

Subject: [Fwd: Mayor's Missing Press Release]

Date: Wed, 13 Mar 2002 14:13:11 -0800

From: Brian Platts <brian_platts@telus.net>

To: Corrie Kost <kost@triumf.ca>

Subject: RE: Mayor's Missing Press Release

Date: Wed, 13 Mar 2002 13:47:51 -0800

From: Don Bell <mayorbell@district.north-van.bc.ca>

To: "Dave Sadler" <davesadler@telus.net>, Stephen Fleming <FlemingS@dnv.org>

CC: Outlook <newsroom@northshoreoutlook.com>, northshore news <editor@nsnews.com>, FONVCA <fonvca@fonvca.org>, feedback@dnv.org, Jeanine Bratina <BratinaJ@dnv.org>, Mayor and Council - DNV <Council@district.north-van.bc.ca>, Directors Team <managecomm@district.north-van.bc.ca>

Dear Mr. Sadler,

In response to your inquiry I would advise you that there was no "press release" from my office concerning District financial reserves. I did send an internal memo to appropriate senior staff, with a copy to Council, directing that a thorough review of "all relevant facts regarding changes since 1996 to the Capital Surpluses, Reserve Accounts and Reserve Fund balances, including the per capita indicators, plus any recommendations you (senior staff) would suggest regarding appropriate levels based on good accounting and business principles."

This memo followed a discussion I had had with Mr. McPherson following the Council meeting, regarding information he had provided Council that led to a number of questions and concerns. He indicated to me that most of the significant drop from 1996 to 1999 was the result of our municipality having included data in our summary which was not included in the reports of the other municipalities referred to. This was not to suggest that our total reserves and surpluses are not lower than most other GVRD municipalities, but to request an "apples to apples" comparison be made. I therefore asked that this be clarified, as well as provide any other relevant information which would help Council deal with this issue.

I subsequently responded to inquiries from the media about the issue and advised them of the action I had taken.

I notice the usual wide circulation of your e-mails which contain requests for information and/or your opinion, and therefore I have taken the liberty of responding to all those that you included on your "Cc" list regarding this item.

Mayor Bell

-----Original Message-----

From: Don Bell

Sent: March 5, 2002 11:28 AM

To: Gord Howie; John McPherson

Cc: Mayor and Council - DNV

Subject: Review of Per Capita Surpluses, Reserve Accounts and Reserve Fund Balances

I am directing, by copy of this memo, that you conduct a thorough review of all relevant facts regarding changes since 1996 to the Capital Surpluses, Reserve Accounts and Reserve Fund balances, including the per capita indicators, plus any recommendations you would suggest regarding appropriate levels based on good accounting and business principles.

I have also contacted the Chair of our Citizens Budget and Finance Advisory Committee and requested that they review this issue as soon as possible and provide recommendations for Council's consideration in time for possible inclusion in this year's Financial Plan deliberations.

This memo is further to my comments during last night's Financial Plan meeting regarding the information presented in Schedule 5 of Mr. McPherson's March 4, 2002 report to Council, titled "2001 Surplus".

The information that the per capita surpluses, reserve accounts and reserve fund balances, described as "a measure of liquidity and financial strength", have declined from \$1,220/capita in 1996 to \$317/capita in 2000 (an apparent drop of over \$75 million) is of major concern to me and must be clarified for Council to be able to make informed decisions regarding our Financial Plan.

I understand that these amounts indicate the amount of accumulated surpluses and reserve accounts in all operating funds plus the reserve funds, including the Heritage Fund, on a per capita basis. I therefore assume that these figures would have been affected by previous Council decisions to draw amounts from the Heritage Fund and utility surplus accounts, and significantly in 1999 by a major change in our accounting policy transferring "Work in Progress" of capital projects from Reserve Funds to Capital Funds. I also assume that past Councils' response to significant financial impacts such as the Provincial Government's elimination of over \$3 million dollars in grants to our municipality and Council decisions to eliminate or significantly reduce tax increases may have been reflected in decisions to draw on surplus or reserve funds.

This is a very important issue that needs clarification for this year's Financial Plan deliberations and I therefore request you give this high priority.

-----Original Message-----

From: Dave Sadler [mailto:davesadler@telus.net]

Sent: March 13, 2002 12:52 PM

To: Stephen Fleming

Cc: Outlook; northshore news; FONVCA; feedback@dnv.org; Jeanine Bratina; Mayor and Council - DNV; Directors Team

Subject: Mayor's Missing Press Release

Dear Stephen Fleming: Please email me a copy of Mayor Bell's press release or memorandum concerning District financial reserves which I believe was issued on March 6.

I was disappointed to not find a copy of this press release on the District web site. Considering the gravity of the situation, I believe the Mayor's statement should have been headlined on the District's home page.

I object to the District not being open & forthright about the ongoing serious problems at District Hall, especially when it concerns the public purse.

Thanking you in anticipation, Dave Sadler