

Present:

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

Absent:**Staff Present:**

City Manager
City Solicitor
City Clerk
General Manager, Engineering
General Manager, Finance & Technology
General Manager, Human Resources
General Manager, Parks, Recreation & Culture
General Manager, Planning & Development
Chief Superintendent, Officer in Charge Surrey Detachment
Fire Chief
Manager Financial Services
Manager Parks
Chief Librarian
Deputy City Clerk

A. PRESENTATION BY THE GENERAL MANAGER, FINANCE & TECHNOLOGY**(a) 2012 Five-Year (2012 - 2016) Financial Plan – General Operating**

The General Manager, Finance and Technology provided a presentation regarding the General Operating component of the 2012 Financial Plan. The key priorities and associated initiatives were highlighted including:

- Build Surrey Program – Capital projects supporting growth over next ten years;
- Public Safety/Crime Reduction– New RCMP, Firefighter and Bylaw Enforcement positions, including funding for a Community Services Coordinator position;
- Beautification and Town Centre Development – establishment of a Task Force to assist in formulating a Beautification Plan for each of the City's Town Centres;
- Plan for Social Well-Being of Surrey Residents – Additional funding allocated to the initiatives identified in 2011 as part of the Social Well-Being Plan;
- Sustainability – Setting aside funds for carbon offsets in accordance with the "Climate Action Charter;"
- ENERGYShift – Additional allocation to continue the roll-out of the various ENERGYShift programs identified in 2011;
- Staffing Capacity – Additional staffing required for the operation of new facilities coming on-stream in 2012; and,
- Enhancements to City Website/Social Media – Additional funding for consulting resources is allocated to enable for website enhancements and implementation of mobile application updates.

The funding requirements of \$17.792M and funding availability of \$17.745M were outlined, including a budgeted transfer from surplus of \$3.998M.

As part of the available revenues, the various sources were reviewed, including the Transfer from Carbon Tax Rebate Account.

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, operating costs for new facilities identified in the Capital Plan, and allowances for inventory increases and inflation.

During discussion, Council commented on the value of noting the cost of Police and Fire Services as a percentage value, highlighting the significant portion these services represent of the City's property tax revenue.

In response to a Council query, staff confirmed that they anticipate to receive from the Province approximately \$400,000 relative to the carbon offsets. In terms of reducing the City's carbon footprint, staff noted that the aim is to significantly reduce the footprint by 2020.

In terms of the 2012 Budgeted General Operating Expenditures Table (Appendix B-4), staff clarified that the percentage of funding allotted to protective services is based on collected taxes. Staff further clarified that the current resources allotted to Bylaw Enforcement Services and Secondary Suite program will meet workload demands, as additional assistance is also provided from the areas of Planning, Engineering and Finance. Staff anticipate to bring forward policy reports in the future, as further understanding of the level of support needed is obtained.

In terms of Police Services, Council highlighted that the City of Surrey does in fact contribute at a regional level through having members on the Integrated Service Teams. Staff confirmed that the gaming revenues proposed for years 2013 to 2016 are based on the BC Lottery Corporation's projections in combination with other pending projects.

(b) 2012 Five-Year (2012 - 2016) Financial Plan – Utilities

The General Manager, Finance and Technology provided a presentation regarding the Utilities component of the 2012 Financial Plan, including the following:

- Water Utility Rates – increased from \$0.775 per cubic meter to \$0.815 cubic meter;
- Sewer Utility Rates – increased from \$0.7175 per cubic meter of discharge volume to \$0.7575 per cubic meter of discharge volume;
- Drainage Utility Parcel Tax – increase from \$161 per lot to \$166 per lot for 2012;
- Solid Waste Utility Rates – increased from \$266 to \$281 per single family residence; and,
- Road and Traffic Safety Utility Levy – increased such that an average single family dwelling will pay an additional \$13.50 per year and businesses with an assessed value of \$1.0 million will pay \$67.

In response to a Council query, staff confirmed that approximately 2-3000 single family dwellings converted to a metered utility account and that a similar number is anticipated for year 2012. With regards to a new solid waste contract coming

into force end of 2012, staff clarified that the current "user pay on an average" model may be converted to a straight "user pay" model with the roll-out of the cart system. Staff noted a report on this could come to Council in 2013. Staff stated that with the new waste collection contract soon coming into effect, the \$5 million letter of credit will provide the means for the City to effectively respond to any issues that may arise.

In response to a Council query, staff stated that the taxation revenue source (Appendix A) fluctuates from year to year, as it is based on when local improvement projects are paid back.

Council emphasized the importance of the public being aware of the direct impact of the GVWD bulk water charges and the GVS&DD sewer rates on individual utility rates. Staff noted that water rates and sewer rates have increased in light of pending regional projects and increased regulations. Council reiterated the need to ensure residents are clear that as part of their taxes, the City collects on behalf of the School District and Metro Vancouver.

Council raised the importance of having financial incentives for residents to encourage further waste diversion practices.

(c) 2012 Five-Year (2012 - 2016) Financial Plan – Capital Program

The General Manager, Finance and Technology provided a presentation regarding the Capital Program component of the 2012 Financial Plan. An update was provided on the major projects that were funded in 2011 and the ongoing funding requirements.

The Build Surrey Program was reviewed, including the upcoming projects and list of schedules over the next five years, including the respective allocated capital amounts. Projects that will be funded from Utility Funds over the next five years were highlighted, such as the replacement of the South Surrey Works Yard, City Centre Parkade, District Energy and Bio-Fuel Processing Centre.

In response to a Council query relative to Item 3.1.5 (Field House) representing a 2011 project, staff noted that when partnership funding has not been used in a current year it has been included as part of the Capital Program to ensure funds are used. Should a partnership be identified for the Field House, the funding initially received will be re-included towards its completion. With regards to the Bio-Fuel Facility, staff confirmed that application for funding has been submitted at the Federal level and the project has been short-listed. Staff further noted the Cell Door Retrofit project represents a facility upgrade aiming to meet increased standards. With regards to the Cloverdale P3 Development Proposal, staff advised that the P3 Canada formula requires the Federal Government to provide up to 25% of the funding, with the remainder 75% of the funding to be determined.

B. PUBLIC INPUT

1. Deb Jack – Surrey Environmental Partners (7680-143 Street, Surrey) - Read out from a detailed submission provided on table. Ms. Jack outlined the organization's vision and volunteer activities.

In terms of operations and capital expenditures, Ms. Jack submitted the following for Council's consideration:

- When lands come into the City inventory, having to provide the lands at an acceptable standard prior to inventory acceptance;
- Proper asset management principles, competent allocation of resources for natural areas inventory management;
- Service level standards, as outlined in the Parks Strategic Plan, are not optimal;
- For 5 years the Surrey Environmental Partners(SEP) has advocated Surrey obtain three more large parks in the order of the size of Green Timbers and Sunnyside Acres;
- One such Legacy Park could be what is termed Phase 2 of the Campbell Heights area known as Stokes Pit; and,
- SEP advocates that natural areas comprise 65% of total parklands.

In terms of "other items" as detailed in the submission, the following items were noted:

- SEP supports Council's approval of the Biodiversity Assessment Study;
- SEP continues to support the development of a Marine/Rivers centre;
- SEP continues to request the creation of an Environmental Planner position; and,
- SEP would like to see a "No Net Loss" policy, so that when a piece of open parkland is converted to an artificial field, that an equal amount of land would be added to the inventory of open land or natural area.

2. Bill Reid (Executive Director, Cloverdale Chamber of Commerce) – spoke to the need to include the Stetson Bowl project as part of the Build Surrey Program, noting the current facility sits underutilized throughout the entire year. Funding should be diverted towards utilizing the facility, as this project deserves consideration prior to proceeding with a covered youth park.

In response, Council noted this matter has been before Council and the Parks, Recreation and Culture Committee. At the time, the School Board was included in the discussions, however, the School Board would not commit any funding towards the project.

3. Grant Rice (10378-125A Street) – expressed support for the previous speakers comments and submissions. Mr. Rice expressed concern relative to the borrowing process from the Municipal Finance Authority and the costs of the Surrey Build Program. With regards to monitoring the secondary suites and gaming revenues, Mr. Rice questioned the budget projections set out over the next five years. In terms of the cost of the new City Hall and lease payments, Mr. Rice enquired as to when the lease payments would be initiated.

