

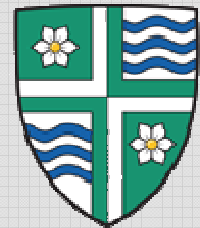
Draft 2017 Budget Discussion

Funding Option 4

December 12, 2016

12 noon – 2:00pm

Township of
Langley



Est. 1873

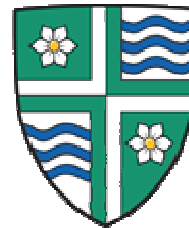




Timeline

| Date | Action |
|-----------------|---|
| December 12 | Five Year Financial Plan Discussion |
| January 1 to 23 | Public Consultation Period |
| January 16 & 17 | Open Houses |
| January 30 | Results of Public Consultation |
| January 30 | Five-Year Financial Plan |
| February 6 | Financial Plan Bylaw, 1 st , 2 nd , 3 rd |
| February 20 | Financial Plan Bylaw, Final |

Township of
Langley



Est. 1873

Presentation Overview



Fire: Rescue Truck

Included in Funding
Option 4 to be
considered later in
presentation.

Rescue



Sidewalks, Tall Timbers Connection & Other

Resolutions to follow:

*THAT Sidewalk Improvements:
272 St; 28 to 29 Ave for \$75
thousand be funded from
capital surplus and a
reallocation of operating
contribution to capital.*

*THAT Sidewalk Construction:
96 Ave in Fort Langley for
\$_____ be funded from
internal borrowing to be repaid
within five years or less.*

Sidewalk Improvements (Repairs): 272 St; 28 to 29 Ave (\$75 thousand)

- \$43,217 from Capital Surplus¹
(Residual from another project that finished under budget)
- \$31,783 from Local Roads Paving²
(Original Local Roads budget \$300K, reduced by \$31.8K)
- **\$75,000 Total Funded**

Sidewalk Construction: 96 Ave in Fort Langley (\$1 million)

- Could we internally borrow for this project?
- See Memo, October 27, 2015

¹ Capital Surplus \$43,217 remaining after completion of Pavement Reconstruction: 8 Avenue – 276 St to 272 St.

² Local Roads paving, \$300,000 funded from operating contribution to capital will be reduced by \$31,783.

Sidewalks, Tall Timbers Connection & Other

Resolution to follow:

*THAT the Tall Timbers
Connection be funded from
Water Prior Year Surplus
in 2017.*

Tall Timbers Connections (Water)

- Project Cost \$451,440
- Land Sale Recovery \$423,000
- **Net Project Cost \$28,400**

- Total Annual Operational Savings \$25,576
- Annual cost of water (from MV) \$20,805
- **Net Annual Savings \$5,772**

- **$\$28,400 / \$5,772 = 4.92$ year payback**

Sidewalks, Tall Timbers Connection & Other

Resolution to come:

*THAT Annual Dyking Capital
Budget of \$1 million for 2017
be reduced to \$500 thousand.*

Annual Dyking

(see next slide for Manager comments)

Current Budget:

- 2016 \$497,086 (CFWD CTC)
- **2017 \$1,000,000 (Capital Works Reserve)**
- 2018 \$500,000 (Prior Year Surplus)
- 2019 \$500,000 (CTC \$228K/PYS \$272K)
- 2020 \$500,000 (CTC \$28/PYS \$472K)
- 2021 \$500,000 (CTC \$500,000)

Q – Can we change it to \$500K per year

Annual Dyking

Manager Comments

Dyke upgrades are multi-million dollar projects and will likely require senior government grant funding to facilitate works.

Timing will likely be in the next few years as Phase 2 of the Regional Flood Management Strategy is developed.

By putting aside funds now, we will be in a better position to leverage grant funding when the time arises (municipal share has typically been one third).

For example,

- West Langley dyke upgrades are estimated at between \$10.9M and \$28M depending on level of protection, seismic, and climate change and sea level rise estimates/predictions.*
- Fort Langley dyke cost estimates are higher. So the faster we establish municipal funding, the better position we will be in to leverage grant funding.*

Additionally, if we establish sufficient funds prior to grant opportunities, the Township could possibly initiate detailed design of dyke upgrades and/or acquire necessary lands, which may put us in a better position for grant eligibility when the time comes - i.e. have shovel ready projects.

Sidewalks, Tall Timbers Connection & Other

Resolution to come:

THAT Council direct staff to bring a report to a future meeting of Council complete with details including costing analysis, implications of contracting out this service, and the practices of other municipalities.

Note:

CN Rail in Surrey uses Recycle-It for Homeless Camp Cleanup along their tracks

Homeless Camp Cleanup (Surrey)

On the November 28th Special Meeting of Council a request was made for information about Surrey's program.

8. Cleanup of Area

a. Needle Pick-up

Lookout's Rig Dig Program conducts daily sweeps of the area, including noted 'hot spots', and responds to reports of needles. The program costs approximately \$50,000 per year to implement, with 86% of funding used for stipends (for clients/peers who are compensated for picking up needles).

In the past, Rig Dig was funded primarily by a Gaming grant along with some funds from Fraser Health. In 2016/17, Gaming did not provide a grant; all Rig Dig funding was used up by September. Additional funding is required in order for the Rig Dig to continue. Fraser Health has been in discussions with Lookout and other similar organizations to ensure the program is maintained and enhanced. Further expansion of the availability and placement of safe needle disposal boxes will also be assessed.

b. 135A Street Daily Clean-up

Daily clean-ups are conducted by a joint effort of City of Surrey By-laws, Engineering, and RCMP. Staff will patrol the City Centre to pick up any littered items, such as clothing, blankets, and other items that may have been discarded, as well as addressing tent issues and squatters in and around 135A Street and the City Centre.

These clean-ups occur weekdays and weekends, and to date Engineering has spent \$101,967.15 on these services. The projected annual cost will be approximately \$150,000.00. In addition, By-law Enforcement has spent \$300,000.00 year to date in order to deploy additional By-law Enforcement Officers, as well as resources, to the City Centre area 7 days per week. Year to date, the maintenance costs of City owned lands within City Centre have increased \$30,000.00 from the prior year (2015).

The Downtown BIA funds Options Community Services to engage participants of the Options' mental health "club house" program in a street-cleaning program. Litter is picked up in the Downtown business area two afternoons a week.

c. Storage

35 pens to store personal belongings were constructed by the City of Surrey in the outside area of the Gateway Shelter in order for homeless to store their belongings when receiving much needed services.



Base Budget and Funding Option 4

Base Budget Changes

(brackets) = downward pressure on taxes and user rates

| Base Budget Changes (in \$000's) | % | Universal Services |
|---|--------------|--------------------|
| Revenue Increases | | (435) |
| Salary & Wages – Other | | 1,519 |
| Provincial, RCMP, GVS&DD, and Solid Waste Contracts | | 972 |
| Service and Maintenance Contracts | | 1,267 |
| Vehicle & Equipment | | 478 |
| Communications & Technology | | 302 |
| Utilities | | 151 |
| Transfer to (from) Own Funds | | 587 |
| Internal Charges and Recoveries | | (794) |
| Aldergrove Operating Base | | 250 |
| Materials and Other | | 183 |
| TOTAL | 3.95% | 4,480 |
| Remove Tax Revenue from Growth | (2.00%) | (2,270) |
| INCREASE IN BASE BUDGET | 1.95% | 2,210 |

Funding Option 4

Resolutions to come:

THAT Council consider 2017 Funding Option 4, as presented or amended, be added to the Universal Services base budget.

THAT Funding Option 4, as presented or amended, be presented at Open Houses and included in on-line simulators and questionnaires.

Please see handout

| REQUESTS | | TOTAL INVENTORY OF REQUESTS | | OPTION 4 (3.99%) | |
|---|------------------------|-----------------------------|--------------|------------------|--------------|
| Contribution to Capital - Facilities | Transportation | 4,00,000 | 0.35% | 387,300 | 0.34% |
| Contribution to Capital - Transportation | Transportation | 500,000 | 0.44% | 300,000 | 0.26% |
| Contribution to Capital - Parks | RCP | 500,000 | 0.44% | 100,000 | 0.09% |
| Contribution to Capital - Information Technology | Corp Admin | 100,000 | 0.09% | 100,000 | 0.09% |
| Capital Infrastructure Renewal & Replacement Reserve | Corporate | 500,000 | 0.44% | 0 | 0.00% |
| Fitness Equipment Reserve | RCP | 125,000 | 0.11% | 50,000 | 0.04% |
| Paving Contract | Transportation | 500,000 | 0.44% | 250,000 | 0.22% |
| CCTV Program (20 years at \$100,000 per year) | Storm | 100,000 | 0.09% | 40,000 | 0.04% |
| COMMITMENT TO INFRASTRUCTURE | | 2,725,000 | 2.40% | 1,227,300 | 1.08% |
| RCMP Members (3) \$493K | Police | 493,500 | 0.43% | 0 | 0.00% |
| Lead Hand Guard (1) \$54K | Police | 53,400 | 0.05% | 0 | 0.00% |
| Firefighters (6) \$570K | Fire | 586,834 | 0.52% | 163,009 | 0.14% |
| Fire Inspector (1) \$115K | Fire | 97,796 | 0.09% | 0 | 0.00% |
| Bylaw Enforcement Officer | Com Dev | 100,870 | 0.09% | 50,435 | 0.04% |
| COMMITMENT TO PROTECTIVE SERVICES | | 1,332,400 | 1.17% | 213,444 | 0.19% |
| Development Engineering Tech | ComDev | 98,460 | 0.09% | 98,460 | 0.09% |
| Senior Planner | ComDev | 124,077 | 0.11% | 0 | 0.00% |
| Support Clerk | ComDev | 58,318 | 0.05% | 58,318 | 0.05% |
| BALANCED AND EFFICIENT DEVELOPMENT | | 280,855 | 0.25% | 156,778 | 0.14% |
| Facility Maint. Worker | Transportation | 94,851 | 0.08% | 94,851 | 0.08% |
| Pool Service Worker | Transportation | 78,702 | 0.07% | 78,702 | 0.07% |
| Soil Bylaw Officer | Transportation | 78,296 | 0.07% | 0 | 0.00% |
| GIS Technician - Engineering | Transportation | 41,303 | 0.04% | 41,303 | 0.04% |
| Clerk Typist IV (Corp Admin) | Corp Admin (Various) | 63,774 | 0.06% | 63,774 | 0.06% |
| Special Events Coordinator | Corp Admin (CCE) | 14,003 | 0.01% | 0 | 0.00% |
| Technical Assistant | Corp Admin (Econ Dev) | 50,927 | 0.04% | 50,927 | 0.04% |
| Senior Business Applications Support | Corp Admin (Info Tech) | 89,767 | 0.08% | 89,767 | 0.08% |
| Return to Work Coordinator | HR | 119,328 | 0.11% | 0 | 0.00% |
| Safety Coordinator | HR | 120,028 | 0.11% | 120,028 | 0.11% |
| Social Planner | ComDev | 103,519 | 0.09% | 103,519 | 0.09% |
| OMW Construction Services | Transportation | 44,409 | 0.04% | 44,409 | 0.04% |
| POSITIONS AND/OR PARTIAL POSITION FUNDING REQUESTS | | 898,907 | 0.79% | 687,280 | 0.61% |
| Homeless Camp Cleanups | Parks | 25,281 | 0.02% | 20,000 | 0.02% |
| Spray Park Early Opening | Parks | 20,152 | 0.02% | 5,000 | 0.00% |
| Special Events (Parks) | Parks | 48,850 | 0.04% | 5,000 | 0.00% |
| Trail Trip Hazard | Parks | 25,000 | 0.02% | 5,000 | 0.00% |
| Business Beautification Grant | Corp Admin | 20,000 | 0.02% | 0 | 0.00% |
| NEW PROGRAM FUNDING REQUESTS | | 139,283 | 0.12% | 35,000 | 0.03% |
| New Requests (\$ / %) | | 5,376,445 | 4.74% | 2,319,802 | 2.04% |
| Base Increase (\$ / %) | | 2,210,503 | 1.95% | 2,210,503 | 1.95% |
| TOTAL INCREASE (\$ / %) | | 7,586,948 | 6.69% | 4,530,305 | 3.99% |



Impact on a Representative House

Impact on a Representative House

(Of Property Tax Increase)



| Universal Services | 2016 | Change | % Change | 2017 |
|--------------------------|-------|--------|----------|-------|
| 1% Property Tax Increase | 1,929 | 19 | 1.00% | 1,948 |

| | | | | |
|----------|-------|----|-------|-------|
| Option 4 | 1,929 | 77 | 3.99% | 2,006 |
|----------|-------|----|-------|-------|

| User Pay Utilities | 2016 | Change | % Change | 2017 |
|----------------------------|---|---|----------|--------|
| Water User Pay | 493.32 | 7.65 | 1.55% | 500.97 |
| Sewer User Pay | 399.34 | 23.68 | 5.93% | 423.02 |
| Solid Waste User Pay (old) | 291.57 | Old user pay system based on single rate. | | |
| Solid Waste User Pay (new) | New System – see below (no change for 2017) | | | |

| CURRENT SYSTEM | PROPOSED NEW SYSTEM |
|--|---|
| Any Single Family Dwelling user subscribing to the Township Solid Waste system will pay an annual User Fee (\$291.57) for 2016. | Any Single Family Dwelling user subscribing to the Township Semi-automated Solid Waste system will pay an annual Base Fee (\$140) and a Cart Fee (\$150) for 2017, for an annual total of \$290. |
| Any Multi-Family Dwelling user opting in to the Township Solid Waste system will pay an annual User Fee (\$291.57) for 2016. | Any Multi-Family Dwelling user subscribing to the Township Semi-automated Solid Waste system will pay an annual Base Fee (\$140) and a Cart Fee (\$75) for 2017, for an annual total of \$215. |



Budget Recommendations for Council

Budget
Recommendations
for Council

THAT Sidewalk Improvements: 272 St; 28 to 29 Ave for \$75 thousand be funded from capital surplus¹ and a reallocation of operating contribution to capital².

THAT Sidewalk Construction: 96 Ave in Fort Langley for \$_____ be funded from internal borrowing to be repaid within five years or less.

¹ Capital Surplus \$43,217 remaining after completion of Pavement Reconstruction: 8 Avenue – 276 St to 272 St.

² Local Roads paving, \$300,000 funded from operating contribution to capital will be reduced by \$31,783.

Budget
Recommendations
for Council

Whereas the costs associated with the cleanup of Homeless Camps is currently being absorbed utilizing existing operating accounts which takes away funding from other core programs;

And whereas funds may be required in the coming year to address similar potential needs;

Therefore it be resolved...

THAT Council direct staff to bring a report to a future meeting of Council complete with details including costing analysis, implications of contracting out this service, and the practices of other municipalities.

Budget
Recommendations
for Council

***THAT** Tall Timbers Connections for \$451,440 be funded from Water Prior Year Surplus.*

***THAT** Annual Dyking Capital Budget of \$1 million for 2017 be reduced to \$500 thousand.*

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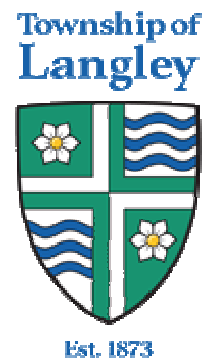
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Questions and Answers