

February 12, 2021

Re: 2021 Budget.

Dear Mayor & Council,

I would like to draw your attention to Heather Mersey's excellent letter to Council regarding the proposed 2021 budget. This well thought out letter from ADRA's president (see below) speaks to a number of concerns that I share. Ms. Mersey's comments about the District's proposed use of the \$5 million COVID Safe Restart Grant are particularly astute. I echo her alarm about the \$312,000 to be spent planning a yet to be approved Arts Centre (egregious indeed)!

Don't spend another cent on plans for an Arts Centre. We are already living beyond our means. West Van has not kept up with maintenance of existing assets and we're now in the unfortunate and expensive position of requiring significant funds to try right this. We are in no position to add to our asset base. North Vancouver's Polygon Gallery, which has not been able to keep afloat without financial assistance from the City (and that's pre-COVID), should serve as a cautionary reminder that such a venture will not be cost neutral.

We need a back to basics budget that focuses on core services. Acquisition of costly and non-critical assets and ill-defined or aspirational projects, such as Environmental and Climate Change strategies and campaigns, must be reconsidered.

Of further concern is the District's ever-increasing payroll costs, which are frequently explained, in part, with the rationale that *West Van is unique in that residents generally expect a higher level of service*. Frankly, this is a pretty lame excuse and I don't believe the expectation of quality service is unique to West Vancouver. Payroll costs are by far the largest expense the District has and an obvious place to look to reduce expenses.

We can start by not hiring 13 additional staff, rather, we should be looking to reduce staff. With many programs and facilities closed due to the pandemic this is an obvious time to make cuts, as so many other employers have done. (City of Vancouver laid off 1,500 employees, Delta laid off 500 employees, Surrey laid off 2,000 employees, Burnaby is laying off 1,500 workers).

Government remuneration, particularly benefits and pensions, have long been out-pacing the private sector and must be brought in line. With so many employers laying off staff and freezing salaries, it is an ideal time to implement changes and renegotiate contracts. We could start by having employees contribute more to the cost of their benefit plans. Even a 50/50 split of costs between employee and the municipality would not be unreasonable.

These are trying times that call for frugality and belt-tightening. We must use this economic upheaval to our best advantage to create a lean, strong, and sustainable municipality.

Sincerely,

Melinda Slater
1058 Keith Road
West Vancouver

Please do not redact.

Council Correspondence update to February 10, 2021 (8:30 a.m.) Letter (16)(5)

From: ADRA Ambleside Dundarave Residents Association <adrawestvan@gmail.com>

Sent: Thursday, February 4, 2021 11:46 AM

To: MayorandCouncil; Mary-Ann Booth; Bill Soprovich; Craig Cameron; Nora Gambioli; Marcus Wong; Sharon Thompson; Peter Lambur

Subject: DWV Proposed Budget 2021

Dear Madam Mayor and Council,

2020 has been a challenging year for all Municipalities in Canada, no less so for West Vancouver, and has likely been a difficult year for all of you both personally and in your role as Councillors. Thank you for your service.

This next year many Residents will also be facing challenges from both a health and financial perspective. Vaccines will hopefully bring an end to the health part of this crisis by year end. However, the economic consequences will likely be felt for years to come.

Many in the private sector have been laid off or are working reduced hours and have had their pay frozen or reduced. Many small businesses are struggling or have had to close down at great personal cost to owners and employees alike. Many seniors are on fixed incomes and with record low interest rates have seen their income decline or had to take additional risk to their capital to preserve income.

It is in this context that I write to you with regard to the Budget 2021. I attended the Budget Presentation on January 28 and have had only a short time since to review some of the details along with the ADRA Board Members. I am sure you will all agree that given an inflation rate of less than 1% a 5.2% increase in property taxes proposed by staff seems to be unreasonable. For many years now property taxes and the cost of running West Vancouver (driven mainly by increasing numbers of employees and salary costs) have increased well above the rate of inflation. This when the population of West Vancouver has been flat. Why?

The Public sector cannot just continue to download increasing costs through increased taxes onto Residents and Businesses. They need to seriously evaluate how to reduce these costs AND the burden on taxpayers. Unfortunately there seems to be nothing regarding the strategic objectives costed into this Budget to actually help our small businesses in West Vancouver.

Mr. McIsaac, on behalf of ADRA, has forwarded a list of questions to Mr. Bartlett related to the 2020 Budget that are relevant today and yet remain unanswered. Questions of the 2021 Budget were included in the list. In a phone call on Friday January 28 Mr. Bartlett, Chief Administrative Officer (CAO) undertook to provide a speedy response to these questions.

In addition to the concern about the 5.2% proposed property tax increase (and this does not include any increases re Translink, School Taxes and Utilities usage) ADRA has the following concerns:

a) Costs are proposed to increase 6.3% or \$6.3 million. \$1.4 million of this relates to adding 13 new full time staff. We cannot continue adding staff especially when our population is not growing.

Surely we should be freezing recruitment and reallocating staff from under resourced areas to areas where more staff are required. In addition we should be at least freezing salaries for non-union staff and management. We cannot continue to see salary and benefit costs rise

b) Revenues include \$4 million of a one-time \$5 million Grant from the Province of BC related to COVID Safe Restart. \$4 million has also been added to expenses. The BC Government provided guidance to CAO's as to what is considered as eligible costs under the program and the money can be used in 2020, 2021 or 2022 in respect of:

1. Addressing revenue shortfalls.
2. Facility reopening and operating costs.
3. Emergency planning and response costs.
4. By-law enforcement and protective services like fire and police.
5. Computer and other electronic technology costs (to improve interconnectivity and virtual communications).
6. Services for vulnerable persons.
7. Other related costs.

Of the \$4 million only \$1.8 million of the proposed spending clearly relates to COVID restart. \$3.2 million less so. Eight additional staff are added as well, costs included.

\$1.7 million is related to Support for Strategic Objectives and it is particularly hard to see how any of this relates to COVID Safe Restart at all. Much of it is for Consulting for things such as Environmental Strategy Update, Transportation Consultant Service, Strategic Transportation Plan, Public education events re Climate Change, Ambleside Town Centre Planning etc.

Particularly egregious is \$312,000 re planning for a yet to be approved Arts Centre.

None of the \$1.7 million seems to be eligible and certainly does not seem to be being spent in the spirit for which the BC Government gave the Grant to Cities and Municipalities.

Also allowed is using Grant Funds to replenish any statutory reserve funds. Our understanding is that \$8 million was borrowed last year from the Endowment Fund largely for the Municipal Hall seismic upgrade. Budget 2021 is proposing spending a further \$3.2 million of the Endowment Fund for the Capital Budget in 2021. The Grant funds instead of being spent, as outlined above, could be used to repay the money borrowed in 2020. This would have reduced expenses and the percentage increase in property taxes proposed.

c) In the General Fund summary it is proposed that \$2.9 million from projected land sales are included in Operating Revenue. We would suggest that this is highly inappropriate and that such funds be allocated to the Endowment Fund or for Capital Assets.

In closing, the above are issues that stand out from a very preliminary review of the proposed Budget 2021. We would hope, as you consider the Budget, you will take into account the comments above.

In these difficult and challenging times we do not consider a 5.2% increase in property taxes appropriate. This is a time to focus on core services delivery and essentials and not to be pursuing major new strategic objectives.

Respectfully submitted,

Heather Mersey, President
Ambleside & Dundarave Residents Association
, West Vancouver BC

Please do not redact my name

Visit our website: ADRAwestvan.ca