

**FINANCE COMMITTEE
RECOMMENDATION INDEX
Tuesday, January 21, 2003**

C. FINANCE COMMITTEE DISCUSSION

It was
increase be approved.

Moved by Councillor Tymoschuk
Seconded by Councillor Higginbotham
That the Finance Committee recommends that a 2.9% property tax

Carried with Councillor Bose Against

It was
increase of 2%.

Moved by Councillor Tymoschuk
Seconded by Councillor Steele
That the Finance Committee recommends an across-the-board fee

Carried

It was
savings in the amount of \$200,000 be identified.

Moved by Councillor Tymoschuk
Seconded by Councillor Steele
That the Finance Committee recommend that on-going departmental

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It was
of \$750,000 to fund 12 additional RCMP officers for half a year.

Moved by Councillor Watts
Seconded by Councillor Steele
That the Finance Committee recommend an additional operating increase

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It was
of \$460,000 to fund 8 Firefighters for 10 months.

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Seconded by Councillor Villeneuve
That the Finance Committee recommend an additional operating increase

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It was
of \$50,000 to fund moving the Social Planner position to full time.

Moved by Councillor Villeneuve
Seconded by Councillor Higginbotham
That the Finance Committee recommend an additional operating increase

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It was Moved by Councillor Watts
Seconded by Councillor Steele
That the Finance Committee recommends an additional operating
increase of \$700,000 to fund part year operating costs for the South Surrey Library and RCMP District Office.
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It was Moved by Councillor Watts
Seconded by Councillor Tymoschuk
That the Finance Committee recommend an additional operating increase
of \$600,000 to fund annualization of the Fire Services radio operating system through E-Comm.
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It was Moved by Councillor Higginbotham
Seconded by Councillor Watts
That the Finance Committee recommends the one-time use of surplus in
the amount of \$2.9M.
Carried

It was Moved by Councillor Higginbotham
Seconded by Councillor Watts
That the Finance Committee recommends that the operating contribution
to the capital program be maintained at the 2002 level of \$6.5M.
Carried

It was Moved by Councillor Higginbotham
Seconded by Councillor Tymoschuk
That the Finance Committee recommends further reducing the operating
contribution to new capital projects from \$6.5M to \$5.2M.
Carried with Councillor Bose Against

It was Moved by Councillor Tymoschuk
Seconded by Councillor Watts
That the Committee recommend adoption of the Capital Budget as
presented in the 2003 Five-Year Financial Plan; and

That the Committee recommends that the Fraser Heights Skate Park/Youth Park/Water Park be moved forward to
2003.

Carried

It was Moved by Mayor McCallum
 Seconded by Councillor Tymoschuk
 That the Finance Committee recommends the following additional
 increases for 2004, 2005, 2006 and 2007:

	2004	2005	2006	2007
	#	#	#	#
Additional RCMP Officers @ \$125K per officer per year	20	20	8	8
Additional Firefighters @\$70K per Firefighter per year	8	8	0	0
	<u>Carried</u>			

It was Moved by Mayor McCallum
 Seconded by Councillor Tymoschuk
 That the Finance Committee recommends that water utility rates be set
 at:

Single Family Dwelling	\$220.00
Secondary Suites	\$155.00
Metered Rate	\$0.37
	<u>Carried</u>

It was Moved by Councillor Higginbotham
 Seconded by Councillor Tymoschuk
 That the Finance Committee recommends that sewer/drainage utility
 rates be set at:

Single Family Dwelling	\$207.00
Secondary Suites	\$154.00
Metered Rate	\$0.50
	<u>Carried</u>

It was Moved by Councillor Higginbotham
 Seconded by Councillor Tymoschuk
 That the Finance Committee recommends that the Drainage Parcel Tax
 be set at:

All property classes except 9	\$145.00
Class 9 Properties	\$95.00
	<u>Carried</u>

It was Moved by Councillor Higginbotham
 Seconded by Councillor Tymoschuk
 That the Finance Committee recommend the solid waste utility rates be
 set at \$177.00 for a Single Family Dwelling and \$88.00 for a secondary suite.

Carried

City of Surrey
Finance Committee
Minutes

Council Chamber
City Hall
14245 - 56 Avenue
Surrey, B.C.
TUESDAY, JANUARY 21, 2003
Time: 4:00 p.m.



Present:

Councillor Hunt - Chair
Mayor McCallum
Councillor Villeneuve
Councillor Tymoschuk
Councillor Steele
Councillor Bose
Councillor Watts

Councillors Entering
Meeting as Indicated:

Councillor Priddy
Councillor Higginbotham

Staff Present:

City Manager
General Manager, Finance, Technology &
Human Resources
General Manager, Planning & Development
General Manager, Engineering
Assistant Commissioner – Lower Mainland
District Officer
Acting City Clerk
Fire Chief
Chief Librarian

**A. PRESENTATION OF THE 2ND YEAR (2003) OF THE
CURRENT FIVE-YEAR PLAN (2002 - 2006)**

1. The Corporate Report, under date of January 21, 2003, was considered and dealt with as follows:

Item No. F001 2003 Five-Year Financial Plan
File: 0270/1 - 2003

The General Manager, Finance, Technology & Human Resources submitted a report concerning the current Five Year Plan (2002 - 2006)

The General Manager, Finance, Technology & Human Resources was recommending that Council receive the report for information; and

Provide direction as requested in the report in order that the 2003 Five-Year Financial Plan be prepared for Council's consideration; and

Approve the 2003 Utility Rates.

Councillor Higginbotham entered the meeting at 4:04 p.m.

The General Manager, Finance, Technology & Human Resources reviewed the proposed 2003 Five-Year Financial Plan and noted that it is anticipated that there will be a one-time savings of about \$11.4 million, which has been re-allocated as follows:

Councillor Priddy entered the meeting at 4:06 p.m.

- \$2.9M to avoid the budgeted transfer from surplus
- \$3.8M to complete the South Surrey Library/RCMP District Office
- \$0.8M for RCMP vehicles and computers for their 2002 needs
- \$2.5M for RCMP space issues (e.g. district offices) and
- \$1.4M available for 2003 Capital issues.

In response to a question from Councillor Bose, the General Manager, Finance, Technology & Human Resources advised that the projected transfer to surplus previously budgeted for 2002 will not be required due to funds being available from 2002 savings.

The General Manager, Finance, Technology & Human Resources continued by reviewing additional ongoing expenditure increases encountered in 2002 in the amount of \$1.9M as follows:

- \$1.1M for 8 RCMP officers and 2 Bylaw Officers
- \$0.4M for increases in health premiums, salaries (RCMP & Other)
- \$0.4M for other 3rd party contract increases (e.g. BC Hydro, insurance)

The General Manager, Finance, Technology & Human Resources noted that in 2002 these increases were absorbed, but will need to be budgeted for in future years.

The General Manager, Finance, Technology & Human Resources identified \$7.2M in increases in 2003, which were approved by Council as part of the 2002 Five-Year Financial Planning process:

- \$0.5M for annualization of 8 RCMP officers added July, 2002
- \$0.5M for 8 new officers or equivalent to begin July 2003
- \$4.2M for provision for labour (City, Library, Fire & RCMP) and other 3rd party increases
- \$0.5M for provision for Engineering and Parks increases
- \$1.5M for an increase in operating contribution for new capital projects.

In response to a question from Councillor Villeneuve, the Assistant Commissioner, Lower Mainland District Officer advised that as soon as the RCMP is informed that funding is in place, which includes 10% of funds available from the Federal Government, they would begin the recruitment process.

The standard is to provide new officers to the City within 6 to 9 months.

In response to a question from Councillor Bose, the City Manager advised that there are two steps available to offer advance information to the RCMP system to fulfill staffing needs. One step is the Five-Year Plan, which gives some indication of anticipated needs, and the second is a letter from the City estimating the number of new officers required.

In response to a question from Councillor Bose concerning the items which gave rise to the \$11.4M in savings, the General Manager, Finance, Technology & Human Resources, advised that these have been included in the third quarterly report to Council last October, which detailed where the expenditure decreases and revenue increases had occurred. She advised that staff are still working on the fourth quarter results.

The General Manager, Finance, Technology & Human Resources continued that to begin the formulation of the 2003 General Operating Budget, consideration should be given to the on-going expenditure increases, as well as those 2003 on-going revenue increases and costs savings approved by Council as part of the 2002 Five-Year Financial Planning process. The General Manager outlined \$9.1 total expenditure increases as follows:

- \$1.9M for additional expenditure increases encountered in 2002; and
- \$7.2M for expenditure increases originally envisioned in 2002

The General Manager Finance, Technology & Human then outlined 2003 Revenue Increases/Cost Savings of \$8.6M as follows:

- \$3.6M for revenue increases related to new growth
- \$3.6M for a 2.9% property tax increase
- \$0.5M for an across the board fee increase
- \$0.7M for identified savings in the Solid Waste contract.
- \$0.2M for on-going department savings to be identified.

The General Manager, Finance, Technology & Human Resources then advised that the Finance Committee's direction is requested for additional operating increases for 2003 as outlined in the 2003 Five-Year Financial Plan Report.

The General Manager, Finance, Technology & Human Resources briefly outlined additional ongoing operating costs ranging from \$2.3M to \$3.5M, and which asks the Finance Committee to provide direction on:

- New RCMP Officers
- New Firefighters
- Moving the part-timer Social Planner position to full time
- Part year Operating costs for the South Surrey Library
- Annualization of the Fire Services radio operating system through E-Comm
- Preparation of Department Issue Papers for the next Finance Committee Meeting
- Fest Committee requests
- Other increases.

In response to questions, the City Manager advised that the actual estimated cost for moving a senior planner to full time would be approximately \$50,000, which is full costs including salary and benefits. This figure does not include support staff, as it is anticipated that existing support services can take care of this position.

The City Manager noted that the cost per RCMP Officer of \$125,000 is the cost to put an officer out on the street, and includes uniform, training, vehicle, and Computer. This is the same for the Firefighters, except that there is less cost for equipment for the Firefighters.

The General Manager, Finance, Technology & Human Resources advised that staff anticipate that there will be a \$5.7M difference between operating expenditure and revenue increases/cost savings. She asked that the Finance Committee provide direction on the suggestions for making up the difference as follows:

- \$2.9M for a one-time use of surplus
- \$1.5M to maintain the operating contribution to the Capital program at the 2002 level of \$6.5M
- \$1.3M to further reduce operating contribution to new capital projects from \$6.5M to \$5.2M

The General Manager, Finance, Technology & Human Resources noted that the Finance Committee could also consider a further property tax increase over and above the 2.9% already included.

Councillor Priddy asked whether increased home value assessments would bring in additional revenue.

Councillor Hunt noted that the average home produces \$799 in taxes, and with the 0% tax increase mandated by Council, the mill rate has been adjusted either up or down to maintain that \$799 figure. This has resulted in no additional revenue increases to the City for increased assessments.

The General Manager Finance, Technology & Human Resources then discussed the proposed capital projects budgets based on Departmental Requests for the years 2003 to 2007, and which would result in a total capital cost for new projects in 2003 of between \$5.2M - \$6.5M depending on Finance Committee direction. It was noted that the Guildford District RCMP cost of \$2.5M would come from 2002 one-time savings.

The suggested allocation of \$5.2M for 2003 projects is comprised of:

- \$0.7M for bridge replacement at 192nd and the Nicomekl River
- \$1.4M for Artificial Turf Fields
- \$2.0M for the Learning and Discovery Centre
- \$0.35M for South Surrey & Crescent Beach Firehall Renovations
- \$0.5M for Road Repaving & Rehabilitation
- \$0.25 M for Greenways

The Chair left the meeting at 5:05 p.m. and the Mayor assumed the Chair.

The City Manager noted that there are many variations on the \$5.2M, and that staff are seeking direction from the Finance Committee.

In response to a question from Councillor Bose, the City Manager noted that under the 2002 Financial Plan, no money was allocated up to 2006 for the Learning & Discovery Centre. In the fall of 2002 Council directed staff to find money in order that an application could be made which met the infrastructure grant guidelines.

The Chair returned to the meeting at 5:07 p.m. and assumed the Chair.

In response to a question from Councillor Priddy, the City Manager advised that the South Surrey Multi-Purpose facility was included in the Five-year Financial Plan approved last year.

The Manager of Parks noted that conceptual planning for the facility has been done as a result of considerable input from the community but at this point no detailed program planning or plans have been developed.

In response to discussion, the City Manager advised that road funding for capital improvements comes from Development Cost Charges, the Greater Vancouver Transit Authority, and capital funding.

Mayor McCallum noted that a significant increase in contributions from TransLink is anticipated.

Councillor Villeneuve asked when the Finance Committee will have an opportunity to discuss the issue of full- time versus part-time staff, and whether it is more productive to hire part-time people or to hire full time.

The City Manager advised that the issue of full time or part time is not a budget issue, but is more an operating issue of what makes sense to the operations of the City.

In response to a question from Councillor Watts, the General Manager of Engineering noted that the City received \$9M in DCC's in 2002 and \$12.8M is anticipated for 2003, which is a significant increase.

The General Manager, Finance, Technology & Human Resources then discussed utility rates and noted that these need to be dealt with relatively quickly as utility notices would be going out soon. Utility rates for 2003 are proposed as follows:

- \$3.00 increase per dwelling unit for Water Utility Rates, which includes a 4.0% increase in GVRD rates, contractual labour and energy cost increases, and the 4th year of the residential metering program.
- \$25.00 increase per dwelling unit for sewer/drainage utility rates, which includes a proposed 7.9% increase in GVS&DD levy rates, contractual labour and energy cost increases, and streamlining of the fee structure
- No rate increase for Solid Waste Rates – due to contract being lower than originally anticipated.

In response to a question from Councillor Bose, the General Manager, Engineering advised that there is a parcel tax for rental units, but under strata developments each unit receives a parcel tax.

Councillor Bose asked that the issue of parcel taxes for sewer/drainage utility rates be reviewed and asked that background and briefing notes be provided on this issue.

The General Manager, Engineering advised that Engineering is updating their computer system and are proposing to move to a more equitable drainage charge relating to the size of the parcel and land use. It is hoped to have this on line in 2004.

The General Manager, Engineering noted that of the \$25.00 increase for sewer/drainage costs, approximately \$11.00 is driven by increasing Regional costs and \$14.00 for drainage and flood control works that Surrey has been undertaking. Costs for these works will level off and start to decline once the drainage and flood control program is finished.

B. PUBLIC OPPORTUNITY TO COMMENT

Laurie Larsen, President, CUPE 402 was present to comment on the proposed Five-Year Financial Plan, and advised that she has concerns with funding for RCMP support staff. She advised that she has talked with the RCMP and Human Resources to address her concerns that there is not enough staffing to support the current RCMP members.

Ms. Larsen continued that this issue needs to be addressed, and that she also has concerns that there are part-time people working full time in the RCMP. She noted concerns in the area of Guards and Telecom, stating that Surrey trains these people and they then move on to other municipalities who can offer them full-time work.

Councillor Watts responded that typically Surrey has allowed the RCMP to allocate people as they see fit, the City does not get into how they run their operations.

The City Manager noted that the figure of \$125,000 per officer is not intended to include support staff, and that the issue of part time to full time can be addressed within general budgetary direction given by Council each year. He noted that this issue has been resolved with City staff and it is the intent to also resolve this issue with the RCMP, and provide a memorandum back to Council.

In response to a query from Councillor Bose, the City Manager noted that as civilian staff are supervised by uniformed staff, they are in the best position to estimate what their needs are, and the City has to be guided by how the RCMP identify their needs within the total funding that Council offers. He advised that although Council allocates total funding, it does not become involved in the actual deployment.

In response to a question from Councillor Priddy, the City Manager noted that there are two elements to this issue – the adequacy and sufficiency of the numbers of City staff in the detachment, and deployment.

The City Manager continued that changes may need to be brought about with respect to moving individuals from part-time to full-time, but budgetary constraint is not an obstacle to solving the problem.

Betty McClurg, President, Guildford Community Partners was present to comment on the proposed Five-Year Financial Plan, and congratulated Council on approving the Community Policing Station in Guildford. She asked that the Community Policing Station be in the downtown Guildford area rather than Fraser Heights or attached to Fleetwood.

The City Manager advised that once Council approves the project, a process would be initiated to ensure that the right location is chosen.

Ms. McClurg also asked that the indoor pool for the Guildford Recreation Centre not be forgotten. She noted that they have approximately 4,000 names on a petition, and there is a concern that Guildford may not be receiving the equivalent facilities as South Surrey.

The Chair noted that the first monies for the Guildford pool are slated for 2005, with construction to begin in 2006.

Jim Payne, Friends of the Surrey Museum & Archives, was present to comment on the proposed Five-Year Financial Plan, and stated that he wished to present background information on the Learning & Discovery Centre.

Mr. Payne noted that the Friends of the Museum & Archives have one cause, which is to build a new museum facility, which would be a citywide facility. He continued that this project goes back 15 years, and reviewed a package of material presented to Council.

Mr. Payne commented that originally the proposal was for a \$15 million facility, and that this has now been reduced to \$5 million, with \$3 million allocated from the City of Surrey and \$2 million from other sources. He expressed concern that under the current proposal the facility will only gain a little over 600 square feet.

Mr. Payne asked that the City contribute \$5 million plus \$2 million from other sources for a total of \$7 million, which would allow the facility to increase by 7,000 square feet. He noted that the Museum has more exhibits behind the scenes than it has on display, and it would not make sense to build a facility of the same size.

Mr. Payne commented that as the proposal is to stretch over 3 years, possibly the Finance Committee would consider recommending funding such as \$1 million in 2003, and \$2 million in each of the years 2004 and 2005 to come up with \$5 million to increase the project to a larger more useful facility.

Mr. Payne then had a discussion with the Finance Committee and staff on capital funding, allocations and surplus monies transferred to reserves.

Mr. Payne stated that once a decision is reached, the Friends of the Museum & Archives will actively fundraise for amenities inside the facility, and concluded by asking the Finance Committee to recommend that this project proceed as a \$7 million initial phase rather than \$5 million.

Rick Sparrow, Fraser Heights Community Association was present to comment on the proposed Five-Year Financial Plan, and presented a petition to the Finance Committee, which asked that they consider funding the Fraser Heights Skate Park/Youth Park/Water Park in 2003 rather than 2007.

Mr. Sparrow noted that the area will soon have 6,000 homes, with 4,000 children and they feel they are not getting sufficient services. He continued that funding the skate/youth/water park would be the cheapest item on the capital budget, and provide a place for Fraser Heights youth.

Mr. Sparrow commented that presently families utilize facilities in Langley, or drive to Hawthorne Park, which presents traffic difficulties because of the Freeway traffic.

In response to a question on fundraising opportunities within the community, Mr. Sparrow noted that there is very little business structure in the Fraser heights area, so there is limited opportunity to obtain business funding. He noted that residents feel that they pay sufficient taxes to fund a facility of this kind, and that other amenities such as Hawthorne Park have been fully funded by the City.

Mr. Sparrow added that there has been some initial consultation as to cost, but nothing has been finalized, and that working with residents in the area indicates that this facility may ultimately be best placed behind Irma Stevenson School.

Craig East, resident, was present to discuss the proposed Five-year Financial Plan, and commented that over a 2-year period, there appears to be a \$20M surplus on total budget funds of \$380M. He stated that as a taxpayer, he would prefer that if this money is not required, it be left in the pockets of the taxpayer, or alternatively directed to capital projects at the year end.

Mr. East continued that a \$20M surplus on budgets of \$380M is about 6% which is a large variance when most City costs are a given.

The Chair responded that a large amount of the surplus is coming from the RCMP because the money had to be in the budget prior to the officers being recruited, and that the difference comes from expectations of what Surrey wanted, and what the RCMP were able to deliver.

Al Cleaver, Friends of the Museum & Archives, was present to comment on the proposed Five-Year Financial Plan, and thanked Council for the lights at 99th Avenue and Scott Road. He stated that he and his family have lived in that area for 56 years and appreciate the clean up that has been done. He continued that he understands the final section, from Townline Diversion to Victoria Road between 96th Avenue to 99th Avenue, will be done this year.

Mr. Cleaver concluded by stating he would like to see the commitment to the Museum & Archives project honoured.

Murray Weisenberger, 12785 Crescent Road, was present to comment on the proposed Five-Year Financial Plan, and asked whether issue papers will be presented. He asked whether pavement and road rehabilitation figures are cumulative, and noted a January 16, 2001 Transportation paper which raised some issues concerning the pavement quality index. He asked what are the current indicators as to whether the pavement quality index is getting better or worse.

The General Manager, Engineering responded that a computer system tracks the state of pavement quality and that this indicates the pavement index is staying level. He noted that staff will be looking at this again this year and will compare results with what was done 4 years ago.

Mr. Weisenberger noted that there is a significant saving in the Solid Waste utility and questioned why this is not reflected in the rate paid by citizens.

The City Manager noted that if proportionate costs were applied to the contract there would be no savings, but any overage has allowed rates to remain stable.

The General Manager, Engineering advised that staff are working towards streamlining the fee structure and will try to bring more user pay into the flat rate system.

Dale Denny, resident at the corner of Archibald and Kennedy Roads, was present to comment on the proposed Five-Year financial Plan and expressed concern that his property assessment has increased \$20,000 when he has made no improvements to his property in the last 40 years.

There were no further submissions from the public, and the meeting adjourned at 6:22 p.m. and reconvened at 7:03 p.m. with all members of the Committee in attendance, except Councillor Priddy.

C. FINANCE COMMITTEE DISCUSSION

It was
report for information.

Moved by Mayor McCallum
Seconded by Councillor Watts
That the Finance Committee receive the 2003 Five-Year Financial Plan

Carried

It was
increase be approved.

Moved by Councillor Tymoschuk
Seconded by Councillor Higginbotham
That the Finance Committee recommend that a 2.9% property tax

Councillor Bose expressed concern that a tax increase is being considered prior to identifying issues.

The question was called on the motion and it was:-
Carried with Councillor Bose Against

Councillor Priddy returned to the meeting at 7:06 p.m.

It was
increase of 2%.

Moved by Councillor Tymoschuk
Seconded by Councillor Steele
That the Finance Committee recommend an across-the-board fee

Carried

It was Moved by Councillor Tymoschuk
Seconded by Councillor Steele
That the Finance Committee recommend that on-going departmental savings in the amount of \$200,000 be identified.
Carried

The Finance Committee then discussed an additional operating increase to fund 12 further RCMP Officers.

The Assistant Commissioner, Lower Mainland District Officer, noted that there are 416 police officers in the City of Surrey, with approximately 144 full-time and 100 part-time support staff.

Councillor Bose expressed concern that this is one of the most significant budget items, and that Council has not received a presentation from the Assistant Commissioner, Lower Mainland District Officer, or issue papers to deal with this issue.

It was Moved by Councillor Watts
Seconded by Councillor Steele
That the Finance Committee recommend an additional operating increase of \$750,000 to fund 12 additional RCMP officers for half a year.
Carried with Councillor Bose Against

The Committee then discussed funding for 8 additional Firefighters for 2003.

In response to a question, the Fire Chief advised that if the recommendation is approved they hope to be able to have the Firefighters on line by March 1. He noted that there are approximately 50 individuals on a short list, with new graduates every year, and that wherever possible, they do hire from the volunteer ranks.

The Fire Chief commented:

- That a Fire Services Review at the end of 2000 identified strengths and weaknesses, and two areas that need to be addressed.
- That these two areas will be addressed through the hiring of 8 new Firefighters.
- That in terms of First Responder, this will maintain the status quo.
- That the Provincial agency is conducting a core review, which will hopefully address the First Responder

issue.

- That the proposed increase in firefighters will allow more fire prevention and public safety to be conducted by full-time firefighters.
- That there are 285 professional career fighters and approximately 265 volunteers, which is the largest composite fire department in Canada.

It was
of \$460,000 to fund 8 Firefighters for 10 months.

Moved by Councillor Watts
Seconded by Councillor Villeneuve
That the Finance Committee recommend an additional operating increase
Carried

The Finance Committee then discussed an additional operating increase to fund moving the part-time Social Planner position to full-time.

It was
of \$50,000 to fund moving the Social Planner position to full time.

Moved by Councillor Villeneuve
Seconded by Councillor Higginbotham
That the Finance Committee recommend an additional operating increase
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The Finance Committee then discussed an additional operating increase to fund part year operating costs for the South Surrey Library and RCMP District Office.

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increase of \$700,000 to fund part year operating costs for the South Surrey Library and RCMP District Office.

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That the Finance Committee recommends an additional operating
Carried

The Committee then discussed an additional operating increase for annualization of the Fire Services radio operating system through E-Comm.

It was
That the Finance Committee recommend an additional operating increase

Moved by Councillor Watts
Seconded by Councillor Tymoschuk

of \$600,000 to fund annualization of the Fire Services radio operating system through E-Comm.

Carried

The Committee then discussed additional operating increases to fund preparation of Departmental Issue Papers for the next Finance Committee meeting.

It was

Moved by Councillor Bose

Seconded by Councillor Villeneuve

That the Finance Committee recommend that issue papers be prepared on the critical needs of Engineering, specifically the roads program, operational needs for Parks, Recreation & Culture, and that a presentation be received on funding for the Library.

Defeated with Councillors Tymoschuk, Steele, Higginbotham, Watts and Mayor McCallum Against

Councillor Higginbotham noted that Fest Committee requests should be referred to Council initiatives with a Corporate Report coming forward to Council in approximately 3 weeks.

Councillor Villeneuve expressed concern at the amount of litter on City streets and asked if it would be possible to deploy funds from another area to address this issue.

Councillor Bose also expressed concern at the amount of litter on City streets, and asked that staff consider an increase in street cleaning.

The Mayor noted that there are areas that need some clean up, but that those citizens who volunteer for the Adopt-a-Street program are to be complimented on the work that they do which is making a real difference and helping to put pride in the community. He also commented that once the Transfer Station is built, the community would most likely see a reduction in the amount of litter and garbage that is left on the streets.

The General Manager, Engineering responded that staff would look at what can be done to address this issue within the resources available and report back to Council.

Councillor Higginbotham expressed concern for some of the older retention/detention ponds located in South Surrey, and which are very barren and bleak. She noted that citizens have commented that these are not well kept up and in particular the detention ponds at 20th Avenue and 138th Street, and 24th Avenue. She noted that citizens have suggested that some sort of maintenance free landscaping should be considered.

The City Manager advised that ground maintenance is currently conducted twice a year and that staff have recently discussed this issue and are planning to attempt maintenance 4 times a year. It is estimated that this will result in a budget increase of about \$25,000 a year.

Councillor Bose expressed concern about the number of unsightly premises within the City and questioned the length of time it takes to bring these types of matters to Council. In particular he noted one case that took 9 years to come before Council for resolution.

The City Manager responded that the length of time that some have taken is clearly unacceptable to staff as well, and that the single most important element is the legal process and the obligations the City is required to fulfill to ensure the rights of the people who are responsible for the unsightly premises.

The City Solicitor advised that By-law resources appear to be adequate and staffing has kept up with growth of the City. The By-law & Licensing Services Department does rely on complaint-based direction for by-law enforcement. He noted that the By-law & Licensing Services Department has been very effective in a cleanup effort in Whalley and improving the City Centre situation.

The City Solicitor continued that the City does try to attempt voluntary compliance and to use the courts as a last resort. He noted that in the specific case referred to by Councillor Bose, there were several cleanup attempts and compliance, then slippage and non-compliance, followed by additional cleanup attempts.

Councillor Bose asked what additional resources would be required to operate the By-law & Licensing Services Department in a proactive mode, rather than waiting for people to complain.

The City Manager responded that the City has not done a direct analysis of funding the By-law & Licensing Services Department to be proactive rather than reactive, but that in 2002 Council did approve increasing the department by 2 more officers.

The Finance Committee then discussed funding for the operating expenditure increases for 2003.

It was
the amount of \$2.9M.

Moved by Councillor Higginbotham
Seconded by Councillor Watts
That the Finance Committee recommend the one-time use of surplus in

Carried

It was
to the capital program be maintained at the 2002 level of \$6.5M.

Moved by Councillor Higginbotham
Seconded by Councillor Watts
That the Finance Committee recommend that the operating contribution

Carried

It was Moved by Councillor Higginbotham
Seconded by Councillor Tymoschuk
That the Finance Committee recommend further reducing the operating contribution to new capital projects from \$6.5M to \$5.2M.

Before the motion was put:-

It was Moved by Councillor Bose
Seconded by Councillor Villeneuve
That consideration of a further reduction in the operating contribution to new capital projects be deferred.

Defeated with Councillors Higginbotham, Tymoschuk, Steele, Watts, and Mayor McCallum Against

The motion was called on the main motion, and it was:-

Carried with Councillor Bose Against

The Committee then reviewed and discussed the merits of the proposed capital projects budget as presented in the report from the General Manager, Finance, Technology & Human Resources.

The Committee then discussed moving the Fraser Heights Skate Park/Youth Park/Water Park forward to 2003.

Councillor Tymoschuk noted that the Parks, Recreation & Culture Commission received a delegation on this facility last fall, and noted the lack of facilities for youth in the Fraser Heights area.

Councillor Priddy expressed concern that if this project is brought forward, funds may be taken from another project which had been in the planning for a longer period.

The City Manager noted that a revised plan would be submitted at the next meeting of the Finance Committee so that the Committee would have an opportunity to see how funding for the facility would be accomplished.

Councillor Villeneuve advised that she would prefer to see budget consideration for increasing the Learning & Discovery Centre budget from \$5M to \$7M. She expressed concern that the existing budget proposal will only increase the Museum space by 600 square feet, whereas increased funding to \$7M would allow for a much more significant increase up to 7000 square feet.

The City Manager noted that to qualify for infrastructure grants the funds for the facility must be in the 2003, 2004 and 2005 budgets. He continued that identifying \$5 million in total funding in this Five-Year Financial Plan does not preclude the Committee from adjusting or adding to this amount in subsequent years.

In response to discussion, the City Manager advised that the Guildford District RCMP office is

representative of the quality expected from the community.

The Director of Engineering noted that the Nicomekl Bridge at 192nd Street is deteriorating and requires replacement. He noted that this is an old wooden bridge and emergency repairs have been required. This bridge will potentially be servicing the new Campbell Heights Industrial Area.

It was Moved by Councillor Tymoschuk
Seconded by Councillor Watts
That the Committee recommend adoption of the Capital Budget as presented in the 2003 Five-Year Financial Plan; and

That the Committee recommend that the Fraser Heights Skate Park/Youth Park/Water Park be moved forward to 2003.

Before the motion was put:-

It was Moved by Councillor Villeneuve
Seconded by Councillor Bose
That the motion be amended to incorporate \$7 million dollars for the Learning & Discovery Centre, which would be comprised of a \$5 million contribution from the City of Surrey, and \$2 million from Federal and Provincial infrastructure grants.
Defeated with Councillors Higginbotham, Tymoschuk, Steele, Watts, and Mayor McCallum Against

The question was called on the main motion, and it was:

Carried

It was Moved by Mayor McCallum
Seconded by Councillor Tymoschuk
That the Finance Committee recommend the following additional increases for 2004, 2005, 2006 and 2007:

	2004	2005	2006	2007
Additional RCMP Officers @ \$125K per officer per year	# 20	# 20	# 8	# 8
Additional Firefighters @\$70K per Firefighter per year	8	8	0	0

Carried

It was Moved by Mayor McCallum
Seconded by Councillor Tymoschuk
That the Finance Committee recommends that water utility rates be set

at:

Single Family Dwelling	\$220.00
Secondary Suites	\$155.00
Metered Rate	\$0.37

Carried

It was Moved by Councillor Higginbotham
Seconded by Councillor Tymoschuk
That the Finance Committee recommends that sewer/drainage utility
rates be set at:

Single Family Dwelling	\$207.00
Secondary Suites	\$154.00
Metered Rate	\$0.50

Carried

It was Moved by Councillor Higginbotham
Seconded by Councillor Tymoschuk
That the Finance Committee recommends that the Drainage Parcel Tax
be set at:

All property classes except 9	\$145.00
Class 9 Properties	\$95.00

Carried

It was Moved by Councillor Higginbotham
Seconded by Councillor Tymoschuk
That the Finance Committee recommend the solid waste utility rates be
set at \$177.00 for a Single Family Dwelling and \$88.00 for a secondary suite.
Carried

D. ADJOURNMENT

It was Moved by Mayor McCallum
Seconded by Councillor Watts
That the Finance Committee meeting do now adjourn.
Carried

The Finance Committee adjourned at 8:51 p.m.

Chairperson