



# **Corporate** NO: R104

# **Report** COUNCIL DATE: May 1, 2000

## **REGULAR**

**TO: Mayor & Council**      **DATE: April 26, 2000**

**FROM: General Manager, Finance, Technology & HR**      **FILE: 0042-080**

**SUBJECT: Taxation and Service Fee Task Force**

## **RECOMMENDATION**

1. That Council receive the information
2. Council confirm the establishment of the Task Force and appoint a Chair.

## **BACKGROUND**

The City continues to explore innovative ways of doing business. In 1998, a Reserve Task Force produced a new Surplus & Reserve Policy that was well received by Council. The wider perspectives and insights provided by private citizens on this Task Force contributed greatly to the success of this new process.

In staff's review of the City's revenue generating processes, it became clear that traditional alternatives to tax increases had limits and a complete review of the City's funding strategies was required. It was thought that such a review would also benefit from the insights and wider perspectives of the private citizen. The success of the Reserve Task Force indicated a similar process would be effective in a study of revenue generating principles and alternatives.

After discussions with the Chair of the Reserve Task Force, staff sought input from both the General Manager, Parks, Recreation & Culture and the General Manager, Planning & Development for potential citizen members of a new "Taxation & Service Fee" Task Force. Two persons were recommended who agreed to serve with two members of the previous Reserve Task Force. While there was no "official" approval of the new Task Force or its individual

members, the concept was discussed at Finance Committee budget meetings, most recently on February 1, 2000.

The Task Force's mandate is to review the city's current revenue sources and processes and develop revenue alternatives and options for Council's consideration. The Task Force has no decision -making authority. It is, however, an effective forum for vetting diverse perspectives in the development of these alternatives and options.

The work of the Taxation and Service Fee Task Force led to Council Report# R070. That report recommended a 'draft' set of principles for Council's consideration and the continuance of the Task Force for Phase 2 of the study.

## **DISCUSSION**

The methods and practices used to raise revenues are at the core of the City's relationship and responsibility to its citizens. Staff believe that the wider perspective and diversity of insight provided by private citizens is very effective in a review of such practices. Such perspectives and insights assist staff in developing innovative options and solutions for Council's consideration.

Staff believe the Task Force methodology is very effective in drafting these principles and has recommended that the Task Force continue with Phase 2 of the study. However, it may be appropriate for Council to review and formalize the Chair and makeup of the Task Force before further work is done.

## **CONCLUSION**

The involvement of private citizens has been beneficial to the development of innovative solutions for the City of Surrey.

Staff recommends that this involvement continue with the Revenue & Service Fee Task Force. To obtain the greatest benefit of diverse perspectives, Council should formally endorse the Task Force with any additions or changes in makeup it deems appropriate. In our opinion any changes Council may make would not, in any way, be viewed negatively by the current membership.

Gary D. Guthrie, CA

General Manager, Finance, Technology & HR

cc: City Manager

City Clerk