

REPORT

Office of the Chief Administrative Officer Finance

To: Mayor Johnstone and Members of Council
Date: August 28, 2023

From: Lisa Spitale
Chief Administrative Officer
File:

Jacqueline Darion
Acting Director of Finance

Item #: 2023-540

Subject: **Budget 2024 Engagement Results and Next Steps**

RECOMMENDATIONS

THAT Council receive the Budget 2024 public engagement input for information and consideration during budget deliberations, and

THAT Council direct staff to consider and incorporate, as much as possible, the community input as they develop the draft Capital and Operating budgets for 2024.

PURPOSE

This report provides an overview of the Budget 2024 public engagement process and a summary of the input received from participants.

BACKGROUND

On April 24, 2023, Council adopted the Five Year Financial Plan, which included the approval of the 2023 annual Budgets and associated rates. Throughout the Budget 2023 process, staff heard Council's desire to engage the community in the budget process moving forward, and to encourage participation from more voices and seldom-heard voices in the engagement.

On April 3, 2023, Council passed the following resolution:

Be it resolved that early in the 2024 budget process, community engagement staff lead a structured consultation including an online survey component with the goal to involve a representative sample of the community in determining priority areas for future capital budget spending. Be it further resolved on the afore-mentioned motion no decision be made regarding the Growing Community Fund until a report back to Council on the engagement consultation Process.

On May 8, 2023, Council endorsed the 2024 Budget Engagement Approach that was outlined by staff, including engagement objectives, proposed engagement activities, and timeline. The approach sought to address Council's April 3 resolution. It was also based on engagement and budget best practice to gather community input before City departments begin drafting their budgets. This led to engagement taking place in June and July, and engagement reporting in August.

DISCUSSION

For a detailed summary of the engagement process, the input gathered from community members, and demographic information about participants, see Attachment 1: What We Heard: Budget 2024 Public Engagement Summary Report. The report and additional materials, such as the verbatim comments from participants, are also available on the [Budget 2024 project page on Be Heard New West](#).

Summary of Engagement Process

The Budget 2024 engagement included a range of online and in-person activities to gather community input, which were held from June 2 through August 2, 2023. Engagement activities included:

- Be Heard New West online project page, online survey, and online discussion forum
- Booth at the New to New West Intercultural Festival on June 3, 2023
- Two in-person workshops with English language learners / newcomers to New Westminster
- Two virtual workshops with different community groups, primarily representing renters and low-income residents

Residents were invited to participate through a wide variety of methods including various City e-newsletters, Citypage notices in the Record newspaper, social media, paid advertising in both print and digital media, posters in City facilities, flyers distributed at City Hall, notice on the City's website, direct outreach to community organizations, and other efforts. Members of Council were also asked to promote the survey opportunity through their networks and on their social media channels.

In total, more than 1,500 people visited the Budget 2024 Be Heard webpage, and approximately 600 community members participated across the various engagement activities.

The 2024 Budget engagement included some new and additional approaches compared with previous City budget engagement efforts. This included offering a prize draw to encourage community members to complete the survey; a \$50 gift card to a local business of choice was awarded to three survey participants. In addition, in response to Council's direction to better include under-represented voices in the budget engagement, Public Engagement staff conducted targeted outreach to under-represented groups. Staff were able to schedule four workshops with community groups and participants in existing programs, and include a variety of under-represented voices including renters, racialized community members, newcomers to Canada, low-income residents, and others.

Summary of Engagement Results

Similar input across the targeted outreach events and the survey

Two similar multiple choice questions were asked both through the targeted outreach events and in the community survey. One question was about whether the City should save more, balance spending and saving, or spend more. Across all the engagement activities, the majority of participants (67%) said they want the City to strike a balance between spending and saving.

The other similar question was about preferences for how the City should work to balance its budget, offering answer options that included various ways for the City to collect more revenue, or cut costs by reducing or eliminating services. Responses to this question were more mixed, with targeted outreach participants indicating a preference (69%) for reducing or cutting City services to keep taxes low. Meanwhile, survey participants ranked increasing user fees and introducing new user fees as their top choices. Increasing fees or adding new fees was the bottom choice for targeted outreach participants at only 8%.

Highlights from the targeted workshops with under-represented groups

The same format and discussion questions were used for the four workshops held with members of under-represented groups. Two discussion questions were introduced – one about how the City should balance its budget, and the other about how the City should allocate any additional funds it might receive through grants and other sources. Some of the key themes that emerged from the discussions included:

- Support for maintaining or increasing service levels / spending to support the most vulnerable community members, including: seniors, children and youth, low-income residents, tenants, and community members experiencing homelessness or at risk of becoming homeless.
- Ideas to increase City revenue, such as: increasing bylaw fines and/or increasing enforcement to levy more fines; investing in improved amenities and programming to draw more people to participate and therefore increase revenue in admissions/fees; attracting investment from business, industry and institutions such as post-secondary education.

- Mixed opinions on the amount of City budget spent on policing; however, several participants expressed concerns about the cost of policing relative to community programming and supports, and a few suggested reallocating some of the police budget to social services and/or programming to help prevent the need for more policing.
- Priorities areas for allocating any additional funding from grants or other sources included: housing, tenant supports/protections, maintenance and repairs, programs/rebates for cooling, protecting the environment, creating more jobs, and saving some in case of emergencies.

Highlights from the online survey input

- 78% of survey participants support or somewhat support Council's five new strategic priorities as a guide for prioritizing spending and how the City's budget is structured.
- 88% of participants support or somewhat support the City's financial principles ("Sustainable, Adaptable, Stable, and Accountable") as a foundation for the City's financial planning.
- 76% of survey participants ranked the value received for their tax dollars as average or better.
- Responses to a question about preference for the 2024 tax rate, as it relates generally to service levels, were mixed. The highest proportion of responses was 32% of participants who answered they would prefer a property tax increase of 5-6% to marginally increase services. A total of 74% of survey participants indicated a preference for a tax increase of 4% or higher for 2024.
- Participants were asked to rank a variety of types of capital projects, by category. The following project types ranked as #1 (most important) overall by participants:
 - Top transportation capital project: Sidewalk repairs, new sidewalks and expanding pedestrian areas
 - Top parks improvement capital project: Tree planting – installation of trees in parks, public lands, and city boulevards
 - Top facilities and amenities project: Repairs and upgrades to existing civic buildings and facilities to keep them in a state of good repair
 - Top utilities project: Sewer separation work – creating new sewer pipes to remove stormwater from the combined sewer system (required by Province)
 - Top climate action-related project: Building retrofit and heat pump incentive programs for property owners
- When asked how they would prefer the City allocate any additional funding, such as grants from other levels of government, the vast majority of participants allocated money across a variety of areas as opposed to putting most or all of the money towards any one area. The top response for all options was to allocate 25% of any additional

money to each area, including putting the money in reserves, paying for projects that are already planned, paying down the City's debt, and other options.

NEXT STEPS

The Engagement Summary Report has already been shared with senior leadership across the organization. As the Finance Department works with City staff across departments to develop their draft budget submissions for 2024, the community input will be reviewed, considered and incorporated into the draft budgets as much as possible. City staff will continue to reference the engagement input through Council's deliberations on the 2024 budget.

There will be a series of workshops with Council on the 2024 budget, starting in October 2023.

The table below outlines the estimated key dates around the 2024 Budget, which incorporates the public feedback and Council input via open Council workshops:

Date	Description
8-May-23	2024 Budget Engagement Framework & Timelines
11-Jun-23	Quarter 1 Operating & Capital Performance Report
11-Sep-23	Quarter 2 Capital & Operating Performance Report
28-Aug-23	2024 Engagement Results: What We Heard Report
16-Oct-23	2024 Capital Budget - Open Council Workshop
30-Oct-23	Quarter 3 Capital & Operating Performance Report
6-Nov-23	**2024 Utility Budget Workshop - Open Council Budget
6-Nov-23	2024 User Fees (Three Readings)
20-Nov-23	**2024 Proposed Service Enhancements & Tax Rates Options
27-Nov-23	**2024 Operating General Fund Budget - Open Council Budget
27-Nov-23	2024 User Fees (Adoption)
27-Nov-23	2024 Utility Rates (Three Readings)
11-Dec-23	2024 DRAFT Budget & 5 Year Financial Plan Bylaw (Presentation)
11-Dec-23	2024 Utility Rates (Adoption)
13-Dec-23	2024 DRAFT Budget & 5 Year Bylaw post on City Website/Paper
8-Jan-23	2024 DRAFT Budget & 5 Year Financial Plan Bylaw (Three Readings)
29-Jan-23	2024 DRAFT Budget & 5 Year Financial Plan Bylaw (Adoption)
26-Feb-23	Quarter 4 - Capital Carryforward Adjustment Report - Prelim Y/end

** Special Council Meetings

FINANCIAL IMPLICATIONS

There are no direct financial implications related to the recommendations outlined this report.

INTERDEPARTMENTAL LIAISON

The City's annual budget process involves staff from across all City departments. The What We Heard: Budget 2024 Public Engagement Summary Report has been shared with the Senior Management Team, and the Finance Department will be working with departmental teams on incorporating the community input as the draft 2024 Capital and Operating budgets are developed.

OPTIONS

The following are options for Council's consideration:

1. THAT Council receive the Budget 2024 public engagement input for information and consideration during budget deliberations, and
2. THAT Council direct staff to consider and incorporate, as much as possible, the community input as they develop the draft Capital and Operating budgets for 2024.
3. Provide alternate direction to staff.

Options #1 and #2 are recommended.

ATTACHMENTS

Attachment 1 - What We Heard: Budget 2024 Public Engagement Summary Report

APPROVALS

This report was prepared by:
Jennifer Miller, Manager of Public Engagement

This report was reviewed by:
Gary So, Senior Manager, Financial Services

This report was approved by:
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