the "totally unsustainable" spending future at DNV hall.

While the [2012 statements](#) don't offer much in the way of detailed line-item breakdowns, Nixon trotted out some specific comparisons with 2002 numbers to make an impassioned case for tax and spending reform.

He took aim first at compensation for District employees.

"The number of employees paid over \$75,000 in 2011 was 239. In 2002, that number was 58," he lamented.

"Sixty-two employees were reported to have been paid in excess of \$100,000 in 2011 [and] the 2012 numbers will soon be out," he continued. "In 2002, that number was eight."

Of course, inflation has had an impact on everyone's real earnings over the past decade, but these income hikes far outstrip the 17.8-per-cent rise in Vancouver's consumer price index since 2002, Nixon argued.

"Most of the residents in the District of North Vancouver have seen their incomes drop in real terms," he said, referring to the same 10-year period.

"My research indicates that the average pre-tax earnings of the 239 employees referred to —

those earning \$75,000 or more — places them in the top 7.5 per cent of all Canadian income earners in 2012.”

Nixon went on to compare the District’s reliance on taxes for the bulk of its revenue with those U.S. communities that went broke in recent years because, he said, of their governments’ beliefs they could “continue to tax until there were just no more homes left to pay those higher taxes, or half those homes were empty.”

The comments sparked some discussion about other potential revenue streams and the role of the public employees’ union in driving up District labour costs every year.

Casinos, outdoor advertising, mountainside development and large-scale land sales were all mentioned as potential revenue drivers that the District has turned up its nose at in the past.

“We’ve made a decision to forgo that income that many other municipalities around here — Burnaby, Coquitlam, Richmond, Langley and the City of Vancouver — they’re all bringing in that revenue to help stabilize their costs,” Coun. Mike Little said, referring specifically to casinos. “We’ve made a conscientious, and I think a good, decision at this point and I don’t think the will of the community has changed to forgo that.”

Citing some more macro-level costs from the District’s 2012 financials, Nixon said the municipality’s total annual spend of \$145.7 million in 2012 marks a 46-per-cent increase over 2002. Similarly, the District’s net taxes grew by 52 per cent and property taxes rose by 47 per cent in the same 10-year period, Nixon said.

For recreation services, the 2012 bill of \$7.28 million showed a 49-per-cent spike over 2002. For libraries, the District spent 27 per cent more. And finally, District hall spent \$66.6 million on staff salaries and benefits last year; 51 per cent more than a decade prior.

“These numbers beg the following rhetorical questions,” Nixon said. “Is my quality of life, as resident in the District, 52 per cent better than it was in 2002? Are we and our region, including the school district, providing that many more services to our residents and taxpayers in 2012 in order to justify the 47-per-cent increase in the tax levies since 2002? And are District residents 48.6 per cent healthier in 2012 than they were in 2002 as a result of that increased investment in recreation services?”

The District’s chief administrative officer, David Stuart, however, cautioned Nixon against taking the municipality’s 2012 financials at face value. He said differing accounting practices and the recent inclusion of costs for major Metro capital projects, like the Lions Gate Wastewater Treatment Plant replacement, keep moving the goal posts for the region’s chief financial officers.

It’s worth noting too that Nixon was first elected to DNV council in 2002, a point that wasn’t lost on the four-term councillor.

“In all of the comments I’ve made, I’ve played a role in the decision-making of the past 11 years that has led to where we are today,” Nixon said. “But at the same time, I don’t think we can

continue.

“The current trend is totally unsustainable by any measure imaginable. Over the coming years we are going to have to make some really tough decisions about how to dramatically control expenditures while maintaining a semblance of the quality of life we have come to cherish here in the District.”

[tcoyne@northshoreoutlook.com](mailto:tcoyne@northshoreoutlook.com)

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