

Subject: The District 2004 Budget - more of the same.

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THE 2004 DISTRICT BUDGET - MORE OF THE SAME MEDIOCRITY - A MESSAGE FROM ERNIE CRIST.

The 2004 District Budget is coming on stream but it is business as usual. The budget process is the same as it has been for the last 15 years. There is a great deal of talk about peanuts while the big ticket items are studiously avoided. Taxes will be higher by about 5%, more or less, and at least some of the increases will be hidden by higher assessments albeit technically speaking there is supposed to be no connection between the two factors. District taxes used to be the second lowest in the region - now they are the second highest. This is not counting the hundreds of millions of dollar siphoned off from the Heritage Fund and the infrastructure reserve funds.

Once again, there are a number of extras in the budget which have been listed under New Funding requests. They amount to roughly one half million dollars out of a total of 105 million of which \$ 82 million is for operating expenditures and \$23 million for capital more or less. But it was not the \$ 105 million which took up Council's time but the half million dollars listed under New Funding Requests.

While debate on the half million dollars was conducted with great gusto and chest beating, discussion on the \$ 82 million was mute and/or none existent. To put it another way, a great "to do" was made about cuts or additions in the "peanut" area while the big potatoes have been left untouched in the ground. No blame can be put on the new CAO. He came too late to substantially influence the process. In any case, to make changes requires political leadership and a radical break from old habits - an unlikely scenario at present I am sorry to say.

Also left out of the debate was the \$ 6 million subsidy to the North Vancouver Rec Commission. The suggestion to reorganize the Commission along the Parkgate model, which would make the Commission decidedly more efficient and accountable, was avoided. The same goes for subsidizing the City of North Vancouver. They are building the high-rises and we are providing the playing fields. The same is true for the Arts. Here too reorganization would produce not only a much better product but also save a great deal of money. At present we have no less than 4 different administrations looking after the Arts. The victims are the artists themselves who are deprived of badly needed funding. Here too it is clear that the strategy is to avoid upsetting the costly status quo.

There is also the perennial question of the District Heritage Fund. Portions of this Fund are still being used to cover operating expenses. This is on top of the taxes. In the City they use only the interest generated by this Fund and only for genuine capital projects as is supposed to be the case. In the same vein, our Infrastructure Reserve Funds have all but been eliminated. That too was on top of the tax increases. In 1997 infrastructure Reserves stood at \$ 1,300 per capita for a total of \$ 91 million. Now they are close to zero while in the City they still stand at \$ 1,600 per capita.

Large savings could also be made in the Development Variance Permit area. We have spent a great deal of money and effort to protect neighborhoods against monster houses. But guidelines are constantly circumvented. Minor variances could be handled by the Board of Variance. It is the reason why this Board was set up in the first place. But the issue has been studiously avoided - and so was any debate on hiring our own in house legal adviser or counsel. With the District running up huge legal expenses the savings could be substantial. But when I made a motion to that effect I did not even get a seconder to explain it.


All told, failure to implement badly needed reforms in the District has proven to be costly. In the Recreation Area alone it amounts to millions of dollars a year. But there was no attempt to address these big issues. The excuse was that we did not give the new CAO enough time to change things around. That is a flimsy excuse. The truth is that not even a super CAO can make substantial changes unless the elected representatives indicate what changes are needed and where.

It is the Council which has to outline the strategic priorities. But as long as those

priorities are subjugated to narrow political ambitions, nothing will happen. The bottom line is that the 2004 budget is but more of the same. Taxes continue to rise while our assets dwindle and our facilities deteriorate.

Ernie Crist, Councillor,

District of North Vancouver.

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