

Present:

Councillor Gill - Chair
Mayor Watts
Councillor Bose
Councillor Hepner
Councillor Rasode
Councillor Hunt
Councillor Martin
Councillor Steele
Councillor Villeneuve

Absent:**Staff Present:**

City Manager
General Manager, Finance & Technology
General Manager, Engineering
General Manager, Planning & Development
General Manager, Parks, Recreation & Culture
General Manager, Human Resources
City Solicitor
Fire Chief
Deputy City Manager
Manager, Financial Services
Deputy City Clerk

A. Presentation by the General Manager, Finance & Technology**(a) 2011 Five-Year (2011 - 2015) Financial Plan – General Operating**

The General Manager, Finance and Technology provided a presentation regarding the General Operating component of the 2011 Financial Plan. The key priorities and associated initiatives were highlighted including:

- Build Surrey Program – Capital projects supporting growth over next ten years;
- Crime Reduction/Social Well Being – New RCMP, Firefighter and Bylaw Enforcement positions;
- Community Beautification– Street trees, landscaping and Green City initiatives; and,
- Sustainability – New Energy Manager position, funding for landscaping maintenance in consideration of the Pesticide Use Control Bylaw.

The funding requirements of \$25.11M and funding availability of \$21.159M were outlined, including a budgeted transfer from surplus of \$3.951M. As part of the available revenues, the proposed secondary suite infrastructure fee was reviewed.

The General Manager, Finance and Technology explained the assumptions used to complete the allocations for the remaining four years of the Financial Plan, including a 2.9% general levy increase, addition of RCMP, Fire Services and Bylaw Enforcement staff, and allowances for labour contracts.

During discussion, Council commended the continued focus on City beautification initiatives.

In response to a Council query, staff confirmed that the \$240.00 secondary suite infrastructure fee would be added onto the property tax notices of those properties

containing a secondary suite as this would be more enforceable than utilizing the business license process to collect the fee.

In response to a further query, staff confirmed that the use of the secondary suite infrastructure fee to fund the Build Surrey program is appropriate given the additional pressures placed on municipal infrastructure by secondary suites.

With regards to the Clean Energy Program, staff noted that the intention will be to borrow money from a revolving fund to implement energy projects and then pay the revolving fund back using energy savings that will accrue to the City as a result of the projects.

(b) 2011 Five-Year (2011 - 2015) Financial Plan – Utilities

The General Manager, Finance and Technology provided an overview of the Utilities component of the 2011 Financial Plan, most notably the following:

- A Water Utility Rate increase from \$0.745 per cubic meter to \$0.775 per cubic meter;
- A Sewer Utility Rate increase from \$0.63 per cubic meter to \$0.7175 per cubic meter;
- A Solid Waste Rate increase from \$241 to \$266 for a single family residence; and,
- A Road and Traffic Safety Levy increase of \$13 per year for an average single family dwelling and an increase of \$69 per year for a typical business with an assessed value of \$1M.

During discussion, Council noted that staff needs to be prepared for future increases in the GVS&DD sewer rates and GVWD bulk water rates as significant increases will be necessary in light of future regional projects. In response to a Council query regarding the road and traffic levy for the next five years, staff clarified that the levy continues to increase in the next five years as it replaces the contributions currently made to roads and traffic from general revenues.

(c) 2011 Five-Year (2011 - 2015) Financial Plan - Capital Program

The General Manager, Finance and Technology provided an overview of the Capital Program, including an update on the major projects that were funded in the 2010 Financial Plan. The 2011 program was reviewed, comprising of the following areas:

- On-going capital programs and minor capital projects to maintain and /or enhance the City's current inventory; and,
- Funding for the Build Surrey Program which includes a series of new large scale capital projects to address the needs of growth over the next 10 years.

In addition, the proposed 2011 Capital Program for Roads, Sewer, Drainage and Water was highlighted, with \$112.0M of funding available for Engineering and Parks-related projects.

During discussion, staff stated that the Cloverdale Fairgrounds project is a work in progress.

In response to a Council query, staff confirmed that options for the Cell Door Retrofit works are being assessed to determine a least cost scenario that will satisfy the safety specifications for such cells.

Council expressed concern that the allocation of funding for the Guildford Swimming Pool is not set to happen until the year 2013, with the pool being not being targeted for opening until 2015. Staff advised that it would be financially feasible to initiate the design work for the Guildford Swimming Pool earlier than 2013. In response to a Council query, staff clarified that the site for the Guildford Swimming Pool can only accommodate a 37.5 meter pool compared to the 50 meter pool that is proposed for the Grandview Heights pool.

Staff was requested to provide information to the Parks, Recreation and Culture Committee relative to the rationale used for the scheduling of the two pools.

With regard to the new City Hall funding, staff confirmed that the project could be delivered within the allocated budget. In response to a further Council query, staff confirmed that a report would be provided to Council relative to the status of Phase Two of the Surrey Museum, a topic that had arisen as a result of a delegation at the November 29, 2010 Committee-in-Council meeting.

B. Public Consultation

1. Grant Rice (10378-125A Street) extended appreciation for the opportunity to speak. Mr. Rice outlined other municipal budget consultation processes and noted that the City of Surrey should review its financial plan consultation process relative to notification and engagement of the public. Referencing the General Operation component, Mr. Rice queried whether the labour increases were inclusive of Mayor and Councillors, and exempt staff. Concern was expressed relative to the \$300,000 figure related to web management and the insufficient number of bylaw enforcement officers tasked with enforcing the Secondary Suite Bylaw provisions, once implemented. Mr. Rice requested information relative to the salaries of Surrey City Development Corporation (SCDC) staff, including information on SCDC's significant progress to date. Mr. Rice further noted that the "Other Revenue" item within the General Operating budget is not clearly defined.
2. Phillip Milligan (891-165th Street) representing Surrey Environmental Partners, read from a detailed submission provided with the package. Mr. Milligan provided the following comments relative to operations, capital expenditures and other items:
 - Degradation of natural areas due to invasive plants and no funding allocated to maintain natural areas;
 - Establishment of the Campbell Heights/Stokes Pit as a legacy park;
 - Reduced standards for parkland acquisition;
 - Achieving the intent of the Sustainability Charter;

It was Moved by Councillor Hunt
Seconded by Councillor Bose
That the Finance Committee report Fo21 be
amended to include recommendation d) to read as follows:

THAT staff bring forward a report on the process of collection and enforcement relative to the secondary suite Zoning Bylaw provisions.

Carried

Question was called on the Main Motion as amended.

Carried

Item No. Fo22 2011 Five-Year (2011 - 2015) Financial Plan - Utilities
File: 1705-05

The City Manager and the General Manager, Finance and Technology submitted a report concerning the 2011 Five-Year (2011-2015), Utilities Financial Plan

The City Manager and the General Manager, Finance and Technology were recommending approval of the recommendations outlined in their report.

It was Moved by Councillor Villeneuve
Seconded by Mayor Watts
That the Finance Committee recommend
that Council:

- a) Approve the recommendations outlined in Section 2.0 of Corporate Report Fo22; and
- b) Direct staff to prepare the 2011 Five-Year (2011 - 2015) Financial Plan for each of the Water Utility, the Sewer/Drainage Utility, the Solid Waste Utility and the Road and Traffic Safety Levy incorporating these recommendations.

Carried

Item No. Fo23 2011 Five-Year (2011 - 2015) Financial Plan - Capital Program
File: 1705-05

The City Manager and the General Manager, Finance and Technology submitted a report concerning the 2011 Five-Year (2011-2015), Capital Program Financial Plan

The City Manager and the General Manager, Finance and Technology were recommending approval of the recommendations outlined in their report.

It was
Moved by Councillor Steele
Seconded by Councillor Villeneuve
That the Finance Committee recommend

that Council:

- a) Approve the capital projects as outlined in Section 3.0 of Corporate Report F023; and
- b) Direct Staff to prepare the 2011 Five-Year (2011 – 2015) Capital Financial Plan incorporating these projects.

Carried

D. ADJOURNMENT

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

Carried

The Finance Committee adjourned at 5:42 p.m.

Claudia Jesson, Deputy City Clerk

Councillor Tom Gill
Chairperson, Finance Committee