

Subject: RE: District taxes third highest in Lower Mainland for 2002

Date: Fri, 23 Aug 2002 10:08:59 -0700

From: "john hunter" <hunterjohn@telus.net>

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CC: <brian_platts@telus.net>, "Elizabeth James" <cagebc@yahoo.com>, "Allan Orr" <allandorr@shaw.ca>, "Dave Sadler" <davesadler@telus.net>, "Corrie Kost" <kost@triumf.ca>, "Cathy Adams" <cathyadams@canada.com>, "Maureen Bragg" <m.bragg@shaw.ca>, <bedeconsulting@shaw.ca>, <bill_tracey@telus.net>, "Agnes Hilsen" <hilsena@district.north-van.bc.ca>, "OUTLOOK" <newsroom@northshoreoutlook.com>, "NET" <mediaroom@northvanelectorsteam.ca>, <fonvca@fonvca.org>, "North Shore News Letters to the Editor" <scocomile@nsnews.com>, "Dan London NET" <dan@sunrisesolutions.bc.ca>, "David Moulton NET" <bigdmoulton@hotmail.com>

In a sense Corrie, the fact that DNV is the highest tax increase (but "only" about 7%) and very high in the tax rate ranking is the good news!

The really bad news is that our tax levels and the tax increases have been held down to those excessive levels by raiding the Heritage Fund over the past years, and more recently by even raiding the reserve funds (which the City Finance Director has said publicly are, in some cases, now too low). Then Council also forgave principal and interest repayments on the deemed \$ 11 MM debt for the golf course, and diverted the golf club net revenues of about \$500,000 a year to general revenues. So council is fighting to scrape revenue from anywhere (one councillor even proposing ugly billboards!) and has been forced to liquidate assets (reserves, Heritage Fund) instead of increasing taxes (by perhaps 20% this year and last year) sufficiently to cover actual costs. If Council did such increases, the financial state of DNV would immediately become obvious to citizens. So guess what they do!

The missing link is that Council cannot or will not cut costs in any real way. They nibble at the fringes, avoiding tough decisions that their own Citizen's Finance and various citizens have recommended for years. If Council won't move seriously on cuts (which means programs), and keep doing lots of large projects, the inevitable results absent large new revenue sources. The previous revenue source of selling land to pay operating costs is not sustainable (or even acceptable any more) either. So Council is in a box, with no apparent strategy to escape it.

As I commented last spring, this "liquidation" approach is like you personally selling your furniture and cashing in part of your RRSP to keep your revenue stressed family afloat. Like that personal strategy, Council's strategy hides the truth (spending beyond our means) and is unsustainable. Sooner or later, absent drastic action, you hit the wall.

It gets worse. As one example, and as confirmed in writing by the Citizen's Finance and Budget Advisory Committee, we are under funding infrastructure replacement/maintenance by \$ 4 million a year. If those costs had been covered, and asset liquidation had been avoided, our tax increases would have been over 20%. So to go back to my household analogy, you are selling the furniture and cashing in your RRSP and still can't afford to maintain the house and car, and you have no plan to escape the trap. Look out for the future!

To top it off, DNV debt has gone from nil in 1997 to an initial \$12 MM and is now at or heading for \$26 MM with Council apparently proposing to borrow millions more for projects as recently announced.

You hear the Mayor and certain other councillors say citizens demand all these services, so Council must spend all this money. What if Council were forthright with citizens as above, and told the story about our finances? I believe our citizens are intelligent and would adapt. Instead, the Mayor and a few Councillors seem to take the approach on this issue "there go our people, and we must follow them, for we are their leaders".

It is with a dark sense of humour that I read the election brochures of some of the present Council from the last election. Based on this history, it is impossible to have faith in this administration to lead DNV in future in a fiscally responsible manner. It is particularly troublesome to think that under the Community Charter, Council may have more power to tax and spend.

I will compliment C. Crist for his efforts over the years to bring this sad situation to light, and more recently to some extent C. MacKay Dunn and Muri who seem to be picking up on this issue.

John Hunter, P. Eng.

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

From: Corrie Kost [mailto:corrie@kost.ca]

Sent: August 23, 2002 12:54 AM

To: Bill Denault; Don Bell; Doug MacKay-Dunn; Ernie Crist; Heather Dunsford; Janice Harris; Lisa Muri

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Subject: District taxes third highest in Lower Mainland for 2002

Your Worship & Members of Council,

The District again has the third highest municipal taxes/capita in the lower mainland and again had the largest % increase in taxes.

The lower mainland tax figures are now in for 2002.

See http://www.mcaaws.gov.bc.ca/lgd/srvs_infra/munfin/tax2002/sch0261.xls

for the "Tax Burden". Taking as in previous years the total residential taxes and dividing by the population gives us the MUNICIPAL TAXES / CAPITA (a standard measure of costs/capita to provide municipal services).

In numerical order for 2002 they are:

	2002	(2001)
West Vancouver	\$804	(\$777)

White Rock	\$659	(\$635)
North Van District	\$403	(\$379)
New Westminster	\$378	(\$366)
Port Moody	\$361	(\$343)
Delta	\$358	(\$355)
Maple Ridge	\$339	(\$320)
Port Coquitlam	\$329	(\$314)
Coquitlam	\$322	(\$304)
Langley (d)	\$312	(\$303)
Lions Bay	\$309	(\$304)
Langley (c)	\$303	(\$299)
North Van City	\$301	(\$289)
Richmond	\$301	(\$282)
Burnaby	\$300	(\$292)
Pitt Meadows	\$297	(\$284)
Vancouver	\$290	(\$272)
Surrey	\$243	(\$238)
Anmore	\$222	(\$222)

This puts us in third place. However we are again in first place for the highest % increase in taxes.

Yours truly,

Corrie Kost
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