



## **SPECIAL COUNCIL MEETING FOR BUDGET PURPOSES**

Monday, February 4, 2019 at 1:00 PM  
Fraser River Presentation Theatre  
4th Floor, 20338 – 65 Avenue, Langley, BC

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### **MINUTES**

PRESENT: Mayor J. Froese

Councillors P. Arnason, D. Davis, S. Ferguson, M. Kunst, B. Long,  
K. Richter, B. Whitmarsh, and E. Woodward

M. Bakken, C. Blair, S. Gamble, S. Harvey-Renner, R. Seifi,  
S. Scheepmaker, K. Sinclair, P. Tulumello, and J. Winslade

W. Bauer, P. Cordeiro, H. Chohan, S. Nam, and K. Stepto

### **A. ADOPTION AND RECEIPT OF AGENDA ITEMS**

#### **A.1 Special Council Meeting for Budget Purposes Agenda - February 4, 2019**

Moved by Councillor Ferguson,  
Seconded by Councillor Kunst,  
That Council adopt the agenda and receive the agenda items of the  
Special Council Meeting for Budget Purposes held February 4, 2019.  
CARRIED

### **B. PRESENTATIONS**

#### **B.1 2019 Draft Operating and Capital Budget Presentation**

K. Sinclair provided an overview of the Draft 2019 Operating Budget. The following information was discussed regarding User Pay Utilities and Universal Services:

- Financial Planning Principles/Policies;
- Items referred to the budget process (Operating);
- Consumer Price Index/Revenue and Cost Drivers;
- 2019 Budget guidelines, issues, and challenges;
- Summary of budget changes.

Utility User Pay Fees and Property Tax Revenue is used to fund ongoing operating expenses, regular and preventative maintenance, and operating costs associated with new capital.

Commitment to Infrastructure from operating funds for water, roads, and parks etc. includes:

- Contribution to capital;
- Transfer to capital reserve and surplus;
- Debt servicing;
- Asset maintenance.

Reserves and surpluses are used for:

- Carrying forward unfinished projects from one year to the next;
- Phasing of large unavoidable contract increased;
- Phasing associated with changes in business practices;
- Prior year's surplus;
- Shortfalls in User Fee Revenue from growth.

#### User Pay Utility Budget

Revenue and Cost Drivers include:

- User fee revenue from growth;
- Other user fees and charges;
- Salary and wage contracts;
- Special contracts;
- Regional District and TransLink;
- Maintenance contracts;
- Equipment and vehicles;
- Asset Management.

Guidelines, Issues, and Challenges with the 2019 Budget include:

- Regional costs (GVS & DD, GVWD, and Metro Tipping Fees);
- Special contracts;
- Salary and wages contract settlements;
- Salary and wages required to optimize water operations and maintenance;
- Employer Health Tax (1.95%);
- Operating impact of Township Capital and Community Development;
- Commitment to infrastructure.

The Utility User Fee increase suggested for the base budget is: water – 4.69%, sewer – 10.79%, and solid waste – 15.70%. This would be an estimated increase of \$111.81 on a representative house that receives all three services.

#### MEETING RECESSED

The meeting recessed at 3:11pm.

#### MEETING RECONVENED

The meeting reconvened at 3:28pm.

### Universal Services Budget

The following items were referred from Council to the 2019 budget process

- Tree Protection Bylaw
- Community Input Group Task Force
- Langley Care Foundation

Revenue and Cost Drivers include:

- Property Tax and User Fee revenue from growth;
- Development revenue;
- Other User Fees and Charges;
- Salary and Wage contracts;
- Special Contracts;
- Regional District and TransLink;
- Maintenance Contracts;
- Equipment and Vehicles;
- Asset Management.

Guidelines, Issues and Challenges with the 2019 Budget include:

- Regional Costs (RCMP, commitment to protective services, and FVRL);
- Salary and Wage contract settlements (IAFF in place to 2019; CUPE in place to 2020);
- Employer Health Tax (1.95%);
- Operating impact of Township Capital and Community Development;
- Commitment to infrastructure;
- Commitment to sustainable development.

The non-discretionary and discretionary budget requests for each division were presented.

The property tax increase calculated for the base budget was presented as 5.12%, with discretionary items as 2.35% for a total increase of 7.47%, which would be an estimated increase of \$148.00 on a representative house.

### 2019 Draft Capital Budget Presentation

S. Nam provided an overview of the Draft 2019 Capital Budget. The following information was provided:

- Finance Cycle and Budget Timeline;
- Capital Funding Strategy and Ranking Guidelines;
- Items Referred to the Budget Process;
- Budget Bylaw and Placeholder Budgets;
- Capital Summary and Multi-Year Projects;
- Funding Sources;

- Projects.

The capital funding strategy includes: annual contribution to capital, reserves and surplus, development funding, and strategic borrowing.

Items referred to the budget process and their funding sources were presented.

### **C. OTHER BUSINESS**

### **D. ADJOURNMENT**

Moved by Councillor Davis,  
Seconded by Councillor Whitmarsh,  
That the meeting be adjourned at 6:12pm and reconvene on Thursday,  
February 7 at 6:00pm in the Fraser River Presentation Theatre.  
CARRIED

CERTIFIED CORRECT:

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Mayor

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Township Clerk