

Present:

Mayor McCallum
Councillor Annis
Councillor Elford
Councillor Guerra
Councillor Hundial
Councillor Locke
Councillor Nagra
Councillor Patton
Councillor Pettigrew

Absent:**Staff Present:**

City Manager
City Clerk
General Manager, Corporate Services
General Manager, Engineering
General Manager, Finance
General Manager, Parks, Recreation & Culture
General Manager, Planning & Development
City Solicitor
Manager, Area Planning & Development, South Division
Manager, Area Planning & Development, North Division
Land Development Engineer

A. ADOPTION OF THE AGENDA

It was

Moved by Councillor Guerra
Seconded by Councillor Patton
That the agenda of the December 2, 2019,

Finance Committee meeting be adopted.

Carried

B. PRESENTATION BY THE GENERAL MANAGER, FINANCE**Corporate Report Foo1 2020 Five-Year (2020-2024) Financial Plan – General Operating**

The General Manager, Finance, provided an overview of Corporate Report Foo1 2020 Five-Year (2020-2024) Financial Plan – General Operating. Highlights of the proposed budget include:

- The proposed Five-Year General Operating Plan has been developed based on direction from Council and incorporates five key drivers: a 2.9% residential class property tax increase; a one-time policing transition and capital costs as per the Policing Transition Report with a 15% contingency; new ongoing additional policing costs starting in 2021 as per the Policing Transition Report with a 10% contingency; new revenues outside of residential property tax increases; and the elimination of RCMP contract expenditures after Quarter 1 of 2021.
- The budget is reflective of Council's public safety priorities, with a focus on establishing a Surrey Police Department (SPD). Budget items for policing services have been organized into three categories: policing transition, establishment of the SPD and existing RCMP contract services.
- The proposed budget does not include additional staffing resources, outside of new facility requirements such as Clayton Community Centre.

- The proposed budget does not include an increase to the Roads and Traffic Safety Levy.
- Based on new funding requirements and available funding, there may be a deficit of \$8.6 million, which will utilize internal borrowing to create a balanced budget. However, it is anticipated that there will be a budget surplus from the 2019 budget that may be able to address the budget deficit.

Corporate Report Foo2 2020 Five-Year (2020-2024) Financial Plan – Capital Program

The General Manager, Finance, provided an overview of Corporate Report Foo2 2020 Five-Year (2020-2024) Financial Plan – Capital Program. Highlights of the proposed budget include:

- Significant capital projects that were funded in the 2019-2023 Five-Year Capital Finance Plan that are expected to be completed in 2020 include the Clayton Community Centre – Recreation, Arts and Library Facility and the Bear Creek Park Athletics Centre Phase 1 – Walking Loop.
- The General Capital program is composed of the on-going General Capital program to maintain and enhance the City's current inventory of infrastructure and the Major General Capital program that includes new large-scale capital projects.
- The on-going General Capital program is funded by General Operating, City Reserves, Surrey City Development Corporation proceeds, Gaming Revenue, Green City fund, External Contributions (grants) and Community Amenity Contributions.
- The Major General Capital program is funded by contributions from General Operating, City Reserves, Surrey City Development Corporation dividends, Gaming Revenue and City Reserves.
- Major capital projects included in the proposed 2020-2024 Major General Capital program include a recreation facility in partnership with the YMCA in City Centre, Clayton Community Centre - Recreation, Arts & Library facility, Newton Athletic Park Fieldhouse expansion and renovation, Neighbourhood Concept Plan (NCP) funded park projects, Nicomekl Riverfront Park, Newton Urban Park, artificial turf replacement throughout the city, Kabaddi facility, Joe Brown Park and the Cloverdale Sport & Ice Complex. The Surrey Police Department will require a one-time investment to replace key components of existing Surrey RCMP infrastructure and equipment.
- Capital funding is available from Development Cost Charges, contributions from Utilities Operations, TransLink, contributions from the federal and provincial governments and developer contributions. It is anticipated that Community Amenity Contributions will be a key factor in providing a balanced capital budget.

Corporate Report Foo3 2020 Five-Year (2020-2024) Financial Plan – Utilities and Other Self-Funded Programs

The General Manager, Finance, provided an overview of Corporate Report Foo3 2020 Five-Year (2020-2024) Financial Plan – Utilities and Other Self-Funded Programs.

Highlights of the proposed budget include:

- Utilities are self-funded programs that follow a "user-pay" approach. Rate adjustments are proposed as required and are in alignment with the 2.9% or less increase as outlined in Corporate Report Foo1.
- A 2.9% increase for water charges is required to address increases to the Greater Vancouver Water District water rates and the utility's operating and capital cost demands.
- Metered sewer rates have a suggested increase from \$1.2349 to \$1.2989 per cubic metre of discharge volume to address increases to the Greater Vancouver Sewer and Drainage District (GVS&DD) sewerage rates and the utility's operating and capital cost demands. Non-metered customers will have a suggested increase of \$35 per year.
- A \$2 increase for residential and agricultural properties and a \$50 increase for commercial and industrial properties is proposed for the Drainage Parcel Tax.
- To address increases to the GVS&DD Solid Waste Tipping Fee, as well as to support waste diversion, general litter clean-up and capital infrastructure for street cleaning initiatives, it is suggested that Solid Waste Utility rates be increased to \$298 per year for single and multi-family customers and \$149 for secondary suite customers. It is recommended that Apartment/Townhome recycling rates be increased from \$1 to \$31 and Apartment/Townhome recycling and organic rates be increased from \$1 to \$41 in order to implement large-item pick-up services at apartment and townhome developments.
- 2020 parking rates are updated as per the *Surrey Fee Setting Bylaw*.
- An increase of 2.19% is recommended for District Energy customers. The increase is supported by an independent External Rate Review Panel.

Corporate Report Foo4 City Grants for 2020

The General Manager, Finance, provided an overview of Corporate Report Foo4 City Grants for 2020. Highlights of the proposed budget include:

- The City provides support to local non-profit, community-based organizations through the City Grants program through on-going leases and property taxes, business and tourism grants, crime prevention grants, community grants and one-time grants.
- 68 grant requests have been received for 2020. Each request was evaluated by a cross departmental committee using the Policy on Municipal Grants and the Guidelines for Grant priorities.

C. PUBLIC CONSULTATION

The Mayor called for speakers to the proposed 2020 Five-Year Financial Plan.

R. Landale, 95 Avenue and 149 Street: The delegation expressed concerns regarding transparency for the Green City Fund and the lack of notice for proposed amendments that would remove the requirements to pay interest on advance property tax payments.

B. Spaans, 152 Street and 100 Avenue: The delegation spoke in opposition to the establishment of the Surrey Police Department.

R. Kaptyn, 152 Street and 18 Avenue: The delegation spoke in opposition to the lack of additional resources for the Surrey RCMP and Fire Services and expressed concerns that tax increases will be required to implement the Surrey Police Department.

P. Green, 148 Street and 104 Avenue: The delegation spoke in opposition to the lack of additional resources for first responder positions, specifically the RCMP and Surrey Fire Services.

T. Ghuman, 82 Avenue and 157 Street: The delegation spoke in support of the proposed budget citing smart development, public safety and extension of the SkyTrain.

C. Cant, 108 Avenue and 152 Street: The delegation spoke in opposition to the removal of the RCMP and suggested further studies be conducted regarding public safety options.

Mark McRae, President, Surrey Firefighters Association: The delegation spoke in opposition to the lack of additional resources for Surrey Fire Services despite population increases in Surrey.

D. Bennet, 182 Street and 67A Avenue: The delegation spoke in opposition to the lack of additional resources to the Surrey RCMP and the establishment of the Surrey Police Department. The delegation suggested that additional resources be allocated to community services and facilities.

M. Scott, 35 Avenue and 150A Street: The delegation spoke in opposition to the proposed budget citing lack of social contributions, infrastructure and public safety.

T. Miles, 83 Avenue and 156 Street: The delegation expressed concerns regarding the lack of City ice arenas available and additional resources for the Surrey RCMP and Fire Services. The delegation noted that the budget does not include major projects that were removed from the 2019 budget.

M. Shearman, 148 Street and 59 Avenue: The delegation expressed appreciation for the funding allocated towards art services and suggested that additional funding could be considered.

G. Henri, 186 Street and 61A Avenue: The delegation expressed concerns regarding the Surrey Police Department staffing and the lack of additional resources for the Surrey RCMP.

C. Carter, 160 Street and 82 Avenue: The delegation spoke in opposition to the proposed budget citing lack of resources for the Surrey RCMP and Surrey Fire Services and decreased contributions to community resources, such as community centres and ice arenas.

J. Garcha, 68 Avenue and 184A Street: The delegation spoke in opposition to the removal of the Surrey RCMP and lack of resources allocated to the Surrey RCMP, Fire Services and youth resources and recreation.

A. Huberman, Surrey Board of Trade: The delegation expressed concerns regarding the proposed business tax increases, lack of additional resources for the Surrey RCMP and transition to the Surrey Police Department, development and permit approval delays, inadequate art and culture investments, opportunities for river-front investment, protection of rental housing stock and lack of increase to the Road and Traffic Safety Levy.

N. Davidowicz, 114 Avenue and 142 Street: The delegation expressed concern regarding the tax increase, noting that a larger increase may be required to catch up to other cities. The delegation also expressed concern regarding the budget process and the need for investment in pedestrian and cycling facilities.

Resident, 125 Street and Grove Crescent: The delegation expressed concerns regarding transparency in the budget and lack of information regarding the Green City Fund.

Resident, 184 Street and 16 Avenue: The delegation spoke in opposition to the establishment of the Surrey Police Department and lack of additional resources for the Surrey RCMP, Fire Services and community facilities.

Resident, 104 Avenue and 124 Street: The delegation spoke in opposition to the decommissioning of the North Surrey indoor pool and expressed concerns regarding transparency in the budgeting process.

Resident, 34 Avenue and 150A Street: The delegation spoke in opposition to the proposed budget citing public safety concerns.

Resident, 62 Avenue and Boundary Drive West: The delegation spoke in opposition to the proposed budget citing lack of additional resources for the Cloverdale Ice Arena and Surrey Fire Services.

Resident, 164 Street and 64 Avenue: The delegation spoke in opposition to the proposed budget citing lack of additional resources for the Surrey RCMP and Fire Services.

Resident, 133 Street and 104 Avenue: The delegation spoke in opposition to the proposed budget and the Surrey Police Department.

Resident, 143 Street and Greencrest Drive: The delegation spoke in support of the Surrey RCMP and Fire Services.

D. Jack, Surrey Environmental Partners: The delegation requested: that the Biodiversity Conservation Program (BCS) be restored as a budget line item, the City retain all City owned lands committed to the BCS, the tree canopy be enhanced, a Living Legacy Park be

established, sea dams be replaced with fish ladders, the SNAP and SHARP programs be expanded and that staff hiring freeze not be applied for Parks and BCS functions.

Resident, 89 Avenue and 149A Street: The delegation spoke to public safety concerns.

Resident, 85 Avenue and 144A Street: The delegation spoke in support of the Ethics Commission Officer and expressed concerns regarding the Road Traffic Levy, costs associated with the implementation of the Surrey Police Department and the lack of funding for the Biodiversity Conservation Program.

Resident, 58 Avenue and Kilkenny Drive: The delegation expressed concerns regarding the costs associated with the implementation of the Surrey Police Department.

Resident, 19 Avenue and 72 Street: The delegation spoke in opposition to the proposed budget.

D. CORPORATE REPORTS

1. The Corporate Reports, under date of December 2, 2019, were considered and dealt with as follows:

Item No. Foo1	2020 Five-Year (2020-2024) Financial Plan – General Operating File: 1705-05
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It was	Moved by Councillor Guerra Seconded by Councillor Patton That the Finance Committee recommend
that Council:	

1. Approve the recommendations outlined in Section 4.0 - New Funding Requirements, Section 5.0 – New Funding Available and Section 8.0 - 2020 Roads & Traffic Safety Levy of Corporate Report Foo1; and
2. Direct staff to prepare the 2020 Five-Year (2020–2024) General Operating and Roads & Traffic Operating Financial Plan incorporating these recommendations and consistent with Appendix “I” and “II” of the report.

Carried

With Councillors Annis, Hundial, Locke and Pettigrew opposed.

Councillor Annis rejoined the meeting at 3:36 p.m.

E. ADJOURNMENT

It was

Moved by Councillor Guerra

Seconded by Councillor Patton

That the Finance Committee meeting be

adjourned.

Carried

The Finance Committee adjourned at 3:36 p.m.

Jennifer Ficocelli, City Clerk

Mayor McCallum, Chair