

	Sous toutes réserves	Without prejudice
	<p style="text-align: center;"><b>La version française n'est pas encore disponible</b></p>	<p>Mr. Micheal Applebaum <span style="float: right;">March 10 2012</span></p> <p>Re: Resident concerns regarding Borough &amp; City finances</p> <p>As <a href="#">you visit Montreal boroughs to discuss City and borough finances</a>, it is important you get firsthand information from residents on borough and City finances.</p> <p>10 important areas of concern are summarized:</p> <ol style="list-style-type: none"> <li>1. <b>Never lose sight of borough &amp; city debts and deficit</b></li> <li>2. <b>Reversing trends in rising taxes and special charges</b></li> <li>3. <b>More details of 3-year Capital Expenditure Plans</b></li> <li>4. <b>Need more effective strategy to reduce poverty levels</b></li> <li>5. <b>More rigorous cost-benefit analyses are required</b></li> <li>6. <b>Several ethical concerns require resolution</b></li> <li>7. <b>More user-friendly financial details for residents</b></li> <li>8. <b>Clarify how surpluses &amp; emergency funds be used</b></li> <li>9. <b>Are residential developments truly sustainable?</b></li> <li>10. <b>Remember, there is only one taxpayer</b></li> </ol> <p>These have come to light during the last few years as residents have been trying to participate in their local borough and city affairs.</p> <p>Additional details for each are offered in the pages that follow:</p> <p>Would it be possible to receive information on how your activities to coordinating borough and city finances will address the above concerns in light of the information presented in this document? Your information could then be posted on our association web page at <a href="http://aprpr.org">http://aprpr.org</a></p> <p>Thank you for the attention you will bring to these matters.</p> <p>Lewis Poulin  107 General Brock  Pierrefonds-Roxboro  Member of the <a href="#">Association of Proprietors and Residents of Pierrefonds-Roxboro (APRPR)</a></p>

**Never lose sight of borough and city debts and deficits****Problem:**

- It was only as a result of asking persistent questions at borough council meetings that it was learned that the **Pierrefonds-Roxboro debt is now apparently at \$69 million.**
- Information on borough debt is not readily and easily available to residents and it is left up to residents to track down this type of information.
- At the household or business level, taxpayers are actively monitoring the status of their loans and mortgages, by following closely how these are increasing or decreasing as a result of payments made to their accounts
- Yet it is not clear to the residents if and how the borough is monitoring this type of important information, i.e. the yearly status of the borough's outstanding loans for which taxpayers are ultimately responsible for
- Similarly, at the City level, it may not be clear to taxpayers what the actual debt is for the City of Montreal and it appears that the city debt may be in the 5 to 6 billion dollar range.
- Finally, what is the status and trends of our deficits

**Solutions**

- Borough and City debt and deficit information should always remain front and center
- Clear information on the status of the various debts that will have to be repaid by taxpayers should be part of all borough financial documents
- Decisions on the financing of future projects should be made only after a full cost-benefit evaluation has been done as to the impacts these will have on present and future City and borough debt loads
- A yearly summary of outstanding debts and deficits should be published and be more easily accessible and understandable to the average taxpayer
- Plus other solutions that would help address this issue

**Reversing trends in rising taxes and special charges****Problem:**

- A preliminary analysis of the municipal tax bill suggests that Pierrefonds-Roxboro taxes in 2012 are 25% higher compared to what they were back in 2004
- Details of analysis are at: [http://aprpr.org/wp-content/uploads/2012/03/Analyse\\_TaxesMunicipalesP-R\\_2004\\_2012.pdf](http://aprpr.org/wp-content/uploads/2012/03/Analyse_TaxesMunicipalesP-R_2004_2012.pdf)
- While tax bills are increasing, it appears the percentage of the tax bill from the borough general tax is decreasing, and the percentage of the tax bill from additional charges and surtaxes is increasing
- The use of additional charges and surtaxes is worrisome and it appears to be a way for the borough and the City to collect additional money from taxpayers
- Is this not a form of double taxation?
- These trends are worrisome and suggest an expensive future for taxpayers

**Solution**

- Provide much greater information on the reason behind these additional charges
- When will these special charges be phased out if at all?
- Implement a maximum time for such surcharges after which time they must be stopped
- Provide multi year forecasts of the expected values of these surtaxes and surcharges
- Provide clearer information on money collected from these surcharges and surtaxes is being spent and how objectives are being met as a result
- Plus other solutions that would help address this issue

**More details of the 3-year Capital Expenditure Plans****Problem**

- The borough and City regularly present their 3-year Capital Expenditure Plans (CEP)
- It is difficult for residents to track the status and progress of these large amounts of money associated with these CEP plans
- For example, here in our borough, residents simply receive an 8 ½ x 11 inch paper with tables of difficult to decode project numbers and dollar amounts, a few minutes prior to the council meeting that approves the CEP plans. This page is offered if residents ask for it.
- Also, it appears the borough may not be verifying its performance on CEP forecasts. An informal verification done by a resident suggests that over the years, the borough council may have been borrowing CEP amounts that may be higher than what council had presented.

**Solution**

- We need a much more resident-friendly presentation of the status of CEP information (status of loans, status of payments, verification of CEP forecasts against Council resolutions approved CEP loans and expenses, etc)
- Failure to address this lack of information on CEP forecasts and performance, suggest the borough may wind up increasing CEP loans without making this clear to taxpayers
- Information is available at the following links:
- Francais: <http://aprpr.org/?p=4049>
- English: <http://aprpr.org/?p=4050>
- Plus other solutions that would help address this issue

**Need an effective strategy to reduce poverty levels****Problem**

- To those who live on the west island, it appears that poverty is a real issue in our day to day lives
- Yet it is not clear how progress on reducing poverty is monitored and managed by local officials
- How do poverty levels on the west island compare to other parts of the island?
- What are we doing to reduce and eliminate the impacts of poverty on the west island?

**Solution**

- Clarify what are our targets and actions for reducing the negative impacts of poverty on the west island during the next 1 to 10 years?
- Publish yearly reports that actively monitor progress on this issue
- Work more closely with CLSC and CSSS to better quantify the issue, implement solutions and monitor progress
- Plus other solutions that would help address this issue

**More rigorous cost-benefit analyses are required****Problem**

- Solid facts are important to get good value when making decisions with taxpayer money
- Take transportation issue on the west island, the borough of Pierrefonds-Roxboro along with adjacent cities want more roads to feed more vehicles onto highway 40
- Yet those promoting more roads never present objective detailed analyses to support the view that more roads will help reduce vehicle congestion on the west island
- Similarly, Montreal's transportation plan is not clear as to how its plans for the west island will actually reduce congestion and greenhouse gases
- With the city and borough also pushing the development of 6000+ residences in west Pierrefonds, it is more important than ever to manage development decisions based on facts to ensure we do not erode the quality of life conditions on the west island

**Solution**

- Provide objective analyses of proposed scenarios that demonstrate likely impacts and cost-benefits
- For example, it was easy to set up a simple Excel spreadsheet traffic model that suggests the capacity of highway 40 is the weak link in the present car-based transportation model on the west island
- The model also suggests that additional roads feeding onto the 40 will likely not resolve the traffic congestion issue in fact could make it worse
- See info at: <http://aprpr.org/?p=2990> and <http://aprpr.org/?p=79>
- Montreal, the boroughs and adjacent cities should put forward detailed analysis of this type to demonstrate, in advance, what will be the impacts on traffic congestion, on the environment, on the quality of life, of building more roads on the west island and this, prior to deciding
- All details of lobbying done by Montreal, the borough and adjacent cities should be made public and this should include clear details of impact assessments and cost benefit analyses put forward by Montreal, borough and adjacent cities
- Plus other solutions that would help address this issue

**Several ethical concerns require resolution****When will inadmissible refunds be repaid to taxpayers?**

- Recall that MAMROT officials had determined that some elected officials in Pierrefonds-Roxboro had received inadmissible refunds from the borough
- Yet inadmissible refunds not returned to taxpayers
- It is important to properly manage and account for each taxpayer dollar
- See info at: <http://aprpr.org/?p=3548>
- Are there other refunds, not mentioned in the MAMROT letter, that should also be returned to taxpayers?
- We need a more transparent system to allow taxpayers to monitor refunds made to elected and borough officials

**The issue of the borough director accepting a gift from a major west island developer:**

- There is grave concern of conflict of interest and a perception of conflict of interest when it was discovered that the borough director accepted a gift from a major west island developer (See link at: <http://aprpr.org/?p=4617> )
- An investigation was done by Montreal's controller general yet the results of this investigation have not been made public
- With the City and borough wanting to build 6000+ residents in west Pierrefonds, and with this developer in question standing to benefit from this residential development, it is critical there be no real or perceived conflict of interest situations

**What exactly are the borough and the city doing to reduce and eliminate the risk of collusion especially for borough contracts: <http://aprpr.org/?p=4532>**

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**Ensure projects financed by the City and borough are managed in a manner that does not exclude residents and that conforms to Montreal's code of conduct for Montreal employees**

- Recall Rogers-Telus antenna at St Barnabas Church
- In this example, the borough and Rogers carefully coordinated plans for the Rogers tower request from Jan 2010 to July 2010 and this without once informing the residents of those discussions.
- The borough assisted Rogers in preparing the request for a tower installation under a new not yet approved conditional uses bylaw, and this, while the borough was consulting residents on this new bylaw. Yet the borough never revealed to residents that the borough was communicating with a corporate client planning to use this new bylaw
- It appears the borough provided Rogers with information related to the bylaw and architecture committee meetings before providing this information to the public and possibly before minutes of committee meetings had been approved
- Residents were only made aware of the request by Rogers to install at tower a few days before the July 12 2010 borough UPAC meeting.
- The borough's actions appeared to give privileged access to information to Rogers while putting residents in a prejudicial position with respect to their right to participate in a full federally regulated public consultation regarding tower antenna installations.
- We should clarify what role, if any, borough and City officials should play in assisting corporate clients reduce their tax contributions to the city. In the case of the Rogers-Telus tower at St Barnabas church, the work of borough officials resulted in fast tracking a tower installation that appears to reduce business taxes paid to the city by assisting Rogers divert tax dollars into lower fees paid to St Barnabas Church
- Plus other solutions that would help address this issue



**Provider user-friendly financial details for residents**

**Borough residents deserve much clearer and easier to interpret information when it comes to Montreal's financial situation.**

- Boroughs are affected by Montreal's debt load, additional taxes, special charges, etc.
- It is presently very difficult if not impossible for the average taxpayer to easily find and understand the basics with respect to Montreal's financial situation and outlook.

**Improving the quality of public consultations on all matters relating to finances**

- Presently, the borough consults residents in a period of 30 minutes or less prior to adopting the budget or CPE items.
- The public should be provided with budget and CPE information ahead of time and the public should be much more engaged and consulted when it comes to budget and CPE items that risk increasing the borough's debts
- As is done in many other municipalities, provide more comprehensive and inclusive and real public consultation on budget and municipal matters, especially at the borough level
- Plus other solutions that would help address this issue

**Clarify how surpluses & emergency funds be used****Problem**

- It is very difficult if not impossible for taxpayers to track the health and status of the borough and city surplus
- It is not clear what the conditions under which it is deemed acceptable to spend money from the surplus
- Managing the surplus in a manner that is not clear to taxpayers may expose taxpayers to unnecessary risks

Also

- It is not clear to taxpayers what is the health and status of the borough and city emergency funds

**Solution**

- Residents and business owners know firsthand the importance of a healthy emergency fund
- Clarify for residents what are the various budgetary envelopes and what each envelope should be used for, ex: operating, surplus, emergency, etc.
- Put in place measures that will ensure the surplus and emergency funds will be better protected for the interest of taxpayers of today and tomorrow
- Make much more visible, accessible and understandable the information related to the borough and city surpluses
- Put in place protection to better manage and protect surplus and emergency funds
- We should ensure and clarify for the residents what the status is for emergency funds and ensure safeguards are in place to protect this money and ensure it is used appropriately.
- Information on the health of status and emergency budgets should appear in yearly budgets and finance documents
- Plus other solutions that would help address this issue

**Are residential developments truly sustainable?****Problem**

- Prior to approving new residential developments, it should be clearly and objectively shown what will be the building costs and the ongoing operating costs of providing the many services associated with such new developments.
- Studies indicate that taxes collected from a residential tax base alone cannot sustain the cost of providing services to that development.
- This implies that residential developments are not financially self-sustaining financially and as a result can end up being a financial burden unless additional money be made available from other sources
- Recall that Montreal and the borough wish to build 6000+ residences in west Pierrefonds yet there is no clear information available on how these developments will pay their own way or simply serve to increase the tax burden on existing and future taxpayers and municipal and other levels of government

**Solution**

- This amount and associated sources should be known and identified prior to approving any developments in order to ensure they are sustainable.
- Plus other solutions that would help address this issue

**There is only one taxpayer – coordination required****Problem**

- All governments must coordinate better
- At a Pierrefonds-Roxboro council meeting residents asked council what would be the impact on traffic, schools, clinics, etc. associated with the large number of condos and residences council was aggressively approving in already congested neighbourhoods.
- Residents were shocked to hear council respond by saying these types of concern was not their concern but that issues of this type were up to the provincial government to resolve.
- Role of subsidies from other levels of government?

**Solution**

- There is only one taxpayer and governments at one level should not blindly impose costs on other levels of government that will go back for more money to those same taxpayers.
- Coordination is required between levels of government to ensure quality of life and economic sustainability.
- Are there any provincial laws that prevent cities and boroughs from delivering balanced budgets?
- Push for changes to laws to allow municipalities to manage their finances in a more sustainable manner.
- Is the law forcing municipalities to give contracts to the lowest bidder vulnerable to collusion by actions of some companies?
- Is it time to put forward a legal reform to all applicable laws government municipal budgets?
- Should we not mandate cities to have and keep in place a surplus of say 10-20% for emergencies and unforeseen expenditures and managed in a clear and accountable manner?
  - Should we not clarify what should be the maximum allowable number of employees per capita in order to attain and maintain efficiencies of scale? Why can some jurisdictions appear to operate more efficiently than ours?
- Plus other solutions that would help address this issue

**Additional Links:**

APRPR: <http://aprpr.org>

APRPR – Financial analyses : [http://aprpr.org/?page\\_id=3102](http://aprpr.org/?page_id=3102)

Brouillon - Draft