

Subject: RE: CO Workshop October 5, 2005

Date: Fri, 7 Oct 2005 18:20:06 -0700

From: "Ernie Crist" <ernie_crist@dnv.org>

To: <fonvca@fonvca.org>, "Mayor and Council - DNV" <Council@dnv.org>, "Senior Management Committee" <managecomm@dnv.org>, "James Ridge" <James_Ridge@dnv.org>

CC: <fonvca@fonvca.org>, <Mbragg@shaw.ca>, <poetic_licence@hotmail.ca>

A MESSAGE FROM ERNIE CRIST

The 2006 District of North Vancouver Draft Budget will see an 11.1 % increase. The visible increase will be 5.2% and the rest will be taken from funds already allocated and will have to be replaced in time for the 2007 budget. The funds taken from next year's ledger are called "reserves" but in reality they are part and parcel of fiscal commitments already made. It is like taking money from next year's income to pay for this year's expenses - an extraordinarily risky and un-businesslike exercise only governments can engage in. Governments don't go bankrupt, they just pass the buck. It is the people who go bankrupt. This is an election year and the charade has to continue until after the elections are over when it will be politically more expedient to have double digit tax increases. The "Reserves" talked about are not Reserves such as Heritage or the Infrastructure Reserve Funds which have already been depleted, they are part and parcel of next year's budget.

The fiscal crisis in the District is the result of mismanagement under which the District's fiscal health has steadily deteriorated to the point where the District taxes have gone from one of the lowest to one of the highest in the Region. This is in addition to using up hundreds of millions of dollars from District land sales, land leases, infrastructure reserve funds and the interest these funds generated.

There are still ways in which the road to fiscal hell could be averted. But it is my opinion that the present CCA and NET controlled District Council will continue to take advantage of the public's stamina for being taken to the cleaners. The task of District staff is to make the Council look good regardless. It is something they are doing quite well despite the risk to their professional reputation. Also not many people take an active interest. Local politics is written off much as the flea plague in Somalia. It may be unpleasant to read about but it is far away.

One of the areas where big money could be saved in the District and provide a better product as well is the North Shore Recreation Commission. The District continues to subsidise the City of North Vancouver big time. The Commission is jointly operated by both District and City. On the surface it is a great idea but, in reality, the District is being taken to the cleaners, albeit willingly. There is a surplus of playing fields in the District but a desperate shortage in the City. Because the 2 municipalities are counted as one, there is shortage in both. The City is building the high rises and the District is building the playing fields. Unlike most other municipalities, Recreation facilities in the District are debt free. They have been paid off a long time ago. The Commission does not pay taxes for land, it does not have to make any profit, gets to keep all the income from fees which are equivalent to those charged in the private sector and, in addition, receives an annual grant of \$ 6 million from the District alone.

Despite all this, the Commission has failed to keep facilities in an appropriate state of repair. The facilities are steadily deteriorating and now require hundreds of millions of dollars to upgrade. It is not the Commission's fault of course but the fault of District Council. Under the existing Joint Agreement, the City, by way of example, is not contributing a single penny toward the upkeep of capital maintenance on any of the 3 pools in the District. There is but one pool in the City. But for purely political reasons the subsidies continue. The Commission

has become a huge bureaucracy with considerable political clout. The Recreation and sports community is primarily interested in the provision of facilities rather than who pays for what and is certainly not advocating any changes.

I have, on numerous occasions, suggested that we reorganise the Commission around the Parkgate model which is far more efficient and contains a strong element of public control. "Parkgate" is a Society and has the capacity to raise funds from other sources, something the Commission cannot do. I suggested that in the place of a huge bureaucracy, the District appoint a Director of recreation operating out of the District Hall like any other department head. Public recreation could be administered for a fraction of the present cost and be more efficient at the same time while the savings could go to upgrade the deteriorating facilities. As far as the City is concerned we can still make agreements for the benefit of both jurisdiction but the subsidy courtesy of the CCA and NET controlled CCA District Council are over. But all my efforts failed on the orders of the CCA and NET controlled political establishment.

Another area of colossal waste is the administration of the Arts. While contributions to the Arts are next to being ridiculous, there are no less than 3 separate administrations to allocate the funding. We have an Arts Commission, an Arts Council and the Recreation Commission, all with separate administrations. From a business point it makes absolutely no sense but again, the establishment apparently likes this waste. It is part and parcel of the North Shore political system.


There are other areas where huge savings could be made. Contrary to promises of abiding by the guidelines to control monster houses, these guidelines are constantly violated through the DVP system. It requires a substantial bureaucracy and antagonises neighbourhoods. It also undermines the public participation and community planning process although it does excite the real estate market.

These are some of the reason why I will not vote in favour of the 2006 draft budget. I did not vote for the 2005 or 2004 and 2003 budgets and for the same reasons. Raised in a business environment I cannot stand incompetence and as far as corruption is concerned rather than taking advantage of it, it makes me sick. But things it appears will continue as usual. In the District nothing changes because in the District people don't seem to care. The message is loud and clear, don't worry, the residents in the District will forgive anything, most of all incompetence.

Ernie Crist

> _____
> From: Nicole Deveaux
> Sent: Thursday, October 06, 2005 11:44 AM
> To: Mayor Harris; Jim Cuthbert; Richard Walton; Alan Nixon; Maureen
> McKeon Holmes; Ernie Crist
> Cc: Lisa Muri; James Ridge
> Subject: CFO Workshop October 5, 2005
>
> Mayor and Council, one of the questions that remained pending
> following last night's workshop is whether the assumptions laid out on
> page 7 of the Presentation are valid for the purpose of preparing the
> budget submission. As I indicated last night, these assumptions are
> fundamental and embedded in the budget. It is important that we have a
> common understanding that they represent current Council direction. I
> would appreciate in light of the fact that we did not specifically
> address this question last night, receiving by way of a e-mail or
> phone call, confirmation from members of Council that they are
> comfortable with the assumptions that we are currently operating

> under. This would enhance our ability to deliver a realistic first
> draft budget.
>
> Regards,
>
> Nicole

 winmail.dat	Name: winmail.dat Type: application/ms-tnef Encoding: base64
--	---