

**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  
Deputy 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 Hundial  
That the agenda of the November 30, 2020,

Finance Committee meeting be adopted.

Carried

**B. PRESENTATION BY THE GENERAL MANAGER, FINANCE**

Prior to the presentation by the General Manager, Finance, Mayor McCallum provided the following information regarding the budget and police operations:

- The City of Surrey is committed to providing adequate funding for effective and efficient policing services and transition to the Surrey Police Service ("SPS"). Public safety and the creation of the SPS are a top priority of Council.
- A Trilateral Committee has been established with representatives from the Federal and Provincial governments, the City and the RCMP. The Committee will work to refine and confirm future funding requirements for the SPS. Funding allocated during the transition depends on factors that must be determined by the Trilateral Committee, Surrey Police Board, the Chief Constable, and the Director of Police Services for the Province.
- The operating budget is based on the assumption that SPS will begin on an incremental basis beginning in 2021, with a 75-25 split between the Surrey RCMP and the SPS, respectively. For example, if 20 members of the SPS are deployed, there will be 20 fewer RCMP officers deployed. This pattern will continue until the SPS is at a full complement.

**Corporate Report Foo1: 2021 Five-Year (2021-2025) Financial Plan – General Operating**

The General Manager, Finance, provided an overview of Corporate Report Foo1: 2021 Five-Year (2021-2025) Financial Plan – General Operating. Highlights of the proposed budget include:

- The proposed 2021 Five-Year (2021-2025) General Operating Financial Plan has been developed based on direction provided by Council and incorporates these key drivers as follows: property tax rate increase limited to 2.9%, consistent with 2019 and 2020; a "new capital program" to be funded by an increase to the Capital Parcel Tax; and new revenues resulting from fee increases.
- The budget is reflective of Council's public safety priorities. Public safety is comprised of budget items for policing services, including the police transition, Surrey Police Services ("SPS") and the RCMP contract, Fire Services and Bylaw Services.
- The current workplan for the transition to SPS anticipates that most aspects of the transition to be fundamentally complete by the end of fiscal 2022 and the budget reflects the phased approach from RCMP Services to SPS. The proposed 2021 budget includes \$184.06M in operating funding for the SPS as it moves to become fully operational and a \$23.08M in capital/one-time transition funding, including contingencies. The 2021 budget provides for 75% of the current funding of the RCMP contract to accommodate the transition of police services.
- The proposed budget includes ten additional firefighters in 2021, with 50% of the funding provided in 2021 and 50% provided in 2022 to fully annualize the funding requirements. Future requests for firefighter staffing increases will be developed after further evaluation is conducted in 2023.
- The proposed budget includes provisions for two new Bylaw Officer positions and two new staff positions to support the Surrey Animal Resource Centre so it can continue to provide a high quality of service to our community in light of increasing demand due to increased growth.
- The budget incorporates modest funding for corporate staffing and operating costs that will allow the City to continue to provide a high-level service to residents. Funding provisions in the proposed budget incorporate necessary staffing and operational resources including: a Seniors Citywide Age Friendly Coordinator, expanded Parks Operations, Strawberry Hill Hall Operations, a Project Engineer for Major Capital Projects, Strategic Initiatives support, Library IT support, Planning & Development electrical operating permitting process implementation and Information Technology support.
- The proposed budget incorporates increased general operating funding to support the Capital Plan and this funding is predicated on the proposed increase to the Capital Parcel Tax of \$200. The revenue generated by the proposed increase to the Capital Parcel Tax will flow through the City's general operating fund; however, use of the revenue generated by the Capital Parcel Tax is governed by Bylaw No. 18395 and may only be utilized to provide cultural and recreational services,

including establishing, operating and maintaining related capital projects, for the convenience and well-being of the residents and businesses within the City.

- The proposed 2021 General Operating Financial Plan represents a balanced budget and does not need to incorporate or take on any debt resulting from the detrimental financial impact caused by COVID-19.
- Reductions are anticipated in Corporate Revenues and Corporate Investment Income due to the current economic climate, as well as in Provincial Casino Revenue Sharing due to the COVID-19 related closure of casinos.
- There is no proposed increase to the Roads & Traffic Safety Levy for the years 2021 – 2025. Staff will reassess the sustainability and impact of this as part of the 2022 budgeting process.

### **Corporate Report Foo2: 2021 Five-Year (2021-2025) Financial Plan - Capital Program**

The General Manager, Finance, provided an overview of Corporate Report Foo2: 2021 Five-Year (2021-2025) Financial Plan - Capital Program. Highlights of the proposed budget include:

- In response to the fiscal hardships caused by COVID-19, the City implemented a series of proactive measures to mitigate the budget shortfall for 2020. The measures include the elimination and deferral of several Major General Capital projects and the reduction of on-going Capital expenditures. As a result of the steps taken, the City is in a position to move forward with a robust Capital Financial Plan for 2021 - 2025.
- The Major General Capital program is funded by external borrowing and contributions from General Operating, Community Amenity Contributions, External Contributions (Grants) and City Reserves. No funding is anticipated from Gaming Revenue as casinos have not been in operation due to COVID-19.
- The Capital Parcel Tax was introduced in 2015 and has not been increased since its inception. Use of the revenue generated by the Capital Parcel Tax is governed by Bylaw No. 18395 and may only be utilized to provide cultural and recreational services, including establishing, operating and maintaining related capital projects, for the convenience and well-being of the residents and businesses within the City.
- Major capital projects included in the proposed 2021 – 2025 Major General Capital program include the Newton Community Centre and land acquisitions, City Centre Sports Complex (Phase 1), the Bear Creek Park Athletics Centre, Nicomekl Riverfront Park, the Cloverdale Sport and Ice Complex, and Surrey Police Service Capital and Transition requirements.
- Capital funding is available from Development Cost Charges, contributions from Utilities Operating, the Greater Vancouver Transit Authority ("TransLink"), contributions from the federal and provincial governments, and developer contributions.

### Corporate Report Foo3: 2021 Five-Year (2021-2025) Financial Plan – Utilities and Other Self-Funded Programs

The General Manager, Finance, provided an overview of Corporate Report Foo3: 2021 Five-Year (2021-2025) Financial Plan – Utilities and Other Self-Funded Programs. Highlights of the proposed grants include:

- Utilities are self-funded programs that follow a "user-pay" approach. Necessary rate adjustments are proposed as required.
- It is recommended that the water utility metered rate be increased from \$1.1065 per cubic metre to \$1.1433 per cubic metre to address the increase to the Greater Vancouver Water District water rates. The recommended increase would result in an estimated increase of \$13.24 per year for the average metered single-family and \$73.60 per year for an average business. The estimated increase for non-metered, or flat rate, customer is \$29.44.
- It is recommended that the sewer utility metered rate be increased from \$1.2989 to \$1.3659 per cubic metre of discharge volume to address the increase to the Greater Vancouver Sewerage and Drainage District sewerage rates. The recommended increase would result in an estimated increase of \$19.30 per year for the average metered single-family dwelling and \$107.20 per year for an average business. The estimated increase for a non-metered, or flat rate, customer is \$42.88.
- A \$2 increase for residential and agricultural properties and a \$50 increase for commercial and industrial properties is proposed for the Drainage Parcel Tax.
- It is recommended that a 2.9% increase be applied to solid waste utility rates to address increases to the GVS&DD Solid Waste Tipping Fee. The recommended increase would result in an annual collection rate of \$307 for single-family and multi-family customers and \$153 for secondary suite customers. It is also recommended that Apartment/Townhouse recycling rates be increased from \$1 to \$32 and Apartment/Townhouse recycling and organic customers be increased from \$1 to \$42 for increased large item pick-up collection service costs.
- 2021 parking rates are updated as per the *Surrey Fee Setting Bylaw*.
- There is no increase recommended for District Energy customers. This recommendation is supported by the independent External Rate Review Panel.

#### C. PUBLIC CONSULTATION

The Mayor called for speakers to the proposed 2021 Five-Year Financial Plan.

I. Scott, 35 Avenue and 150A Street: The delegation spoke in opposition to the budget citing discrepancies in the cost of the SkyTrain extension, police transition and a new stadium, delays to the Cloverdale Arena and the proposed property and Capital Parcel Tax increases and its negative impacts on lower-valued properties.

R. Kaptyn, 152 Street and 18 Avenue: The delegation spoke in opposition to the budget citing proposed increases during the COVID-19 pandemic.

R. Landale, 149 Street and 95A Avenue: The delegation spoke to the Capital Parcel tax, the proposed property tax increase, public safety expenditures, external borrowing and the concept of a balanced budget.

D. Johnstone, 192 Street and 72 Avenue: The delegation spoke in opposition to the budget citing the Capital Parcel tax increase, public safety and police transition costs.

D. Jack, Surrey Environmental Partners: The delegation spoke to a Biodiversity Conservation/Green Infrastructure land acquisition fund, compensation for setbacks in environmentally sensitive areas, compensation for variances, a Quality Control employee, compensation formula that places higher value on removal of trees, a Park Ranger program, funding for natural area maintenance, green roof requirements, closure of 84 Avenue from 140 Street to King George Boulevard to reduce impacts on Bear Creek Park, Green City fund and utilization of City-owned lands as parks.

M. Hume, 152 Street and 18 Avenue: The delegation spoke in opposition to the budget citing COVID-19 economic impacts, police transition and proposed property tax and Capital Parcel tax increases.

L. Haliburton, 62 Avenue and Boundary Drive: The delegation spoke in opposition to the budget citing the proposed Capital Parcel tax increases, public safety and health concerns.

B. Suave, National Police Federation: The delegation spoke in opposition to the budget citing police transition costs.

M. Wilson, 82 Avenue and 138 Street: The delegation spoke to the proposed property tax increases and public safety costs and operations.

T. Mawhinney, 103 Avenue and 125 Street: The delegation spoke to the property tax and Capital Parcel tax increases, police transition costs, reduction in RCMP contract services, lack of funding for schools, social services and COVID-19 relief and capital program funding.

M. Smith, 103 Avenue and 125 Street: The delegation spoke in opposition to the budget citing the police transition, lack of funding for social and recreational services and COVID-19 relief and the Capital Parcel Tax.

L. Ypenburg, 90 Avenue and 155A Street: The delegation spoke in opposition to the budget citing proposed budget and tax increases and police transition costs.

A. Richardson, 61 Avenue and 180A Street: The delegation spoke to the need to establish a Climate Action contingency fund.

I. Scott-Barzen, 27 Avenue and 158 Street: The delegation spoke to COVID-19 economic impacts, proposed property tax and Capital Parcel Tax increases and its negative impacts on lower-valued properties and lower-income individuals, reduction in RCMP contract services and police transition costs.

C. Pronger, 127 Street and 20A Avenue: The delegation spoke in opposition to the budget citing proposed property and Capital Parcel Tax increases and its negative impacts on lower-valued properties and lower-income individuals, COVID-19 economic impacts and reduction in RCMP contract services.

M. Prentice, 35 Avenue and 150 Street: The delegation spoke in opposition to the budget citing proposed property tax and Capital Parcel Tax increases and its negative impacts on lower-valued properties and lower-income individuals, COVID-19 economic impacts, reduction in RCMP contract services and police transition costs.

M. O'Donnell, 127 Street and 20A Avenue: The delegation spoke in opposition to the budget citing the proposed property tax and Capital Parcel Tax increases and police transition costs.

D. Amero, 109 Avenue and 128 Street: The delegation spoke in opposition to the budget citing the proposed Capital Parcel Tax increase and reduction in RCMP contract services.

A. Huberman, Surrey Board of Trade: The delegation spoke to COVID-19 economic recovery and relief, the proposed Capital Parcel Tax increase, development contributions, investment revenues, decreases in community and cultural grants, police transition costs, reduction in RCMP contract services, housing strategy investment, and transportation options supported by an increase to the Road and Traffic Levy.

B. Bowness, 148 Street and 14A Avenue: The delegation spoke to police transition costs, reduction in RCMP contract services, municipal requirements for a mail-in vote due to the police transition costs and the valuation of firefighters.

A. Kaps, 125 Street and Grove Crescent: The delegation spoke in opposition to the budget citing proposed budget increases, inequitable negative impacts and COVID-19 economic impacts.

S. Taylor, 172 and 27A Avenue: The delegation spoke in opposition to the budget citing the proposed property tax and Capital Parcel Tax increases, the need for more firefighters than proposed in the budget and reduction in RCMP contract services.

T. Ritchie, 123 Street and 53 Avenue: The delegation spoke in opposition to the budget citing proposed budget increases, needed increases for Bylaw Services staff, social services, the need for more garbage pick-up, reduction in RCMP contract services, public safety and police transition costs.

A. Kouzmin, 108 Avenue and 129 Street: The delegation spoke in opposition to the proposed budget citing police transition costs and proposed property tax and Capital Parcel Tax increases.

K. Thomson, 97 Avenue and Princess Drive: The delegation spoke to the proposed property tax and Capital Parcel Tax increases and its negative impacts on lower-valued properties and lower-income individuals, capital project funding, police transition costs and COVID-19 economic relief.

R. Casey, 189 Street and 59 Avenue: The delegation spoke in opposition to the budget citing reduction in RCMP contract services and police transition costs.

D. Bil, 100 Avenue and 148 Street: The delegation spoke in opposition to the proposed budget citing police transition costs, public safety, housing costs, lack of funding for social services and reduction in RCMP contract services.

E. O'Dell, 192 Street and Latimer Place: The delegation spoke in opposition to the proposed budget citing the proposed property tax and Capital Parcel Tax increases, anticipated increases to user fees at City recreational facilities, ongoing collection of Development Contribution Costs (DCC) and police transition costs.

M. Willis, 133 Street and Central Avenue: The delegation spoke in opposition to the proposed budget citing economic uncertainty with respect to City revenues, police transition costs, reduction in RCMP contract services, cost of living, COVID-19 economic impacts, proposed property tax increases and lack of funding for social services.

S. Sajda, 100 Avenue and 117 Street: The delegation spoke to the need to establish a Climate Action contingency fund and policies to address climate change.

C. Waiz, 182 Street and 29A Avenue: The delegation spoke to the police transition costs, reduction in RCMP contract services and COVID-19 economic impacts.

N. Beck, 125 Street and 16 Avenue: The delegation spoke in opposition to police transition costs, reduction in RCMP contract services and the need to re-open recreational facilities.

J. Pollon, 188 Street and 98A Avenue: The delegation spoke in opposition to the budget citing the proposed property tax increases, specifically on Class 4 properties and its impact on local businesses.

B. Bose, 125 Street and 18 Avenue: The delegation spoke to the proposed property tax and Capital Parcel Tax increases and its negative impacts on lower-valued properties.

G. Kotze, 178 Street and Trigs Road: The delegation spoke in opposition to the Class 4 property tax rate increase.

N. Cassidy, 140 Street and 106 Avenue: The delegation spoke to the proposed property tax and Capital Parcel Tax increases and the police transition.

M. MacDonald, 125 Street and Grove Crescent: The delegation spoke in opposition to the budget citing proposed increases and the police transition.

L. Prasad, 61 Avenue and 166A Street: The delegation spoke in opposition to the budget citing the proposed Capital Parcel Tax increase.

The meeting recessed from 5:17 p.m. to 5:24 p.m.







E. ADJOURNMENT

It was

Moved by Councillor Guerra  
Seconded by Councillor Patton  
That the Finance Committee meeting be

adjourned.

Carried by members remaining

The Finance Committee adjourned at 6:49 p.m.

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Jennifer Ficocelli, City Clerk

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Mayor McCallum, Chair

**FINANCE COMMITTEE  
RECOMMENDATION INDEX  
Monday, November 30, 2020**

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**Item No. Foo1**            2021 Five-Year (2021-2025) Financial Plan – General Operating  
File: 1705-05

That Council:

1. Approve the recommendations outlined in Section 4.0 - New Funding Requirements, Section 5.0 - New Funding Available and Section 8.0 - 2021 Roads & Traffic Safety Levy of Corporate Report Foo1 (Appendix I); and
2. Direct staff to prepare the 2021 Five-Year (2021-2025) General Operating and Roads & Traffic Operating Financial Plan incorporating these recommendations and consistent with Appendix "I" and "II" of the report.

**Item No. Foo2**            2021 Five Year (2021-2025) Financial Plan - Capital Program  
File: 1705-05

That Council:

1. Approve the Capital Program as outlined in Section 3.0 of Corporate Report Foo2 (Appendix II); and
2. Direct staff to prepare the 2021 Five-Year (2021-2025) Capital Financial Plan incorporating the Capital Program as outlined in the report

**Item No. Foo3**            2021 Five Year (2021-2025) Financial Plan – Utilities and Other  
Self-Funded Programs  
File: 1705-05

That Council:

1. Approve the rate adjustments outlined in Section 2.0 of Corporate Report Foo3 (Appendix III); and
2. Direct staff to prepare the 2021 Five-Year (2021-2025) Financial Plan for each of the Water, Sewer, Drainage, Solid Waste, Parking, and District Energy self-funded programs respectively, incorporating the recommendations as contained in the report.

**Item No. Foo4**      City Grants for 2021  
File: 1850-20

That Council approve the proposed 2021 City Grants, except for the Crime Stoppers grant request, as recommended by the Grants Evaluation Committee and as documented in Appendices "I", "II" and "III" attached to Corporate Report Foo4 (Appendix IV).

That Council approve the proposed 2021 City Grants for Crime Stoppers as recommended by the Grants Evaluation Committee and as documented in Appendices "I" attached to Corporate Report Foo4 (Appendix IV).