

Present:

Councillor Gill - Chair
Councillor Hayne
Councillor Hepner
Councillor LeFranc
Councillor Martin
Councillor Starchuk
Councillor Steele
Councillor Villeneuve
Councillor Woods
Mayor Hepner

Absent:**Staff Present:**

City Clerk
City Manager
Acting City Solicitor
General Manager, Engineering
Acting General Manager, Finance & Technology
General Manager, Human Resources
General Manager, Parks, Recreation & Culture
General Manager, Planning & Development
Land Development Engineer
Manager, Area Planning & Development, North Division
Manager, Area Planning & Development, South Division

A. PRESENTATION BY THE ACTING GENERAL MANAGER, FINANCE & TECHNOLOGY

The Acting General Manager, Finance and Technology provided a presentation regarding the General Operating components of the 2015 Financial Plan.

The Consolidated Financial Plan includes all City revenues and expenditures that are expected over the related five-year period are comprised of the following:

1. **General Operating** - All City operations funded by property taxes, investment interest and general service fees and charges.
 - 2015 budget includes the addition of new RCMP members, along with additional members there will be relative increase to Civilian Support Staff. The plan includes funding for the new positions effective October 1, 2015, however if the officers are ready prior to October 1, 2015, the budget has provisions to take them on immediately.
 - The 2015 - 2019 Capital Plan has included several capital projects. The ongoing operating costs of the new facilities have been incorporated into the general operating plan.
2. **Utilities & Other Self-Funded Programs** - Funded from specific fees and levies that support each of water, sewer, drainage, solid waste, roads and traffic, parking and district energy.
 - The City of Surrey maintains 7 distinct utilities; all are user based on consumption. Currently there are 60,000 water metre accounts that are active; all businesses in the CoS are all water metered accounts.
 - Staff noted that the Greater Vancouver Water District (GVWD) is increasing the bulk rate and the Greater Vancouver Regional District (GVRD) has projected the tipping fee, both will result in user fee increases.

- The below ground Parkade located at Surrey City Hall will contribute to the debt repayment; the financial plan recommends no increases to the parking plan.
3. **Capital Program** - on-going capital requirements to maintain existing assets, and to construct new infrastructure such as the investments being made under the "Build Surrey Program".
- Composed of ongoing general capital program to maintain and enhance current city infrastructure to support business and residential growth within the community.
 - Some of the initiatives to be addressed include interior upgrade, building repair and minor park improvements. There will be 32 Million available for new projects; staff provided an overview of capital works programs identified in Corporate Report F051.
 - In addition to the major capital programs, there is funding from TransLink, Engineering and Park Related Capital infrastructure programs. An overview of the entire capital program is attached to Corporate Report F051 as Appendix II.

The Acting General Manager of Finance noted that Council is required, by legislation, to adopt a Five-Year Financial Plan Bylaw on an annual basis. All expenditures made by the City require budget approval authority.

Before the public consultation portion of the Finance Committee meeting the Chair asked Council if they had any questions or required further clarification on any of the information presented.

Staff, in response to a question from Council clarified that even with the new levies proposed that the City of Surrey will retain its status of having one of the lowest municipal tax rates in the region.

Council requested an opportunity to revisit the plan to make provisions for enhancement of cultural programs, should the budget permit. Staff clarified that there are opportunities to discuss and revisit the plan to make adjustments as required, or explore opportunities in the area of cultural programs as it is a rolling 5-year plan.

Staff was asked to give additional consideration relative to enhancing the Bylaw Department, particularly in the areas of resources and staffing support, as they are asked to do a lot regarding the public safety.

Council requested staff to ensure projects like the upgrades to Newton Wave Pool and recreation centre are accounted for because they are not showing in the plan. Staff, in response clarified that the expansion was budgeted in a prior year and the Public Consultation has been completed and are moving to the design phase, it is already funded.

Council requested clarification regarding whether the second Phase of the Surrey Museum was budgeted for. Staff noted that the museum is included in 2016.

B. PUBLIC CONSULTATION

The following comments were received from members of the public:

1. Concerned Resident: The delegation expressed concern regarding public safety and whether or not the new police recruits would be fully qualified RCMP officers; the Chair confirmed that they would be.
2. L. Stromberg, 66 Avenue & 181 Street: The delegation expressed concern regarding the following: 1) the CoS residential property tax rate and noted that business and industry property tax rates are higher than other municipalities (according to a report published in the newspaper), 2) proposed 2015 increases to residential property taxes, 3) proposed increases to secondary suite fees due to lack of affordable housing stock, 4) proposed road and traffic levies, 5) that the proposed 5-year plan will result in increase in property taxes to offset levies, 6) road traffic safety utility levy and the assessed rate of each property class, 7) the description used in the report for the Clayton Project was unclear, 8) that the Surrey City Development Corporation (SCDC) contribution is only 4.5 Million as a dividend, 9) there was nothing in outstanding line items for New City Hall, and that 10) the financial reports were not released in time for proper review and the timing of the public consultation is not conducive for individuals who work during the day.

The delegation made the following suggestions:

- 1) Council consider applying additional levy to businesses to help offset policing costs, 2) that user fees for parks and facilities be rolled back, 3) by-law fees could be increased for certain by-law infractions; and that 4) the City of Surrey 2015 budget Review be deferred until the weekend.

The delegation asked for clarification regarding the Parcel Tax levy. Staff responded that they are modest in approximately \$5.00 annually to help offset additional expenses associated with lowland flooding. The Chair further explained that additional increases have been passed on from Metro Vancouver.

In response to a question from the delegation staff clarified that the Clayton Project description was expanded upon; however, the detail work and the facility design work has yet to be completed, it will be a multi-use facility.

In response to the delegation's comments concerning the SCDC, staff noted the SCDC numbers were conservatively estimated; anything above 4.5 Million will remain in the company.

Staff further clarified that all the New City Hall line items were included in Appendices 1 - 3 as external borrowing; the line item shows all City of Surrey repayments for external borrowing.

3. Concerned Resident: The delegation expressed concern regarding the capital priorities for the City as related to the rest of Metro Vancouver with regard to the type and level of services provided.

The delegation requested Council to provide more services for citizen, to improve public safety and increase local jobs.

4. D. Jack, President, Surrey Environmental Partners (SEP): The delegation provided a brief overview of SEP and noted that SEP has actively participated in the City of Surrey as a stakeholder to reflect concerns on environmental and sustainability matters. The delegation congratulated Council on the Biodiversity Conservation and Sustainability (BCS).

The delegation expressed the following concerns: 1) currently there is no dedicated staff position at the City of Surrey to oversee all the aspects of the BCS and act as Biodiversity Conservation Manager, 2) there should be a partnership between the CoS and the School district relative to fostering BCS education in local schools to support the plan, 3) a benchmark should be developed where staff be increased along with natural space acquisition, 4) Surrey should budget for two additional staff in Engineering as Environmental Coordinators to address new standards as set out in C-4, Omnibus Budget Bill, 5) inadequate resources are published online to facilitate transparent natural area management funding, 6) "birding" should be considered a sport and is a tourism opportunity and participating in the ornithological congress, 7) Council should fund three (3) large parks to be considered living legacy parks, 8) SEP advocates that the minimum park standard be increased by 5 hectares, 9) the City was asked to implement a levy of 1% (similar to roads) to acquire natural areas, 10) SEP would like to see a no net loss of parkland policy to ensure an equal amount of land would be added to an open area to account for any loss, 11) tree replacement policy for city owned trees be 5 for 1 and to be doubled when it is an old growth tree, 12) tree canopy, SEP has noted that 40 - 50 % is reasonable with distinction between conifers and deciduous, 13) attention should be given to Urban Heat Islands (UHIs) are metropolitan areas are significantly warmer than its surrounding rural areas due to human activities and are directly related to deforestation, 14) tree plantings within the City of Surrey should be significantly increased, 15) tree preservation by-law should be amended to include graduated replacement ratios with a progressively greater replacement ratio established, 16) natural area management and bylaw enforcement activities should be increased to monitor off-trail activities and to provide more effective stewardship. SEP recommends that the CoS implement a more effective monitoring system, 17) newly planted trees should be monitored for 10-years, and that 18) private citizen encroachment on natural lands should be better monitored and mitigated.

SEP and affiliated partners thanked Council for the opportunity to contribute to the deliberation of the CoS financial plan and provide comments and detailed recommendations regarding natural areas.

It was

Moved by Councillor Martin
Seconded by Councillor Steele
That the presentation provided by the

delegation on behalf of SEP be received as information.

Carried

Mayor Hepner thanked the delegation for her presentation and noted that SEP has historically kept a very a-political view which is appreciated. SEP made some interesting comments regarding birding in the community of Surrey and knowing that the conference is coming forward in Vancouver, Council will take that opportunity into consideration.

It was Moved by Councillor Hayne
 Seconded by Mayor Hepner
 That the full presentation provided by the Surrey Environmental Partners (SEP) be referred to the Environmental Sustainability Advisory Committee (ESAC) and the Parks, Recreation and Sport Tourism Committee (PRSTC) for information.

Carried

5. Concerned Resident: The delegation expressed concern regarding the residential tax increases and noted there was no mention of it in the recent election campaign. The delegation noted there are many low income individuals in the City of Surrey who are on minimum wage will have difficulties paying for the rate increases and still successfully make ends meet.

C. CORPORATE REPORTS

1. The Corporate Reports, under date of December 15, 2014, were considered and dealt with as follows:

Item No. Fo49 2015 Five-Year (2015-2019) Financial Plan – General Operating
 File: 1705-05

The City Manager and the General Manager, Finance and Technology submitted a report concerning the 2015 Five-Year (2015-2019) Financial Plan – General Operating.

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 Martin
 Seconded by Councillor Villeneuve
 That the Finance Committee recommends
 that Council:

- a) Approve the recommendations outlined in Section 4.0 – New Funding Requirements of Corporate Report Fo49; and
 b) Direct staff to prepare the 2015 Five-Year (2015–2019) Financial Plan incorporating these recommendations.

Carried

Item No. F052 Surrey Crime Prevention Society – On-going Grant Increase
File: 1850-20

The General Manager, Finance and Technology submitted a report concerning a request from the Surrey Crime Prevention Society (SCPS) for a significant increase in the annual support that is provided to them by the City. Corporate Report F052 addresses that request.

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

It was Moved by Councillor Martin
Seconded by Councillor Hayne
That the Finance Committee recommend
that Council approve an increase of \$145,500 to the on-going annual grant that is provided to the Surrey Crime Prevention Society, for a total of \$230,000, to support the crime prevention initiatives undertaken throughout the City.

Carried

Council requested that the Surrey Crime Prevention Society provide Council with a detailed report at the end of 2015 outlining the programs and services made possible through the grant increase.

Before the meeting adjourned Mayor Hepner expressed concern regarding delegation comments made relative to the personal and business tax rates in the City of Surrey (CoS) not being considered the lowest in the Lower Mainland and requested direction from staff regarding the analysis and how the numbers are derived.

Staff in response clarified that the information provided by the speaker was regarding the property tax rates and that the region has a higher assessed rate. The City of Surrey looks at solid whole dollars based on each municipality throughout the region. Even with the projected levy increases the CoS remains the lowest in the region; staff noted that is a true and fair statement.

D. ADJOURNMENT

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

Carried

The Finance Committee adjourned at 5:03 p.m.

Jane Sullivan, City Clerk

Councillor Gill, Chairperson