

Subject: More thoughts on the Financial Plan Workshop to be held in the D NV Committee Room on May 28 at 4 pm .

Date: Tue, 28 May 2002 11:16:16 -0700

From: Ernie Crist <ernie_crist@dnv.org>

To: "FONVCA (E-mail)" <fonvca@fonvca.org>

CC: Mayor and Council - DNV <Council@dnv.org>, Directors Team <managecomm@dnv.org>

U R G E N T

A MESSAGE FROM ERNIE CRIST:

As previously announced the "Financial Plan Workshop" will take place today in the DNV Committee room. These are my personal comments.

Item one - Mayors remarks: comments - none.

Item two - Review of 2002 - 2006 Draft Financial Budget booklet: comments - no major concern on my part.

Item three - Review of fiscal framework and challenges for 2003: My comments and/or proposals are as follows -

1) Council resolves that henceforth any and all District expenditures are to be covered by taxes and/or fees as the case may be. Accessing the District Heritage Fund, including land lease monies and interest generated by these funds for any purpose other than to borrow from the Fund for genuine community capital projects with the ability to pay back the Fund including interest, will cease immediately. The 1986 decision to allow the Heritage Fund to accumulate to \$ 150 million will be carried out immediately. Income from "Northlands " to be paid to the Heritage Fund in line with the original decision.

2) The same rules to apply to Reserve Funds. Such Funds are to be used for purposes for which they were set up only. To insure this existing policies will be reviewed and/or strengthened. The District will build up such Funds as speedily as possible in line with the decision made by past Councils to prevent further damage and expense to residents as a result of the failure by the District to renew the infrastructure in a timely fashion. Alternatively and/or over and above the aforementioned, the District will conduct three year public referenda as part of the 3 year municipal election cycle to encompass the total cost of both capital and operational expenses covering all infrastructure expenses.

3) The District Management will carry out previous decisions that benchmarking in all departments, as proposed in the KPMG report two years ago and promised by the Municipal Manager at the time, are to be carried out effectively and swiftly and that failure to do so within 6 months will result in Management changes. These steps to be verified by an outside

independent audit after a period of 6 months.

4) The Recreation Commission will be dissolved in its present form and re-organized along the Parkgate and "Society" and "autonomy" model. All fees are based on the full operational and capital maintenance cost. Funds collected by the relevant "Societies" are spent at their own discretion for their own specific programs as well as capital projects, capital maintenance and/or capital expansion as they see fit.

5) Notwithstanding, to provide cohesion throughout all facilities, the District will provide both annual operational and/or capital conditional and/or unconditional grants for the benefit of District residents with emphasis on programs geared to provide maximum health benefits to the maximum number of people at minimum cost to District residents as well as for new capital expansion as the case may be.

6) The same principle applies to playing fields. Fees for the use of playing fields in the District will be commensurate with the true cost of maintaining those fields. The Sport and Field users are responsible for collecting such fees. Towards that end the District will enter into a contract with the Field and Sport users. Notwithstanding, the District may provide annual grants for the benefit of District residents. Such grants are determined during annual District budget deliberations in consultation with the District Parks, Sport and Field users.

7) The District will conduct three year referenda as part of the 3 year municipal election cycle for the total cost of both capital (new) and operational expenses covering all road and traffic related matters including bicycle, pedestrian etc.,

8) All income derived from DCC's will be used exclusively for purposes they were intended. To guarantee this existing policy guidelines will be reviewed and/or strengthened.

9) District Management commits to conduct a full review of the present waste collection and recycling policies in the District and towards that end, will set up a special Citizens Task Force.

10) The District commits to adhere to the policy of community and neighborhood driven development and for and towards that end will strengthen the bonds between Council and such organizations and assist in widening their responsibilities.

11) The District will commit to provide leadership in the area of public transportation as spelled out in the proposals of TPAC including attempting to change both the 2010 and the 2021 Regional Transportation Plans. An immediate goal is to make an all out effort to realize an additional Sea

bus crossing from Maplewood.

12) All the above issues, including the financial implications are to be taken into account in the " Review of Fiscal Framework and Challenges in the 2003 Budget" and the "Review of 2003 -2006 Draft Financial Budget".

Ernie Crist

