



FOR THE YEAR ENDED DECEMBER 31, 2022

2022 ANNUAL FINANCIAL REPORT

BRITISH COLUMBIA, CANADA

SURREY.CA

Province of British Columbia



FOR THE YEAR ENDED DECEMBER 31, 2022

2022 ANNUAL FINANCIAL REPORT

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Prepared by the City of Surrey Finance Department

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SURREY AT A GLANCE

DEMOGRAPHIC AND ECONOMIC INFORMATION

601,101* Population	\$1,539,883* Average home assessment (detached single family home)
9,399* Annual population change (2022-2021)	\$6,088* Average residential tax and utilities bill (before Provincial Homeowner Grant)
38.4* Median Age	5,132* Housing starts
\$160.00 billion [†] Metro Vancouver GDP	158,753* Total households
\$80,500 [♦] Metro Vancouver Median income	1,575* Total residential permits issued
1,617 [□] Metro Vancouver Labour force ('000)	1,423* Total non-residential permits issued
1,549 [□] Metro Vancouver Employment ('000)	\$1,532 million* Residential permit values
4.7% [□] Metro Vancouver Unemployment rate	\$523 million* Non-residential permit values

[□] Statistics Canada, Dec 2022 Monthly Labour Force Survey (Vancouver CMA)
[†] Conference Board of Canada, October 2021 Metro Vancouver insights

[♦] Statistics Canada, 2021 Census
^{*} City of Surrey

CONSOLIDATED FINANCIAL INFORMATION

Consolidated Statement of Financial Position

As of December 31, 2022, with comparative figures for 2021 (in thousands of dollars)

	2022	2021
FINANCIAL ASSETS¹	\$ 1,910,212	\$ 1,768,843
LIABILITIES	\$ 1,456,805	1,490,846
NET FINANCIAL ASSETS²	\$ 453,407	\$ 277,997
NON FINANCIAL ASSETS³	\$ 9,943,792	9,639,856
ACCUMULATED SURPLUS⁴	\$ 10,397,199	\$ 9,917,853

¹ Financial assets: cash resources and liquid assets.

² Net financial assets: the net financial position, calculated as the difference between financial assets and liabilities.

³ Non-financial assets: the non-financial assets that are owned which will be utilized for future services, including tangible capital assets, inventories and prepaid expenses.
Non-financial assets can normally be used only for service provision to accomplish future objectives.

⁴ Accumulated surplus: This is an indicator of the City's overall financial health. It is the difference between the combined financial assets and non-financial assets as compared to liabilities and includes the investments in tangible capital assets (capital equity), total reserves (restricted funds), appropriated surplus (internally appropriated funds) and general or unrestricted funds.

Consolidated Statement of Operations¹

For the year ended December 31, 2022, with comparative figures for 2021 (in thousands of dollars)

	2022 Budget ²	2022	2021
REVENUES	\$ 1,237,929	\$ 1,424,543	\$ 1,183,121
EXPENSES	899,616	\$ 945,197	877,605
ANNUAL SURPLUS³	\$ 338,313	\$ 479,346	\$ 305,516
Accumulated Surplus, beginning of year	9,917,853	\$ 9,917,853	9,612,337
Accumulated Surplus, end of year	\$ 10,256,166	\$ 10,397,199	\$ 9,917,853

¹ The statement of operations shows the sources of revenues and expenses, the annual surplus or deficit and the change in the accumulated surplus.

² The budget numbers represent the City's plan for revenue and expenses set at the beginning of the year.

³ Annual surplus is the net income/(loss) for the current year's operations.

MESSAGE FROM THE MAYOR



On behalf of City Council, it is my pleasure to present the 2022 Annual Financial Report for the City of Surrey. This report highlights major accomplishments and initiatives over the past year along with key financial information.

As British Columbia's second largest city, our strong and steady interest in commercial and residential investment showcases the economic confidence of the region. In 2022, the value of building permits topped \$2 billion in Surrey, which saw the creation of 4,480 new homes to support Surrey's growing community.

The City continues to provide a conducive environment which fosters development of jobs, business investment, entrepreneurship, and innovation within Surrey, creating a competitive City with countless opportunities for success. Collaboration with other levels of government, community organizations and other stakeholders will help us to promote resilient, vibrant communities.

Each year, the City of Surrey maintains its healthy financial status as a result of comprehensive planning and prudent management. The commitment to transparency and accountability, which underpins our financial procedures and control systems, ensures sound financial stewardship and the steady delivery of city operations and services.

I am pleased to report that our Finance Department has received the Canadian Award for Financial Reporting from the Government Finance Officers Association of the United States and Canada for twenty-six consecutive years. This continuous commitment to diligent financial oversight ensures that our assets and investments remain secure for current and future generations as we move forward together.

I am honored to serve the residents of this beautiful City that we live and love. Our Council is investing for the future with additional and improved services, adding valuable benefits to the day-to-day lives of those who work, play, invest and live in Surrey. The ongoing effort of residents, businesses, community leaders, and administration all contribute to Surrey's shared success. Our Council is committed to ensuring a strong financial position while continuing to foster a vibrant, innovative and sustainable City.

Sincerely,

A handwritten signature in black ink that reads "Brenda Locke". The signature is fluid and cursive, with "Brenda" on the top line and "Locke" on the bottom line.

Brenda Locke
Mayor



CITY COUNCIL & SURREY OFFICERS

Surrey Officers

City Manager	V. Lalonde
Chief Librarian.....	S. Bhogal
Director, Strategic Initiatives & Corporate Reporting.....	J. Arason
Fire Chief.....	Chief L. Thomas
General Manager, Community Services Department.....	T. Waterhouse
General Manager, Corporate Services Department.....	R. Costanzo
General Manager, Engineering Department.....	S. Neuman
General Manager, Finance Department	K. Grewal
General Manager, Investment & Intergovernmental Relations Department.....	D. Jones
General Manager, Parks, Recreation & Culture Department.....	L. Cavan
General Manager, Planning & Development Department	D. Luymes
Officer in Charge, Surrey RCMP Detachment	A/Commr. B. Edwards
Chief Constable, Surrey Police Service.....	Chief N. Lipinski

City Council

BACK

Councillor Mandeep Nagra

Councillor Mike Bose

Councillor Doug Elford

Councillor Gordon Hepner

CENTER

Mayor Brenda Locke

FRONT

Councillor Linda Annis

Councillor Harry Bains

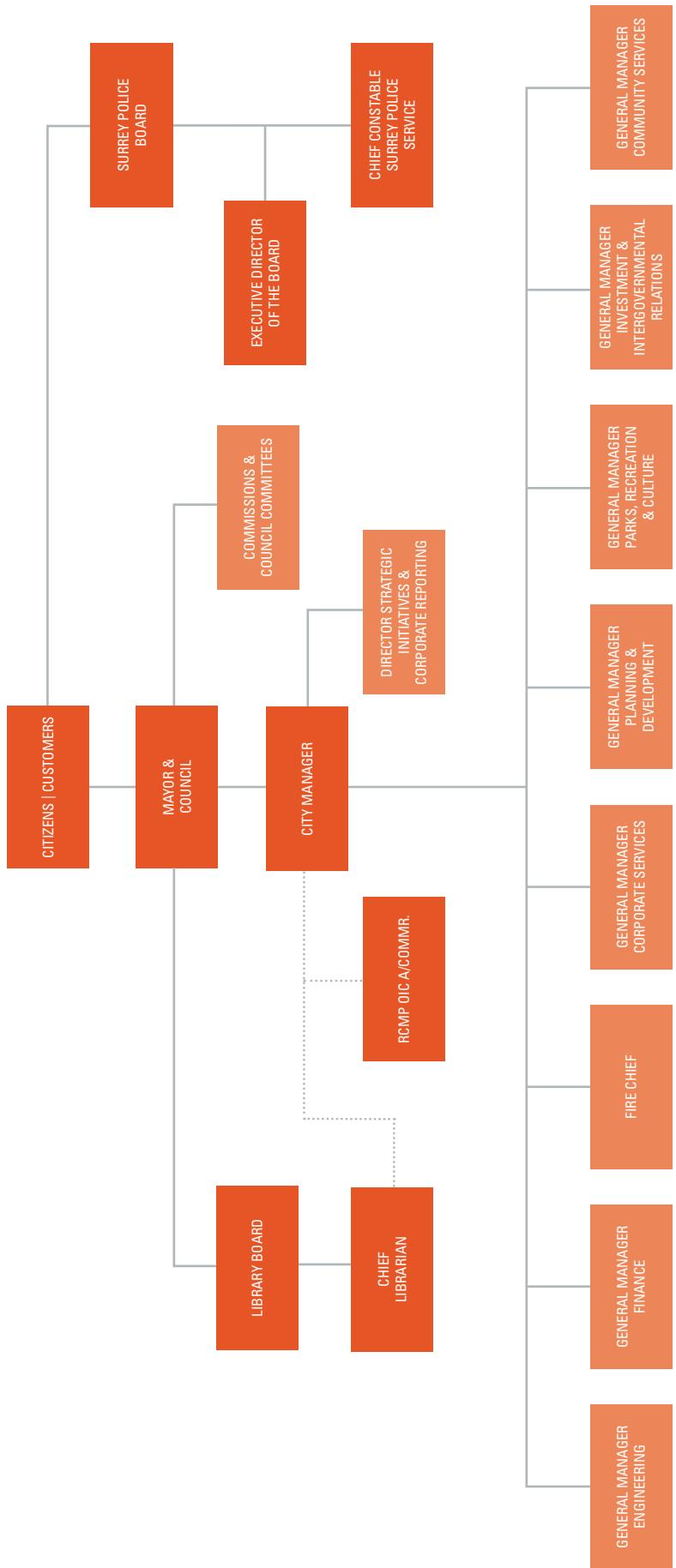
Councillor Rob Stutt

Councillor Pardeep Kooner

Auditors – BDO LLP

Bankers – Royal Bank of Canada

ORGANIZATIONAL CHART



CANADIAN AWARD FOR FINANCIAL REPORTING

CITY OF SURREY



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**City of Surrey
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Surrey for its annual financial report for the fiscal year ended December 31, 2021. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting Program requirements, and we will be submitting it to GFOA to determine its eligibility for another award.



South facing view of City Centre Library from inside Surrey City Hall.

Surrey is one of the fastest growing communities in Metro Vancouver. It is a city where modern urban development meets an abundance of green spaces, parks, and farmland. Home to six distinct communities, the city comprises state-of-the-art recreational, arts, library, and heritage facilities featuring an array of diverse programming and public services. Surrey offers active, affordable, and accessible lifestyles for its residents serviced with modern amenities. An inclusive and welcoming community, the City embraces all peoples and cultures.

Surrey has one of the lowest property taxes in the region and is ranked as one of the best places in the country to invest. As Surrey evolves into the region's next major metropolitan centre, the City is focused on generating new economic opportunities, fostering innovation, and enhancing connectivity.

The City of Surrey continues investing in and building capital infrastructure to keep pace with the needs of its growing community. With a commitment to sustainable living and a proactive approach to economic and social development, the City of Surrey is destined for a prosperous future as it develops into Metro Vancouver's second major economic centre.

The following sections present the City's various departments including an overview of the services they provide and their 2022 accomplishments. Following the overview sections are the related performance measures developed by departments to support City goals.





Selected as one of Canada's Best Diversity Employers.

CITY OF SURREY OVERVIEWS

AWARDS

DEPARTMENT	AWARDS
ENGINEERING	Canada's Safest Employer for Young Workers Award (joint with Corporate Services)
	Excellence Award for Canada's Safest Public Sector / Non-Profit Employer
	Outstanding Achievement in Marketing
CORPORATE SERVICES	Canada's Greenest Employer for 2022
	Canada's Best Diversity Employer for 2022
	Canada's Top Employer for Young People for 2022
	Recertified for Canada's Most Admired Corporate Cultures (2021-2022)
	Canada's Safest Employer for Young Workers Award (joint with Eng Ops)
	2022 Organizational Safety Excellence Award
	City of Excellence – Gold Standard Award
FINANCE	Government Finance Officers Association Distinguished Budget Presentation Award: 2022-2026 Financial Plan
	Government Finance Officers Association Canadian Award for Financial Reporting: 2021 Annual Report
	Government Finance Officers Association Award for Outstanding Achievement in Popular Annual Financial Reporting: 2021 Annual Report Highlights
	"A-" rating from C.D. Howe Institute: 2022 edition of its Annual Municipal Fiscal Accountability report card
PARKS, RECREATION & CULTURE	2022 Marcom Platinum Awards - Surrey Canada Day (Branding Refresh)
	2022 Marcom Platinum Awards - Surrey Fusion Festival (Event Website)
	2022 Marcom Gold Awards - Surrey Music Strategy (Integrated Marketing)
	2022 Marcom Gold Awards - Surrey Fusion Festival 2022 (Special Event)
	2022 Marcom Gold Awards - Surrey Fusion Festival Video (Video)
	2022 Communicator Awards of Distinction - Surrey Child Care Action Plan (Corporate Communications/Overall Design)
	2022 Communicator Awards of Distinction - SAFE Infographic (Corporate Communications/Overall Design)
	2022 Communicator Awards of Distinction - Climate Action Strategy Engagement (Integrated Campaign/Business to Consumer)
	2022 Communicator Awards of Distinction - Climate Action Video (Online Video/Causes & Awareness)
	2022 Communicator Awards of Excellence - Surrey Transportation Project: Bold Moves video series (Online Video Web Series)
	2022 Communicator Awards of Excellence - Surrey Electric Vehicle Strategy document (Corporate Communications/Overall Design)
	2022 Tree City of the World designation
	Greener Greenspaces Recognition
	Pollinator Steward Certification
PLANNING & DEVELOPMENT	Most Improved Approval Timing award from NAiOP for Guaranteed Permitting Timelines
	Clean Air Building Award for City Hall
	Spaces and Places award from Innovation by Design Awards for Clayton Community Centre



Surrey is a forward-thinking, globally recognized leader in building vibrant, sustainable communities through technology and innovation.

CITY OF SURREY OVERVIEWS

STRATEGIC FRAMEWORK

Guiding Documents

The City of Surrey has two key corporate level strategic frameworks: Sustainability Charter 2.0 (primarily outward or community focused) and Surrey Excels (primarily inward focused).

The vision, goals, and desired outcomes presented in the Sustainability Charter 2.0 articulate what we want to see for our whole community, looking ahead over the next 40 years. Our strategic goals reflect the vision statement of a Thriving, Green, Inclusive City, and is organized around eight community themes, as illustrated below, for a more holistic way of considering sustainability and the interconnected systems in our community. Successful implementation of this ambitious vision requires the support and involvement of all partners in Surrey including local businesses, residents and community groups.

Surrey Excels aligns strongly with the Sustainability Charter 2.0. Surrey Excels is a balanced scorecard that sets out the City's internal strategic objectives, initiatives and measures. Surrey Excels is organized into a tiered structure, with Tier 1 at the corporate level and Tier 2 at the departmental level. Each of the strategic initiatives and measures identified in Surrey Excels fits into one or more of the eight themes of the Sustainability Charter 2.0.

These provide the strategic direction and priorities of the City, which are facilitated through the delivery of the annual Five-Year Financial Plan.

Our Strategic Goals



INCLUSION

A caring community that encourages a sense of belonging and access to opportunity for all Surrey residents to realize their full potential.



ECONOMIC PROSPERITY AND LIVELIHOOD

Continued prosperity and thriving livelihoods and a strong, equitable and diverse economy.



HEALTH AND WELLNESS

A community in which all residents are healthy, active and connected.



BUILT ENVIRONMENTS AND NEIGHBOURHOODS

A beautiful, accessible and well connected city of distinct and complete neighbourhoods that are walkable, engaging and resilient.



ECOSYSTEMS

Healthy, protected and well maintained ecosystems and biodiversity.



INFRASTRUCTURE

Effective infrastructure and services that meet the current and future needs of the city, while protecting the natural environment and supporting urban growth.



PUBLIC SAFETY

A city in which all people live, work, learn and play in a safe and engaging environment.



EDUCATION AND CULTURE

Access to diverse, high quality learning opportunities, and vibrant arts, heritage and cultural experiences for all Surrey residents.

Strategic Plan & Goals

Official Community Plan, Sustainability Charter 2.0, Transportation Strategic Plan and others.



Surrey Excels

Our Corporate Strategy

We serve our community to improve the quality of life for everyone.

Surrey Citizens
City Funds
Our Processes
Our People

Our Values

The City of Surrey's values guide the way we serve our residents, engage with our community and work with each other.

Community
Innovation
Integrity
Service
Teamwork

How We Will Achieve Our Vision of a Thriving, Green, Inclusive City

Surrey is a forward-thinking, globally recognized leader in building vibrant, sustainable communities through technology and innovation.



Surrey Fusion Festival at Holland Park.



CITY OF SURREY

CITY MANAGER'S DEPARTMENT OVERVIEWS

The City Manager's Department ensures that Council's priorities and high-quality sustainable City services are delivered on a consistent basis to the City's residents and businesses. Through the Strategic Initiatives & Corporate Reporting function, the department provides coordination of key initiatives that span across multiple departments, including the Surrey Excels strategic framework. Consistency and high standards of corporate reporting, including regular reports to Council as well as periodic reports on organizational performance, are key functions of this department.

The City Manager's Department worked closely with departments across the organization to deliver key accomplishments in 2022, including selected initiatives where the City Manager's Office played a key role or coordinating role.

2022 ACCOMPLISHMENTS

- Updated the Surrey Excels strategic framework to focus on Mayor and Council's priorities
- Delivered a series of strategic sessions that provided Mayor & Council updates on a variety of initiatives underway
- Delivered the Canada Mortgage and Housing Corporation Rapid Housing Initiative project by completing Little's Too in the summer of 2022, adding 44 new supportive housing units
- Supported the development of cultural facilities including indigenous carving venues in both North and South Surrey
- Continued working with partners including the federal and provincial governments, SFU, UBC, TransLink and others to establish Surrey City Centre as the second metropolitan centre in the region, with an emphasis on attracting office and employment uses to the City Centre
- Supported the 2022 Love Where you Live Campaign that sought to advance civic pride and enhance the overall cleanliness of the city
- Continued to support process improvements and guaranteed permitting timelines for land development and building projects
- Led the EOC to manage the City's recovery from the COVID-19 pandemic and the preparation and monitoring of the 2022 Fraser River freshet
- Supported the development and implementation of the Surrey Business Welcome Program and its 14 business grand openings to celebrate these new businesses in Surrey
- Continued to work with Fraser Health Authority to support the delivery of the new Cloverdale hospital
- Worked with Fraser Health Authority to support the Surrey Fire Service's opioid overdose Second Responder program



Enhanced the City Careers brand by refreshing website, onboarding content and updating recruitment materials.

CITY OF SURREY

CORPORATE SERVICES DEPARTMENT OVERVIEWS

The Corporate Services Department delivers high quality and efficient services to our customers through a spirit of innovation and team collaboration. The department consists of key areas of our organization that support the overall core deliverables of the City.

BYLAW ENFORCEMENT, COMPLIANCE & LICENSING

The Bylaw Services Division is responsible for the enforcement of the City's regulatory bylaws, the issuance of business licenses, animal control functions, operation of the Surrey Animal Resource Centre (SARC) and parking enforcement.

HUMAN RESOURCES

Human Resources (HR) provides a broad range of services and programs to both internal and external clients, including labour and employee relations; recruitment and retention; performance coaching; employment services; compensation and benefits; occupational health and safety; diversity; wellness; training and development; organizational change support; and managing the Human Resources Information Systems (HRIS).

LEGAL SERVICES

Legal Services is responsible for providing legal services to City Council and all of the City's departments. The City's solicitors serve as court counsel, provide legal advice and render legal opinions on a wide variety of matters along with drafting and reviewing all forms of legal and legislative documentation associated with the business of the City.

INFORMATION TECHNOLOGY

Information Technology (IT) is a strategic partner across all City business units to provide modern, innovative, secure, and reliable technology solutions for the purpose of enhancing the efficiency and effectiveness of all City staff by streamlining internal operations and processes and leveraging technology to deliver improved services for citizens and businesses.

The division's decisions reflect existing and future plans that align with the strategic objectives of the City, utilizing industry best practices in enterprise architecture principles, sustainability, and sound project and financial management.

LEGISLATIVE SERVICES

Legislative Services is responsible for ensuring the City conducts business in accordance with all levels of government legislation. Legislative Services is also responsible for carrying out the statutory responsibilities of the Corporate Officer as legislated under the Community Charter and providing direct services to City Council, City departments and the public. Administrative support is given to Council and to the various committees and boards on which Council members sit. Legislative Services also coordinates and conducts the municipal elections every four years to elect the City's Mayor and Council.

2022 ACCOMPLISHMENTS

- Fostered staff awareness and education of the diversity of Surrey and strengthened our inclusiveness through a variety of initiatives and events
- Reviewed and updated recruitment processes to incorporate best practices in diversity, education and inclusion
- Bylaw Enforcement Officers referred 73 abandoned properties to the Surrey Fire Services in 2022
- Implemented cyber security technologies that have improved the overall security resilience of the City
- Helped develop a back to business model for return to work at all City facilities following the cessation of Public Health protocols relating to Covid-19
- Awarded four national awards and one provincial award which positioned the City as a safe, desirable and engaging workplace
- Delivered the 2022 General Local Election
- Delivered City-wide code of conduct training
- New printers' "Avoidance and Energy Savings" features reduced paper consumption by \$1.2M sheets, equating to 13 metric tonnes of CO₂ emissions avoided, 144 trees saved, and \$20,000 in costs avoided
- The SARC took in 1,146 animals in 2022 reuniting 288 animals with their owners and assisted in finding new homes for 517
- Designed a comprehensive action plan to obtain the WorkSafe Certificate of Recognition that recognizes and rewards safe work practices
- Expanded City-owned fibre from 17 to 23 locations and coordinated construction with the City's District Energy System, with six locations connected with City fibre for energy system management services and to fulfill future broadband service capacity needs
- Launched the new Land Management Online Permitting Portal with an updated Electrical and Plumbing Permit service, and an updated Building Inspections service
- Launched MySurrey Account with new and enhanced online services including Improved Erosion & Sediment Control (ESC) Supervisor Portal, Bylaw Enforcement Ticket Payment & Dispute, Surrey Fire Service Psychometric Testing, Mayor's State of the City Address Tickets, Glades Woodland Garden & Bear Creek Lights Tickets, and Water Meter Special Read Request Intake
- Saw increased usage of the City's online services in 2022, with over 67% of transactions completed remotely, resulting in considerable savings for both citizens and businesses in travel time and efficient use of City resources
- Citizens signed up for MySurrey accounts, with 38,331 new users in 2022 (35% increase from 2021)



Street paving on University Drive.

CITY OF SURREY

ENGINEERING DEPARTMENT OVERVIEWS

The Engineering Department provides city services in transportation, solid waste, water, sewer, drainage, district energy, land development and the management of real estate assets. The accomplishments and goals in this section are those that relate to the divisions/sections that fall under the General Operating Fund: GIS Services Land Development, Operations, Realty Services, Survey Services, Sustainability and Design & Construction.

GIS SERVICES

The GIS team manages the City's geographic information system including tools, technology, spatial data reporting and analytics services. The section maintains the City's flagship web map COSMOS and enterprise systems: ArcGIS, Cityworks, AMANDA and Assetworks.

LAND DEVELOPMENT

Land Development includes the Development Services section which prescribes the municipal infrastructure required to service land and building development; the Inspection Services section ensures infrastructure meets Council-adopted standards and requirements; and the Client Services section provides administrative support related to permits for construction in City road allowances.

OPERATIONS

Operations maintains the City's engineering infrastructure including roads, drainage, sewer and water operations. This division also carries out the City's residential waste collection services as well as manages and maintains the City's fleet of vehicles and Engineering business enhancement initiatives.

REALTY SERVICES

Realty Services manages the acquisitions, dispositions, and development of the City's real estate portfolio. Realty Services facilitates timely acquisition of land and rights-of-way for capital projects, park purposes and civic use, as well as the management of the City's real estate inventory including leasing and property sales.

SURVEY SERVICES

The Survey team provides services to all City departments, with a primary focus on legal services to support Engineering and Parks Recreation & Culture. The Survey Section also manages the digital plan submission for the City's cadastral database, provides expertise for land development applications, and maintains the horizontal and vertical control survey monumentation network in the City.

SUSTAINABILITY

Under the guidance of the Sustainability Charter 2.0, the Sustainability team implements policy and leads key strategic initiatives related to climate mitigation and adaptation. The Climate Change Action Strategy (CCAS), anticipated for final adoption in early 2023, provides a roadmap to meeting the City's 2050 GHG targets and improving community resilience.

DESIGN & CONSTRUCTION

The Design & Construction Division is responsible for delivering the City's Infrastructure Capital Program for roads, water, sewer, drainage, and district energy. This includes developing in-house designs, overseeing consultant designs, construction tenders, and construction services.

2022 ACCOMPLISHMENTS

- Secured space and completed the renovation requirements for a Nourish Surrey facility in the City Centre that will provide access to meals for people living in extreme poverty in accordance with the requirements of the UBCM Strengthening Communities Services Grant
- Entered into a partnering and lease agreement with the Pacific Community Resources Society for the development and operation of a 30-unit youth housing facility in the City Centre as part of the Canada Mortgage and Housing Corporation Rapid Housing Initiative Program
- Filled a total of 21,743 potholes
- Cleared 54,548 catch basins to alleviate possible flooding issues
- In conjunction with the Province, completed procurement of Surrey Langley SkyTrain early works along Fraser Highway that included road widening and the addition of active transportation infrastructure
- Utilized GIS and Computer Vision techniques to complete a pilot pavement marking assets inventory database from aerial imagery
- Completed construction of Latimer Park pond works and drainage trunk main on 194 Street that supports development in the Campbell Heights Local Area Plan
- Received Council approval to enter into License Agreement with Rogers Communications Inc. in order to install, operate, and maintain telecommunication infrastructure within road allowances to increase broadband access and connectivity across the City, ensuring the public has access to some of the most modern connectivity infrastructure
- Completed \$71.7 million in parkland acquisition expenditures, excluding riparian dedications and parklands transferred through the City land development process, resulting in additional parkland being added to the City's inventory
- Developed processes to compile utility asset condition, probability of failure and consequence of failure information related to critical infrastructure to support sound maintenance management and sustainable service delivery
- Assumed the ongoing lease agreements at the Cloverdale Fairgrounds from the Lower Fraser Valley Exhibition Association as part of the City's new role as the Fairground Operator
- Completed 244 appraisal requests representing 1,093 properties in furtherance of the City's strategic initiatives to increase civic, social, infrastructure and parkland services
- In support of the City infrastructure for land development, processed and registered 1,881 documents at the Land Title Office
- Completed strategic cycling network route map and shared as a new layer on COSMOS along with plans and schedule to close gaps in the network



Improved speed and predictability in the land development approval process through the Guaranteed Permitting Timelines program.

CITY OF SURREY

FINANCE DEPARTMENT OVERVIEWS

The Finance Department provides financial expertise, risk management, internal audit services, advice and guidance to support all City operations. It delivers responsive services and innovative solutions to streamline processes and internal controls to facilitate City-wide gains in efficiencies. In addition to leading process improvements, it sets and maintains practices, policies and standards.

FINANCIAL SERVICES, INCLUDING BUDGET & ANALYSIS

Prepares the City's operating and capital budgets and quarterly financial reports. It reviews various corporate reports for the Senior Management Team and Council. It also provides long-term financial planning and monitors and analyzes expenditure and revenue trends throughout the fiscal year and assists other departments in achieving their financial targets by providing periodic variance analysis reports, thereby ensuring that the City meets its annual budget.

FINANCIAL REPORTING

Responsible for preparation of annual financial statements and statutory financial reporting. This division is also responsible for presenting an annual Five-Year Financial Plan which establishes financial and programming priorities.

PAYROLL

Ensures that City employees receive their wages accurately and on time, and with the correct deductions and necessary withholdings. Payroll is also responsible for remitting any withholdings or deductions on behalf of employees to the appropriate authorities.

INTERNAL AUDIT AND COMPLIANCE

Responsible for examination and evaluation of financial and non-financial processes and programs across all City departments with the purpose of providing an independent and objective opinion on processes and the control environment (comprising governance, risk management, and internal control) by evaluating their effectiveness in achieving City objectives.

REVENUE SERVICES

Responsible for the billing and collection of property taxes, annual utilities, metered utilities, and district energy utility charges and levies. This section also collects fees for dog licenses, false alarms, secondary suites, and parking tickets. In addition, Revenue Services is responsible for Accounts Payable, which processes supplier invoices and timely payments, ensures supplier information is up to date, and reconciles supplier transactions.

PROCUREMENT SERVICES & CONTRACT MANAGEMENT

Coordinates the procurement of high quality, cost-effective goods and services, while ensuring all City policies are followed and best practices implemented. This section follows applicable legislation and ensures appropriate public and competitive processes are applied to achieve best value. It provides professional expertise in the areas of purchasing, supply chain management and contract administration

RISK MANAGEMENT SERVICES

Provides consulting services to City departments on how to identify, plan for, and manage risks in their daily business. It provides service and expertise in the areas of risk identification and treatment, insurance, claims, litigation, and loss control. By incorporating effective risk management practices, the City is able to identify, manage and reduce the overall cost of risk.

TREASURY OPERATIONS

Monitors cash flow and invests funds in a prudent manner, providing investment return and long-term security while meeting daily cash flow needs. This section is responsible for the City's relationship with its financial institution and credit/debit card payment processor.

2022 ACCOMPLISHMENTS

- Continued to provide remote payment options to reduce traffic flow to City Hall during the pandemic
- Investigated a new digital First Aid data management system to better record injuries experienced at City facilities to identify opportunities for prevention (process ongoing)
- Continued to reduce the number of paper cheques being issued by the City by increasing enrollment in the electronic payment process
- Completed and updated the City's Cash Handling Policy, including the guidelines for handling cardholder data and the cardholder data protection policy to ensure compliance with current best practices
- Explored data driven decision making capabilities to develop graphical operating and capital budget reports for City departments with the reporting options under review and IT assisting
- Facilitated the payroll implementation of the Employment Standards Act additional legislated sick leave
- Facilitated the payroll implementation of the Earned Time Bank Pilot Program
- Integrated the City's capital budget management and reporting with the City's Financial Management System
- Continued to develop a capital funding strategy to deliver community infrastructure while managing borrowing requirements



Surrey Fire crew participating in a hose drill.

CITY OF SURREY FIRE DEPARTMENT OVERVIEWS

The Surrey Fire Service's mission is to protect life, property and the environment by responding to emergencies, ensuring regulatory compliance and developing community education. Surrey Fire Service helps to make our city a safe place to live.

ADMINISTRATION

Administration is responsible for developing, maintaining and administering the policies, procedures and guidelines at Surrey Fire Service. The management team includes the Fire Chief, deputy chiefs, assistant chiefs, and several professional and administrative specialists. Administration also operates the Surrey Emergency Program which coordinates emergency preparedness.

COMMUNICATIONS

Communications consists of the Surrey Fire Regional Dispatch providing professional call taking and dispatch service for Surrey Fire and several other municipalities across BC, which represent about 25% of BC's population.

MECHANICAL

Mechanical division employs Emergency Vehicle Technicians who maintain and repair Surrey Fire Service's fleet of fire apparatus and support vehicles together with an array of specialized equipment.

SUPPORT

This division keeps the department running smoothly as they handle much of the paperwork and digital records generated by the fire department along with day-to-day administration.

OPERATIONS

- Suppression consists of the first responders who attend to all fires, extrication and motor vehicle incidents, medical emergencies, hazardous material response and rescue activities.
- Prevention operates four priority areas of services: community risk reduction, public engagement & education programs, fire cause investigation, and general inspection services to secure public safety and code compliance.
- Training is responsible for ensuring the skills needed to protect the city from a wide range of hazards are continually being monitored and administered. Firefighters are provided continuous operational skill maintenance training and new learner skills development throughout their working career.

2022 ACCOMPLISHMENTS

- Continued to work on behalf of the City Manager with BC Emergency Health Services (BCEHS) to establish collaborative working groups to seek alternative, more efficient approaches for Fire Services and Ambulance Services involvement in responding to medical emergencies in Surrey
- 69% decrease in residential structure fire rate of 0.66 fires per 1,000 residential structures since 2006
- Over 12,000 smoke alarms verified for an increase of 67.8% working smoke alarms found at residences (increase from 38% in 2010)
- Successfully completed technology upgrades, including the installation and setup of a new dispatch phone system as part of the dispatch centre's ongoing transition to Next Generation 9-1-1
- 24 workshops designed to support diversity in the Fire Service by providing equitable access to information required to become a firefighter, with a 53% increase in women participating
- Published four research articles and/or papers illustrating the evidence-based decision making used for strategic planning and emergency activity
- Over 12,000 homes received targeted fire risk reduction messaging to reduce fire related deaths and injuries at residential properties
- 173 overdose follow-up visits conducted with 59 direct patient contacts and 16 contacts with associated with persons who experienced overdose in collaboration with Fraser Health, Police and BCEHS through real-time overdose tracking and resource deployment
- Implemented new data collection controls to ensure accuracy in the analysis of the anti-idling power unit's technology compared to the traditional apparatus with the aim to minimize fuel use in support of anti-idling and the City's aim to lower greenhouse gas emissions
- 7,602 business properties inspected and 7,152 safety educational inspection pamphlets provided to business proprietors
- Regular wellness training presented to suppression staff on maintaining and developing personal resilience in order to reduce the effects of workplace trauma
- 554 smoke alarms installed at single-family residences during HomeSafe inspections
- Over 1,700 residences in proximity to parks with high density tree coverage were sent "FireSmart" messaging to encourage proactive efforts to reduce wildland urban interface fire risk
- 87% decrease in the rate of death/injury per 100,000 residents at residential fires since 2006 from 10.9 casualties per 100,000 residents to 1.4 casualties per 100,000 residents
- Successfully completed multi-year audit of personal protection equipment assigned to Fire Suppression staff and implemented processes and reporting changes to maintain a cost efficient gear maintenance system focused on firefighter safety
- Over 160 hours of emergency preparedness education was provided to the public to support an "all of society" approach to community resilience during emergencies
- 201 staff received EOC training either through working in the COVID-19 EOC, participating in an EOC exercise or through online training for a total of 1998 hours of training was completed to support the City's response to a large disaster and expedite the recovery process



Aerial view of Surrey City Centre.

The Investment & Intergovernmental Relations Department's programs and services include economic policy and strategy, economic analysis, business attraction, sector development, government relations, policy analysis and communications. The department also has responsibility for two operational divisions.

ECONOMIC DEVELOPMENT

The Economic Development division is responsible for producing and implementing the City's Economic Development Strategy. The division identifies and develops relationships with key stakeholder groups in order to build a strong ecosystem that stimulates investment attraction, job creation, entrepreneurship development and innovation. The Economic Development team maintains current information about businesses in Surrey, and collects and analyzes local, regional and provincial economic data.

INTERGOVERNMENTAL RELATIONS

The Intergovernmental Relations division is responsible for producing and implementing the City's Government Engagement Plan. The division advances the City's interests with all levels of government, and identifies and works to pursue provincial and federal funding opportunities, priority alignments, and joint program opportunities.

2022 ACCOMPLISHMENTS

- Assisted City departments to secure funding from senior levels of government including \$4 million from the Building Safer Communities Fund to support the development of additional programming to complement the SAFE Centre
- Facilitated meetings between the Mayor and the federal Minister of Public Safety, as well as with the provincial Minister of Public Safety and Solicitor General to discuss policing and other public safety issues in Surrey
- Assisted City departments to secure funding from senior levels of government to enhance Surrey's community-strengthening infrastructure, including \$11.37 million from phase three of the Rapid Housing Initiative (RHI) funding program and \$5.5 million from the Childcare BC New Spaces Fund to build 171 new childcare spaces in City-owned buildings
- Successfully completed the Supply Chain Resilience Program, resulting in the collection of detailed industrial capabilities from over 350 manufacturers located in Richmond, Langley, and Surrey
- Implemented an Industrial Capabilities Inventory to better understand the manufacturing capabilities of local manufacturers and identify companies that could potentially support supply production in emergencies, in addition to identifying other business diversification and sector development opportunities
- Worked with 10 companies to date on the Urban Tech Testing Pilot Program, from electrification innovations to micro-mobility solutions projects
- Partnered with Tech Talent Canada to showcase Surrey tech companies and connect with nearly 1,000 qualified job seekers through a virtual job fair
- Engaged with 1,056 residents in a Consumer Insights Survey on spending patterns and preferences in Surrey, providing insights on the strategic priorities in attracting retail businesses in Surrey, concerns over price increases, and inflation
- Developed the EconomiQ Insights podcast to increase engagement and brand awareness with a targeted audience, reaching nearly 650 downloads and impacting several significant external stakeholders within three quarters
- As a full member of the Consider Canada City Alliance (CCCA), the City has gained strategic partner status with Invest in Canada and Global Affairs Canada, resulting in over five major investment leads (valued at >\$100 million)



Lifeguarding staff at Kwantlen Pool, Whalley.

CITY OF SURREY

PARKS, RECREATION & CULTURE DEPARTMENT OVERVIEWS

The programs, facilities and services of the Parks, Recreation & Culture Department are key components to providing access to safe and engaging recreation and cultural opportunities, protecting the natural environment and enhancing the quality of life for all.

HEALTHY COMMUNITIES

This section is responsible for ongoing administrative support to the department including direct support for the general manager and division managers. This section oversees the administration of Emergency Support Services, Leisure Access Program, Age Friendly for Seniors, Youth Engagement & Intervention, Accessibility, Diversity, & Inclusion and Volunteer Resource.

RECREATION SERVICES

The Recreation Services division provides quality, accessible social and recreation programs, engaging all ages in exploring a variety of recreational activities in an inclusive, welcoming and safe environment. The division continues to increase core services and active programs and promotes healthy active aging through all levels of fitness programs, social events and meaningful volunteer experiences serving multiple areas in Parks, Recreation and Culture.

CULTURE

Committed to inclusion and community engagement, the Culture division is passionate about serving Surrey's diverse communities and respectfully engaging and planning programming with Indigenous communities. Providing city-wide arts, heritage, and cultural services, including cultural grants, the division also supports the development of community arts and heritage organizations.

CORPORATE MARKETING AND COMMUNICATIONS

The Corporate Marketing and Communications division provides strategic guidance and services related to marketing and communications and community engagement on campaigns and key initiatives including City branding, communications planning, media processes and digital communications as well as implementing marketing programs and service requests such as city newsletters, graphic design, videography, surveys/research projects, the print shop, media event coordination and digital ads.

PARKS

The Parks division plans, develops, and maintains the City's extensive park system (over 2,770 hectares), a civic marina, three cemeteries and all public property trees.

The division plays a key role in the stewardship of the natural environment and the engagement of our residents through the delivery of a variety of outdoor programs, services and events.

The division is engaged in truth and reconciliation with First Nations through various aspects of our operations such as park planning and design.

2022 ACCOMPLISHMENTS

- Supported initiatives to increase meaningful youth engagement in Surrey, involving youth in the planning and delivery of city-wide events such as the Youth Cooking Showdown at Fusion Festival, Surrey Steps Up ShowcaseYouth Speak Up Forum and Band Aid
- Implemented a '55+ Try It - sports and games' sports and games initiative in collaboration with several stakeholders , including lawn bowling, walking soccer, pickleball and snooker
- Saw over 5.8 million sessions on the City's website, with the official public engagement hub site receiving over 30,000 visits for key projects like the Surrey Invest Capital project, Newton Community Centre and Chuck Bailey expansion
- Secured \$8,947,000 in provincial funding for the development of 250+ new full-time childcare spaces at seven sites across the City, including two Indigenous based childcare programs
- Received several marketing awards for materials developed for use all across the City including several Communicator and Marcom awards
- Surrey Art Gallery hosted *Mere Phantom: Shadows Without Borders*, a mobile interactive shadow installation that travelled to refugee camps, squats, and settlements in Athens and Istanbul, and also invited the Black Arts Centre to curate *Concealed Cultures: Visualizing the Black Vernacular and I see, I breathe, I am!*
- Museum of Surrey hosted two feature exhibitions:
 - In collaboration with City Filming Staff and Warner Bros. Discovery, *Surrey on Screen* takes a deep dive into the film industry in Surrey
 - From Nikkei National Museum, Museum of Surrey curators added Surrey specific content to *Broken Promises*, which takes us on a journey of experiences related to the internment of Japanese Canadians during and after World War II
- Planted more than 25,411 trees in parks and along streets
- Received two awards for Clayton Community Centre
- Hosted the annual Surrey Fusion Festival where over 86,000 people attended, featuring 40 cultural pavilions, nine stages, a Youth Cooking Showdown, an Indigenous Village and market, dance battles, dance lessons, amusement rides and beer and wine tasting
- Hosted four public tree sale events where over 4,000 trees were purchased by residents to plant on private property
- Completed park improvement projects: two artificial turf fields (Newton Athletic Park and South Surrey Athletic Park), eight pickleball courts at Crescent Park, two outdoor volleyball courts at Kabaddi Park, a rubberized walking track at Newton Athletic Park, two resurfaced artificial turf fields at Newton Athletic Park, and trails and boardwalks at Fergus Watershed Biodiversity Preserve Park
- Returned to hosting Sport Tourism events on a local, provincial, and national level with events including the annual Canada Cup Features and Showcase Gold Tournament and Canada Cup Women's International Tournament



Exterior of Clayton Community Centre.

CITY OF SURREY

PLANNING & DEVELOPMENT DEPARTMENT OVERVIEWS

The primary functions of the Planning & Development Department are to prepare land use plans, bylaws and policies for consideration by City Council; and undertake application reviews and approval processes consistent with Council approved plans, bylaws and policies in support of planned, orderly and sustainable development of the City. The department's mandate is accomplished through activities of the following five divisions:

BUSINESS TRANSFORMATION

Business Transformation provides general administrative support services, records management, information technology enablement and support.

AREA PLANNING & DEVELOPMENT, NORTH & SOUTH

Area Planning & Development implements Council-adopted bylaws, approved secondary plans, and policies in relation to the use and development of land. This work involves receiving and reviewing land development applications, making appropriate recommendations for land development projects, and preparing reports to Council.

BUILDING

Building administers Council adopted bylaws and policies related to building construction. This work involves servicing residential and commercial building plan reviews, performing building, plumbing and electrical field review services, and the administration of the Tree Protection Bylaw and sign bylaws.

CIVIC FACILITIES

Civic Facilities Design and Construction provides leadership and support for all aspects of concept development, planning, design, and construction of new buildings. Operations and Maintenance handles the renovations, repairs and maintenance of existing buildings including preventative maintenance, energy management and upgrades to mechanical systems and programs.

COMMUNITY PLANNING

Community Planning develops land use plans and policies in support of the planned and orderly development of the city. The division administers the Official Community Plan (OCP), General Land Use Plans, Neighbourhood Concept Plans (NCP), Local Area Plans, Zoning By-law amendments, and monitors the City's growth management and community engagement strategies. This division is also responsible for agricultural planning, heritage planning and demographic tracking and growth forecasting.

2022 ACCOMPLISHMENTS

- Continued to respond to the needs of individuals experiencing homelessness by locating and securing appropriate affordable and supportive housing and shelter facilities, including the Foxglove Supportive Housing and Shelter, providing 30 shelter rooms, 66 supportive housing units, and 34 complex care units; opened an additional 40 shelter beds and 187 supportive housing units
- Introduced the Surrey Housing Needs Report better understand current and future housing needs and to inform planning processes and policies
- Advanced the Capital Projects identified in the 2022 budget, adding community facilities, including Newton Community Centre Facility, Chuck Bailey Recreation Centre Expansion, and Cloverdale Sport & Ice Complex
- Continued to support the land use process to ensure provision of sufficient development capacity that accommodates projected growth, including the initiation of Fleetwood Stage 2 Plan, OCP alignment for the revised Stage 1 Land use Plan for South Campbell Heights, initiation of background studies for the Scott Road Corridor and South Westminster Neighborhood Concept Plan, and initiation of the Clayton Corridor Stage 1 Plan
- Increased efficiency of permitting process by expanding the availability of online permitting abilities with the phased implementation of online permitting tools, including the release of new Plumbing and Electrical Permitting Portals
- Rolled out the Guaranteed Timeline Initiative for Single-Family Building Permits, Tenant Improvement Permits, and rezoning applications, providing quarterly progress updates to Council and the Land Development Community
- Continued to support the accelerated delivery of the new Surrey Hospital and BC Cancer Centre, with Council approving Official Community Plan and Zoning By-law updates
- Prioritized Surrey School District Building Permit Applications to meet the increased student enrolment demands within the city
- Formed a cross-departmental team to streamline citizen complaints, inquiries, and follow-up relating to non-permitted construction
- Advanced policies and guidelines to support development, including guidelines for zero-carbon resilient building design, sensitive ecosystem, steep slope geotechnical reviews and high albedo roof/green roof reviews
- Advanced the South Surrey Indigenous Carving Centre, with construction nearing completion, and continued to work on the North Surrey Indigenous Carving Centre



The Community Programs Unit worked to increase participation in Block Watch program.

RCMP

The RCMP provides policing services to the City of Surrey. The Surrey detachment's officers and support staff work with the community to identify and address local crime and safety concerns. The detachment responds to calls for service, conducts and participates in criminal investigations, intelligence gathering, enforcement operations, and works to reduce the impact of crime on the community through education and outreach.

SURREY POLICE SERVICE

In November 2018, the transition of the City's policing model was initiated by Council motion. Subsequently, in July 2020, the Province established the Surrey Police Board (the Board), and in August 2020 the Board created the Surrey Police Service (SPS).

In April 2023, the Minister acknowledged that the final decision on choosing the Police of Jurisdiction (POJ) remains with the City of Surrey. The Province released a report prepared by the Director of Police Services which provided recommendations to the Minister concerning Council's decision to retain the RCMP as POJ. City staff are working with Mayor and Council to review the report's recommendations and come to a resolution on the policing transition, with a view towards eliminating financial uncertainty and providing the most cost-effective option for taxpayers.

CITY POLICE SUPPORT SERVICES

Police Support Services provides operational communications (emergency 911 and non-emergency call taking and dispatch), records and exhibit management, court services, finance, information technology, crime and business analysis, facilities and fleet management, training and development, communications, and cellblock operations. Support Services also delivers various community services and programs including front counter services, victim services, youth intervention, restorative justice and crime prevention.

2022 ACCOMPLISHMENTS

- The Operational Communication Centre handled 363,304 calls to either 911 or the Surrey RCMP Non-emergency lines, with police officers attending 124,392 calls for service
- Over 2,500 community members attended the Surrey RCMP Open House held during Police Week. The event also saw the return of our community volunteers, after a long break in the program due to COVID
- Project Lavender continued to empower young women and girls to make positive choices. 50 presentations were delivered reaching approximately 2,500 Surrey youth (in grades 5-7). Unlike 2021, the majority of presentations this year were delivered in person, in a classroom setting
- The Detachment continued to work with partners at Fraser Health to advance the HealthLM App initiative to improve response to individuals in acute crisis due to mental health challenges
- The Detachment continue to focus on traffic safety, including collaboration with Vision Zero partners in Surrey. Surrey Traffic members continued to conduct joint enforcement operations and education campaigns with Road Safety BC and ICBC in accordance with the BCACP Provincial Enforcement Campaign Schedule. These efforts target high-risk road users and behaviours including pedestrian safety, speeding, and distracted and impaired driving. The Traffic Section issued 8,730 Electronic Violation Tickets
- The Family & Youth Response Team (FYRST) conducted 29 home visits and 335 school visits this past year. The team delivered 22 presentations to almost 900 students. The team also supported the Next 100 Years Mentorship Program from mentorship recruitment to mentorship training and weekly program delivery
- The Detachment Speaker Series continued to engage and educate City residents about community safety issues and to promote the Block Watch program. The virtual Speaker Series included nine presentations reaching 275 participants
- The Diversity and Indigenous Peoples Unit continued to proactively reach out to newcomers in our community. In addition to Introduction to Policing workshops, the Unit focused on fraud/scam prevention as well as traffic safety and drug and gang awareness. Outreach and education is at the forefront of the Unit's mandate and continued to be the focus of activities with community groups in 2022



In 2022, the Surrey Public Library welcomed 25,921 new library members.

CITY OF SURREY

SURREY PUBLIC LIBRARY OVERVIEWS

Library staff help citizens find information they need in branch collections, online collections, and by referral to other libraries and community organizations. Patrons can ask questions in person, by phone, or online.

The Surrey Libraries website provides 24/7 access to the library catalogue, digital collections and program information. From the website, patrons can download eBooks and eAudio books, as well as access a wide selection of online resources, including articles, courses and streaming media. Partnerships with local community agencies help to further extend literacy programs beyond the library's walls.

Surrey Libraries offers a wide variety of programs that support life-long literacy and learning, including storytimes for children, job finding and career workshops, reading clubs for children, teens and adults, computer literacy and coding classes, services for newcomers, and support for customers with print disabilities, just to name a few.

Surrey Libraries is a member of the Public Library InterLINK, a federation of 18 library systems in the Lower Mainland that allows citizens to borrow directly from all partner libraries and to return materials at their home library branch. The BC OneCard program allows Surrey residents to borrow materials directly from other participating public libraries from across BC when they are travelling.

ADMINISTRATIVE SERVICES

Administrative Services manages the physical spaces, as well as the finance, human resources and information technology functions of the library system, ensuring day-to-day service requirements are met. This division also manages the library's image and raises awareness and funds to support and enhance its community services.

PUBLIC SERVICES

Public Services manages the borrowing and information services offered in branches and online, and plans, promotes, and delivers a wide variety of programs. This division also acquires and manages the print and electronic collections that suit the needs of Surrey's diverse community.

2022 ACCOMPLISHMENTS

- Conducted Diversity, Equity, and Inclusion initiatives and training
- Promoted 2SLGBTQIA+ through booklists and displays
- Offered library services and literacy skills to Surrey's vulnerable and newcomer populations through outreach programs, reduced barrier access cards, online programming, and Internet only user passes
- Offered space for unsheltered and unhoused to access library facilities during extreme weather (heat and cold spells)
- Piloted social workers at branches to provide services to those at risk in the community
- Permanently eliminated overdue fines to remove barriers to library service access
- Helped citizens improve digital literacy skills with training in branches and online
- Provided programs to support skill-building, resume writing, and job seeking
- Provided access to online courses from LinkedIn Learning, Learning Express, Kanopy Great Courses, and offered access to Cypress Resume
- Resumed in-person programming and continued offering online programs for all age group
- Added new online resources including LOTE (Digital books for children in over 50 languages) and Career Cruising
- Added Zoom Audio Recorders and 30 more Dash Robotic Kits to the collection, supporting digital literacy
- Added 8 more self-checkout units across the system to improve service

PERFORMANCE MEASURES

When setting future goals, the City of Surrey is committed to the following broad set of organizational objectives:

1. Providing current and long-range planning that fosters both growth and economic development for Surrey's culturally diverse community while preserving the City's rich environment and quality of life, within the parameters set by Council in the Official Community Plan;
2. Enhancing community and individual well-being by providing a safe environment that protects residents and visitors to the City through the provision of Police, Fire and Bylaw Services;
3. Providing long and short-term planning and implementation of engineering infrastructure services to respond to growth as well as to meet the current needs of Surrey's citizens and businesses;
4. Planning and delivering Parks, Recreation, Culture and Library services through programs that encourage participation from citizens of all ages and backgrounds, living in and visiting the city;
5. Providing open and responsive government through public consultation as required by the Community Charter;
6. Actively planning for the succession of the City's workforce by creating a challenging, market-competitive, healthy and respectful workplace that attracts and retains qualified candidates while reflecting the diverse nature of the city;
7. Fostering cooperative relations with other governments, community organizations and local businesses;
8. Developing programs, policies and initiatives that focus on Council's specific key objectives; and
9. Protecting the City's long-term financial health by providing prudent stewardship and sound management of City finances while delivering services to the public within the parameters set by Council in the Five-Year Financial Plan.

Departments have developed specific measures that draw upon the broad set of organizational objectives listed above to support the City's overall goals as defined by the Sustainability Charter 2.0 policy document as approved by Council.

PERFORMANCE MEASURES

CITY MANAGER

Division	Performance Measures (Sustainability Theme)	Actual			Budget			
		2022	2022	2023	2024	2025	2026	2027
CITY MANAGER'S DEPARTMENT	% of departments completing and maintaining a Surrey Excels "Tier 3" Strategy Map (Corporate Sustainability)	100%	100%	100%	100%	100%	100%	100%

CORPORATE SERVICES

Division	Performance Measures (Sustainability Theme)	Actual		Budget				
		2022	2022	2023	2024	2025	2026	2027
BYLAW SERVICES	% of Voluntary Compliance gained (Public Safety)	75%	75%	75%	75%	75%	75%	75%
INFORMATION TECHNOLOGY	% of transactions completed by citizens using City online services (Infrastructure)	67%	62%	62%	65%	65%	67%	67%
OCCUPATIONAL HEALTH & SAFETY	Incidence frequency rate of lost time claims per 100 persons a year (Health & Wellness)	4.3	2.6	2.6	2.6	2.6	2.6	2.6
RECRUITMENT	Average # of days to fill a position vacancy - Exempt (Economic Prosperity)	79	80	79	78	77	77	77
	Average # of days to fill a position vacancy - CUPE (Economic Prosperity)	75	74	73	72	71	71	71
LEGAL SERVICES	Prosecution fine revenue (Public Safety)	\$87,200	\$135,000	\$140,000	\$145,000	\$150,000	\$155,000	\$160,000
LEGISLATIVE SERVICES	% of FOI requests received where the requester was directed to the City's website for the information (Inclusion)	10%	17%	11%	12%	13%	14%	15%
	Number of pages received in the mailroom from Canada Post and scanned to digital format (Ecosystem)	8,460	9,000	8,000	8,500	9,000	9,500	10,000

PERFORMANCE MEASURES

ENGINEERING

Division	Performance Measures (Sustainability Theme)	Actual		Budget				
		2022	2022	2023	2024	2025	2026	2027
LAND DEVELOPMENT	% of projects completed within typical seven-month processing time from Project Scoping submission to Servicing Agreement issuance (Economic Prosperity and Livelihoods)	42%	50%	50%	50%	50%	50%	50%
REALTY SERVICES	Expenses as a % of lease/rental revenues (Infrastructure)	32%	45%	45%	45%	45%	45%	45%
OPERATIONS	% reduction in illegal dumping cleanup costs (Built Environments)	4%	5%	10%	15%	20%	20%	20%
	Reduce preventable employee injuries by 90% over 5 years (Health & Wellness)	48%	80%	90%	90%	90%	90%	90%
	% decrease of landfill waste tonnage/household (Ecosystems/Economic Prosperity & Livelihoods)	35%	40%	38%	41%	44%	47%	50%
	% Completion of project of adding parts and supplies to garage inventory (Infrastructure)	100%	100%	100%	100%	100%	100%	100%
DRAINAGE UTILITY	Length of Drainage mains renewed or replaced (Infrastructure)	2,017	2,000	2,000	2,000	2,000	2,000	2,000
	Number of Soil Site inspections (Infrastructure)	250	260	250	250	250	250	250
	% of Drainage mains video inspected (Built Environment & Infrastructure)	46%	46%	54%	62%	69%	76%	83%
	% of Drainage manholes inspected (Built Environment & Infrastructure)	41%	41%	49%	56%	63%	70%	77%
	% of Long-Term Monitoring Site finalized and accepted by regulators as complete (Built Environment & Infrastructure)	20%	20%	20%	20%	20%	20%	20%
PARKING AUTHORITY UTILITY	Total # of managed parking spaces—time/user restricted, EV Charging, and pay parking (Infrastructure)	2,210	2,210	2,210	2,255	2,300	2,345	2,380
	Parking revenue (millions) (Economic Prosperity and Livelihood)	\$1.27	\$1.20	\$1.27	\$1.30	\$1.32	\$1.35	\$1.37
	EV charging revenue (thousands) (Economic Prosperity and Livelihood)	\$120	\$120	\$132	\$145	\$159	\$176	\$193
SURREY CITY ENERGY UTILITY	Connected Floor Area (m ²) (Built Environments)	561,953	504,054	575,486	821,786	1,000,415	1,212,158	1,294,678
	Ratio of hours in service to total hours since operating commenced (Built Environments)	100%	100%	100%	100%	100%	100%	100%
TRANSPORTATION	Total # of marked pedestrian crossings (Public Safety)	1,235	1,235	1,260	1,285	1,310	1,335	1,360
	Streetlight energy savings - LED replacement program (kWh) (in millions) (Built Environments)	5.85	7.98	6.28	6.67	7.07	7.46	7.86
	Safer Schools Education and Improvement Program (total #) (Education & Cultural)	36	36	36	39	42	45	48
	Total # of kilometers of cycling routes (on-street and off-street) (Built Environments)	582	585	588	592	595	598	603
	Three year average rate of killed and seriously injured in traffic collisions per 100,000 population (Public Safety)	17.7	24.1	16.7	16.2	15.7	15.2	14.7

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PERFORMANCE MEASURES

ENGINEERING, CONTINUED

Division	Performance Measures (Sustainability Theme)	Actual			Budget			
		2022	2022	2023	2024	2025	2026	2027
SEWER UTILITY	% of sewer mains video inspected (Built Environment/ Infrastructure)	52%	53%	55%	58%	61%	64%	67%
	% of sewer manholes inspected (Built Environments/Infrastructure)	22%	23%	24%	27%	30%	33%	36%
SOLID WASTE UTILITY	% reduction in illegal dumping cleanup costs (Built Environments & Neighbourhoods)	4%	5%	10%	15%	20%	20%	20%
	Rethink Waste total # of residences to date (Ecosystems)	108,000	107,000	109,000	110,000	111,000	112,000	113,000
	% decrease of landfill waste tonnage/household (Ecosystems)	35%	40%	38%	41%	44%	47%	50%
WATER UTILITY	Solid waste diversion rate from disposal (Ecosystems)	70%	74%	72%	74%	76%	78%	80%
	% of single family homes on water meters (Built Environments & Neighbourhoods)	81%	80%	82%	84%	85%	87%	88%
	Average winter residential water consumption (litres per capita per day) (Built Environments & Neighbourhoods)	238	240	238	238	237	237	237

FINANCE

Division	Performance Measures (Sustainability Theme)	Actual			Budget			
		2022	2022	2023	2024	2025	2026	2027
INTERNAL AUDIT AND COMPLIANCE	% of completed audit reports that result in recommendations for change (Infrastructure)	100%	90%	90%	90%	90%	90%	90%
BUDGET	# of quarterly reports submitted to Council (Infrastructure)	3	3	3	3	3	3	3
REVENUE SERVICES	# of tax e-bills sent out (Ecosystems)	27,266	22,729	28,357	28,924	29,502	30,092	30,694
	# of utility e-bills sent out (Ecosystems)	39,296	29,100	40,868	42,503	44,203	45,971	47,810
	# of invoices processed by Accounts Payable (Infrastructure)	79,223	72,291	75,307	76,813	78,349	79,916	81,515
	# of electronic invoices received by Accounts Payable (Infrastructure)	53,014	49,078	54,074	55,156	56,259	57,384	58,532
PROCUREMENT SERVICES	# of departmental procurement training sessions conducted (Infrastructure)	4	4	4	4	4	4	4
RISK MANAGEMENT SERVICES	Total cost of risk per capita (Economic Prosperity)	\$5.86	\$6.00	\$6.09	\$6.34	\$6.59	\$6.86	\$7.13
TREASURY OPERATIONS	# of invoices created by Accounts Receivable (Infrastructure)	11,867	10,726	12,104	12,346	12,593	12,845	13,102
	% of staff receiving electronic pay stubs (Infrastructure)	100%	100%	100%	100%	100%	100%	100%

PERFORMANCE MEASURES

FIRE

Division	Performance Measures (Sustainability Theme)	Actual		Budget				
		2022	2022	2023	2024	2025	2026	2027
OPERATIONS	Perfect Attendance Rate (Health & Wellness)	28%	60%	60%	60%	60%	60%	60%
	Annualized Proficiency Standard Training (Education & Culture)	370	354	354	354	354	354	354
EMERGENCY PREPAREDNESS	Smoke Alarm verifications (Public Safety)	12,789	6,000	6,000	6,000	6,000	6,000	6,000
	# of Hydrant Maintenance visits (Public Safety)	9,639	8,855	8,855	8,855	8,855	8,855	8,855
	Increase the public contact to Surrey Emergency Business Preparedness Programs (Public Safety)	7,150	6,950	7,050	7,200	7,400	7,525	7,650
	# of inspection pamphlets delivered (Public Safety)	7,152	6,950	7,050	7,200	7,400	7,525	7,650
	# of inspections completed (Public Safety)	7,602	7,450	7,600	7,750	7,950	8,100	8,250

INVESTMENT & INTERGOVERNMENTAL RELATIONS

Division	Performance Measures (Sustainability Theme)	Actual		Budget				
		2022	2022	2023	2024	2025	2026	2027
INVESTMENT & INTERGOVERNMENTAL RELATIONS	Number of new businesses that the Economic Development Division has helped attract to Surrey (Economic Prosperity and Livelihood)	25	5	5	5	5	5	5
	Number of businesses engaged as a part of the business visitation (SparkBIZ) Program (Economic Prosperity and Livelihood)	292	165	165	165	165	165	165
	Number of Investment, Innovation, and Business Committee meetings held (Economic Prosperity and Livelihood)	4	4	4	4	4	4	4
	External Intergovernmental Meetings (Infrastructure)	43	41	44	47	50	50	50

PERFORMANCE MEASURES

PARKS, RECREATION & CULTURE

Division	Performance Measures (Sustainability Theme)	Actual		Budget				
		2022	2022	2023	2024	2025	2026	2027
PARKS SERVICES	% increase in street tree inventory (Ecosystems)	3%	3%	3%	3%	3%	3%	3%
	% increase in the length of trail system (Ecosystems)	1%	1%	1%	1%	1%	1%	1%
	% increase in capacity for drop-in use of outdoor facilities (Inclusion)	3%	2%	2%	2%	1%	1%	1%
COMMUNITY & RECREATION SERVICES	% increase in the attendance at community centres (Inclusion/Health & Wellness)	97%*	1%	1%	1%	2%	3%	2%
	% increase in Leisure Access participation (Inclusion/Health & Wellness)	96%*	1%	1%	1%	1%	1%	1.5%
	% increase in number of citizens volunteering (Inclusion)	(164%)*	1%	1%	1%	1%	1%	1%
CULTURE	% increase in the number of online tickets sold through Surrey Civic Theatres Box Office (Infrastructure)	(32%)*	1%	1%	1%	1%	1%	1%
	% increase in the Surrey Art Gallery School Programs attendance (Education & Culture)	30%*	2%	45%*	15%	2%	2%	2%
	Catalogue and expand web searchable heritage collections (Education & Culture)	25%	5%	5%	5%	5%	5%	5%
	% increase in participation in heritage/ museum school programs (Education & Culture)	70%*	5%	5%	5%	5%	2%	1%

*Change for the year is due to recovery from COVID-19 Pandemic restrictions.

PERFORMANCE MEASURES

PLANNING & DEVELOPMENT

Division	Performance Measures (Sustainability Theme)	Actual			Budget			
		2022	2022	2023	2024	2025	2026	2027
AREA PLANNING & DEVELOPMENT NORTH/SOUTH	Number of rezoning applications receiving final approval (Infrastructure)	85	80	80	80	80	80	80
COMMUNITY PLANNING	Residential proximity to Amenities (Infrastructure)	25%	24%	24%	25%	26%	26%	27%
BUILDING	# of issued single family dwelling permits (Built Communities & Neighbourhoods)	804	500	500	500	500	500	500
	Total annual construction value (billions) (Built Communities & Neighbourhoods)	\$2.05	\$1.25	\$1.00	\$1.25	\$1.25	\$1.25	\$1.25
	# of inspections (Built Communities & Neighbourhoods)	54,480	63,000	50,000	50,000	50,000	50,000	50,000
CIVIC FACILITIES	# of after hours calls (Infrastructure)	125	300	300	300	300	300	300
	# of unscheduled facility closures (Infrastructure)	1	2	2	2	2	2	2
BUSINESS TRANSFORMATION	% of permits processed online (Infrastructure)	91%	85%	90%	90%	90%	90%	90%
	Customer Satisfaction Rating of P&D Services (Inclusion)	84%	80%	80%	80%	80%	80%	80%

PERFORMANCE MEASURES

POLICING (RCMP)**

Priority	Performance Measures (Sustainability Theme)	Actual			Budget			
		2022	2022	2023	2024	2025	2026	2027
CRIME REDUCTION & COMMUNITY SAFETY	Average response time to Priority 1 emergency calls (Public Safety)	6:57 mins	<7 mins					
	% reduction in collisions causing death or injury (Public Safety)	21%	5%	5%	5%	5%	5%	5%
	% reduction in the number of residential B&E offences (Public Safety)	22%	2%	2%	2%	2%	2%	2%
	% reduction in the number of business B&E offences (Public Safety)	30%	2%	2%	2%	2%	2%	2%
	% reduction in the number of auto theft offences (Public Safety)	6%	5%	5%	5%	5%	5%	5%
	% reduction in the number of theft from auto offences (Public Safety)	(3%)	5%	5%	5%	5%	5%	5%
COMMUNITY ENGAGEMENT & MOBILIZATION	Number of news releases (Public Safety/Inclusion)	348	260	260	260	260	260	260
	Number of social media engagements (Public Safety/Inclusion)	880,274	826,088	896,895	900,000	900,000	900,000	900,000
	Number of RCMP volunteer hours (Public Safety/Inclusion)	1,612*	N/A*	3,000	3,000	3,000	3,000	3,000
	Number of new Block Watch groups formed (Public Safety/Inclusion)	45	50	50	50	50	50	50
ORGANIZATIONAL PERFORMANCE & CONTINUOUS IMPROVEMENT	Number of Emergency Preparedness campaigns (Public Safety)	10	2	2	2	2	2	2
	Number of staff forums with Senior Leadership Team (Inclusion)	24	5	5	5	5	5	5

*Program was suspended due to COVID-19 pandemic.

**Performance measures for Surrey Police Services are still under development.

PERFORMANCE MEASURES

SURREY PUBLIC LIBRARY

Division	Performance Measures (Sustainability Theme)	Actual			Budget			
		2022	2022	2023	2024	2025	2026	2027
PUBLIC SERVICES	# of visits made to library locations and library website (millions) (Inclusion/Health & Wellness)	3.86	3.35	4.19	4.44	4.62	4.87	5.15
	# of transactions completed using the Library's materials collection (millions) (Education & Culture)	4.57	4.20	4.78	4.98	5.12	5.24	5.37
	# of enrolments in Summer Reading Club and other literacy programs (Education & Culture)	99,970	83,500	188,000	205,400	217,500	227,100	235,500
ADMINISTRATIVE SERVICES	# of online access points available on library premises (Inclusion)	254	279	266	266	266	266	266
	% of new customers signed up on email notification (Ecosystems)	83%	79%	85%	87%	89%	91%	93%



Grandview Heights Aquatic Centre.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

AUDIT COMMITTEE



Councillor Pardeep Kooner, Chair



Councillor Rob Stutt, Vice-Chair

The primary function of the Audit Committee is to represent and assist City Council in fulfilling oversight responsibilities in relation to the internal control environment in place at the City, including the review of the audited financial statements and other financial information, and liaising with the City Manager and CFO/General Manager, Finance in relation to financial and internal controls and business improvement opportunities.

CORPORATE PLANNING PROCESS

Surrey City Council approved the Surrey Sustainability Charter 2.0 as the City's overarching policy document. This sets out a vision for the community, a mission statement and a set of corporate goals and strategies. With the Sustainability Charter 2.0 setting the guideposts, along with the other strategic plans and direction from City Council, a Financial Plan is developed each year that presents both the Capital Budget and the Operating Budget.

The Capital Budget is developed based on City Council's current priorities and the ongoing requirements to maintain civic service levels. The resulting five-year plan strives to match the various sources of funds to required projects.

The Operating Budget allocates resources based on delivering services at existing levels, issues raised by City Council, through public consultation, and administrative requirements. It also considers changes for specific programs based on growth, usage, demand, ability to pay, business case, etc.

FINANCIAL REPORTS

Financial reports are presented to City Council for its information and review. These include reports on quarterly financial status for general operations and the annual financial report. The annual financial report includes consolidated financial statements audited by the City's appointed external auditor.

FINANCIAL POLICIES

The City of Surrey utilizes a number of financial policies, some of which have received formal approval by City Council; others are based on fiscal responsibility, legislative requirements, and public sector accounting standards. The following lists several of these key policies.

Expense Policy

The City of Surrey utilizes a number of financial policies, some of which have received formal approval by City Council. Others are based on fiscal responsibility, legislative requirements, and public sector accounting standards. The following lists several of these key policies.

Investment Policy

This policy provides guidelines for employees and other authorized individuals with respect to travel and expense reimbursements. It defines approval authorities, per diem allowances, ineligible costs, and expense reimbursement requirements.

Reserve and Surplus Policy
This policy directs the establishment and maintenance of reserves, and appropriations of surplus, as well as the use of reserves and appropriations of surplus in meeting the short and long-term financial goals of the City. The policy states guiding principles, objectives, criteria, and procedures, including allowable minimum and maximum reserve and surplus balances.

Reserve and Surplus Policy

This policy directs the establishment and maintenance of reserves, and appropriations of surplus, as well as the use of reserves and appropriations of surplus in meeting the short and long-term financial goals of the City. The policy states guiding principles, objectives, criteria, and procedures, including allowable minimum and maximum reserve and surplus balances.

Tax Exemption Policy

This policy provides guidance to Council in the processing of applications for exemption from property taxes. Though the Community Charter states that exemptions are at the discretion of Council, this policy establishes principles which serve as a guide in the evaluation of applicants.

Cash Handling Policy

This policy specifies the requirements staff must meet when handling tender, from the initial point of collection through the reconciliation and deposit process.

Debt Management Guidelines

The City of Surrey strives to operate under a "pay-as-you-go" philosophy, where facilities and infrastructure are built based on current and projected funding sources and reserves.

Capital project funding may dictate that borrowing is preferred, either due to an immediate need or if funds are not available from existing reserves or through external sources, or it makes sense to use financing to spread the cost of major initiatives across present and future users.

REPORT FROM THE GENERAL MANAGER, FINANCE

MAY 8, 2023

To Mayor Brenda Locke and Members of City Council

It is my pleasure to present the Annual Financial Report for the year ended December 31, 2022. The purpose of this report is to publish the Consolidated Financial Statements and the Independent Auditor's Report for the City of Surrey, pursuant to Section 167 of the Community Charter. The following report provides a financial overview of the year ended along with a brief outlook to the future.

The City of Surrey's management are responsible for the preparation of the consolidated financial statements, which are approved by City Council.

The financial statements and related information have been prepared in accordance with Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada). Management is also responsible for ensuring that the City remains fiscally prudent and financially sustainable through the ongoing monitoring of all the City's financial affairs. The City maintains a system of internal accounting controls designed to provide reasonable assurances for the safeguarding of assets and the reliability of financial records. In addition to the City of Surrey, the reporting entity comprises all organizations, boards, and enterprises financially accountable to the City of Surrey. This includes the Surrey Police Service (SPS), the Surrey Public Library, the Surrey Homelessness and Housing Society and the Surrey City Development Corporation.

The public accounting firm of BDO Canada LLP, which was appointed by City Council as independent external auditor, has expressed that, in their professional opinion, the Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the City of Surrey as at December 31, 2022, including its consolidated results of operations, its changes in net consolidated financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

FINANCIAL OVERVIEW

2022 In Review

As 2022 began, the Province took steps to ease certain COVID-19 restrictions impacting indoor and outdoor gatherings, including activities related to fitness, aquatics and rinks. As a result, all Parks, Recreation & Culture (PRC) programs resumed operations, close to pre-pandemic levels. Despite challenges associated with staffing capacity and resources, Libraries' programs were administered while incorporating community use patterns. All Surrey Library branches returned to full-service hours and all PRC facilities reopened, adjusted to community needs and activity levels. The City continued to monitor capacity levels and hire and train staff to restore operations.

The economic environment during 2022 experienced significant changes as the Bank of Canada (BOC) sought to temper the effects of high inflation through aggressive and swift increases to its key interest rate. The Canadian Consumer Price Index (CPI) reached a 30-year high of 8.1% in June 2022. In response, the BOC added 3.75% to its Target Overnight Rate between March and December of last year, raising it up to 4.25%. As a result, the Prime Rate at Canadian Financial Institutions climbed to 6.45%, the highest level over the past 20-plus years. Inflationary pressures increased the cost of goods and services procured by the City. At the same time, the rapid rate increases proved beneficial for the City's investment portfolio, yielding a year-over-year investment income increase of \$22 million for 2022.

At the end of last year, the single-family building permit processing time was just under seven weeks, significantly less than the established guaranteed target of 10 weeks. Similar positive results were seen in tenant improvement, and single-family, multi-family, commercial, & industrial rezoning permits with all categories reporting processing times less than guaranteed targets. Demand for development remained high in Surrey and improvements in the City's development approval processes continued to provide significant positive impacts on regional and provincial growth and overall community access to housing.

Surrey experienced strong development activity in 2022. Building permits with a construction value of \$2.1 billion were issued during the year. The development community continues to see Surrey as an attractive place to invest. The real estate market remains active with Surrey continuing its appeal as an affordable destination for young families to settle and thrive. The City also provides a welcoming environment for businesses to grow and thrive. Business license revenue increased by 15% in 2022, as compared to the prior year.

The City is undertaking significant capital investments to enhance the thriving landscape of Surrey by providing citizens with access to safe, inviting, high quality facilities, programs and services. In 2022, construction commenced for the Cloverdale Sport & Ice Complex, Bear Creek Athletics Centre, and the Newton Community Centre. In addition to producing tangible benefits that support a healthy and vibrant lifestyle for our citizens, investing in major capital projects spurs economic activity that can catalyze growth while supporting our vision of a thriving, green and inclusive community.

In December 2022, Council approved a plan to retain Surrey RCMP as Police of Jurisdiction (POJ). Through a detailed financial analysis, it was determined that keeping the RCMP would result in total estimated cost savings of \$235.4 million over a five-year period. The plan was provided to the Province of British Columbia's (BC) Solicitor General and Minister of Public Safety for endorsement of Council's decision.

Financial Position

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended December 31 (amounts in \$ millions)

	2022 Actual	2021 Actual	Change
Financial Assets	\$ 1,910.2	\$ 1,768.8	\$ 141.4
Liabilities	(1,456.8)	(1,490.8)	(34.0)
Net Financial Assets	453.4	278.0	175.4
Tangible Capital Assets	9,934.4	9,631.9	302.5
Inventories of Supplies	1.9	1.2	0.7
Prepaid Expenses	7.5	6.8	0.7
Non-Financial Assets	9,943.8	9,639.9	303.9
Accumulated Surplus	\$ 10,397.2	\$ 9,917.9	\$ 479.3

The financial position is calculated as financial assets less liabilities and results in either a net financial asset or a net financial debt. A net financial asset position is an indicator of the funds available for future expenditures, and a net financial debt position is an indicator of funds required to pay for past expenditures.

In 2022, the City's financial position increased by \$175.4 million resulting in a net financial asset position of \$453.4 million.

The City's non-financial assets increased in 2022 by \$303.9 million, bringing the total to over \$9.9 billion. The increase is the net result of capital additions of physical assets in the year, offset by disposals and amortization expense.

The result of these increases in financial position and non-financial assets was accumulated surplus increasing by \$479.3 million in 2022 to \$10.4 billion (2021 - \$9.9 billion). Overall, the City continues to maintain a strong financial position.

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31 (amounts in \$ millions)

	2022 Actual	2021 Actual	Change
Revenues	\$ 1,424.5	\$ 1,183.1	\$ 241.40
Expenses	(945.2)	(877.6)	(67.60)
Annual Surplus	\$ 479.3	\$ 305.5	\$ 173.80

The City's revenues in 2022 totaled \$1.4 billion, which is an increase compared to revenues of \$1.2 billion in 2021. The year-over-year growth was attributable to increased Taxation Revenue (\$14.6 million), Developer Contributions, including Community Amenity Contributions & Bonus Density payments (\$43.1 million), Utility Rates and Fees (\$8.1 million), Sales of Goods and Services (\$17.8 million), Transfers from Other Governments and Other Revenues (\$33.1 million), and Gain on Disposal of Assets (\$24.9 million), deferred Development Cost Charge revenue (\$77.8 million) and higher Investment Income (\$22.0 million). Growth in Developer Contributions reflects strong development activity throughout the City with additional revenues and contributed assets received from developers during 2022. Sales of Goods and Services were supported by PRC revenues, Surrey Fire Service dispatch services revenues and proceeds from statutory right of ways. In accordance with the 2022 – 2026 adopted financial plan, the additional revenue generated from increased property taxation was required to support budgeted increases in the City's robust capital program and related operating programs including funding supported labour and inflationary cost increases and other various corporate requirements.

The City's expenses totaled \$945.2 million in 2022, which was an increase in comparison to expenses of \$877.6 million in 2021. This year-over-year change was primarily attributable to increases in Police and Fire services, Planning & Development, Parks, Recreation & Culture, Roads & Traffic safety and in the cost of Water, Sewer, and Drainage.

REPORT FROM THE GENERAL MANAGER, FINANCE CONTINUED

Investments

City staff diligently continue to administer our investment portfolio, generating a very important revenue stream to support City services. The administration of the portfolio adheres to the City's investment policy, which complies with Community Charter requirements. The policy outlines how City funds are to be invested in a manner which will allow for reasonable returns and security while meeting the City's cash flow requirements. The average portfolio balance related to the City's investments during 2022 was \$1.5 billion (\$994.0 million in 2021). During 2022 the City earned \$40.0 million from investment income (\$18.0 million in 2021) of which \$0.8 million was earned specifically for deferred development cost charges (\$0.9 million in 2021). The average portfolio yield during 2022 on the City's investment portfolio was 2.27% (1.73% in 2021). The higher overall return is a direct result of rapid interest rate increases throughout 2022, leading to enhanced yields on investment products, positively impacting our interest income.

Reserve Funds

The City's statutory and discretionary reserves, on a net basis, amounted to \$263.4 million at the end of 2022 compared to a balance of \$149.0 million at the end of 2021. The Deferred Development Cost Charges (DCCs) balance at the end of 2022 was \$333.6 million, which is a decrease from the balance of \$371.7 million at the end of 2021. This decrease is attributable to less DCCs levied for the year, along with a greater amount of DCC revenue recognized to fund the General, Water, Sewer, and Drainage capital programs will be used to fund future capital projects that are listed in the City's current Five-Year (2023-2027) Capital Financial Plan as well as future financial plans.

THE FUTURE

Following the 2022 municipal election, one of new Surrey City Council's identified priorities was to seek community input on the City's Financial Plan. This included consideration of opportunities for residents and stakeholders across city communities to provide input and feedback. An engagement process for the 2023 operating and capital budgets, including an online survey and five open houses, was successfully completed at the beginning of this year. The City connected with the community and solicited meaningful feedback on budget priorities and preferred funding methods. In the second half of this year, an engagement process will be launched for the 2024 budget, building on the success of the 2023 budget engagement process, providing further opportunities for citizens to voice their preferences.

2023 will bring revitalization to City subsidiaries. Council has initiated a recruitment process for the appointment of volunteer community Board members to the Surrey Homelessness and Housing Society (SHHS) to strengthen the organization's ability to achieve its goal of minimizing homelessness or risk of homelessness in Surrey. Additionally, Council has initiated the process of re-operationalizing Surrey City Development Corporation (SCDC) as a for-profit development company. Independent

Board members will be recruited and the necessary corporate infrastructure will be reconstituted to once again allow for SCDC to act as a catalyst for positive development that will support and accelerate the City's social, cultural, community, economic and environmental objectives.

As the fastest-growing municipality in Metro Vancouver, nearly \$90 million in funding was awarded to the City through the Province of BC's Growing Communities Fund. This funding will have an immediate positive impact towards supporting and maintaining high quality City facilities and amenities, such as recreation centres, parks, and transportation infrastructure. New investments in the 2023 Five-Year (2023-2027) Financial Plan – Capital Program include an additional third sheet of ice at the Cloverdale Sport & Ice Complex to meet demand for ice sports and dry-floor use. This, along with other continued capital investments, will ensure Surrey continues to advance as one of Canada's most vibrant, livable cities.

In April 2023, after reviewing reports provided by the City, RCMP, and SPS, the Minister of Public Safety and Solicitor General acknowledged that the final decision on choosing the POJ remains with the City of Surrey. The Province released a report prepared by the Director of Police Services which provided, information, advice, and recommendations to the Minister on whether an adequate and effective level of policing can be maintained in Surrey and throughout the Province if the Minister endorses Council's decision to retain the RCMP as POJ. City staff will work with Mayor and Council to review the report's recommendations and come to a resolution on the policing transition, with a view towards eliminating financial uncertainty and providing the most cost-effective option for taxpayers.

During the course of 2022, the City strengthened its financial position and is well poised to continue delivering a high quality of service to our residents and businesses in 2023 and years beyond.

Respectfully submitted,



Kam Grewal, BBA, CPA, CMA
CFO/General Manager, Finance

CITY OF SURREY



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Independent Auditor's Report

To the Mayor and Council of the City of Surrey

Opinion

We have audited the consolidated financial statements of the City of Surrey and its controlled entities (the "City") which comprise the Consolidated Statement of Financial Position as at December 31, 2022 and the Consolidated Statements of Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the City financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2022 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally-accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally-accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. But not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

May 5, 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CITY OF SURREY

As at December 31, 2022, with comparative figures for 2021
[in thousands of dollars]

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 80,851	\$ 591,508
Accounts receivable (note 2)	208,927	160,974
Portfolio investments (note 3(a))	1,619,901	1,015,623
Investment in business partnership (note 3(b))	533	738
	1,910,212	1,768,843
LIABILITIES		
Trade and other accounts payable (note 4)	123,732	104,121
Due to other governments (note 5)	129,913	144,997
Employee future benefits (note 6)	31,446	30,765
Deposits and prepayments (note 7)	381,456	351,295
Deferred revenue (note 8)	123,229	130,994
Deferred development cost charges (note 9)	333,558	371,704
Debt (note 10)	333,471	356,970
	1,456,805	1,490,846
NET FINANCIAL ASSETS	453,407	277,997
NON-FINANCIAL ASSETS		
Tangible capital assets (note 11)	9,934,411	9,631,885
Inventories of supplies	1,917	1,195
Prepaid expenses	7,464	6,776
	9,943,792	9,639,856
ACCUMULATED SURPLUS (note 12)	\$ 10,397,199	\$ 9,917,853

Commitments and contingencies (note 14)



Kam Grewal, BBA, CPA, CMA
CFO/General Manager, Finance

To be read in conjunction with the Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CITY OF SURREY OPERATIONS

*For the year ended December 31, 2022, with comparative figures for 2021
[in thousands of dollars]*

	2022 <i>Budget</i> (note 22)	2022	2021
REVENUES			
Taxation revenue (note 17)	\$ 524,529	\$ 533,006	\$ 518,400
Sales of goods and services	296,470	301,948	275,990
Development cost charges (note 9)	129,198	122,761	44,991
Developer contributions	160,208	251,365	208,220
Investment income	16,823	40,003	18,015
Transfers from other governments (note 21)	55,541	69,391	49,839
Other (note 18)	55,160	106,069	67,666
TOTAL REVENUES	1,237,929	1,424,543	1,183,121
EXPENSES			
Police services	202,579	231,311	219,702
Parks, recreation and culture	131,086	124,607	100,743
General government	91,500	92,874	98,020
Roads and traffic safety	80,113	85,995	79,186
Water	82,014	92,642	80,088
Fire services	71,585	77,781	70,670
Sewer	82,155	81,243	77,091
Solid waste	41,843	39,247	41,719
Drainage	36,355	37,420	35,206
Planning and development	33,238	34,162	31,081
Library services	23,445	24,035	22,360
Engineering	16,354	16,707	15,623
Surrey City Energy	4,675	4,932	3,892
Parking	2,674	2,241	2,224
TOTAL EXPENSES	899,616	945,197	877,605
ANNUAL SURPLUS			
Accumulated surplus, beginning of year	338,313	479,346	305,516
Accumulated surplus, end of year	9,917,853	9,917,853	9,612,337
	\$ 10,256,166	\$ 10,397,199	\$ 9,917,853

To be read in conjunction with the Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

CITY OF SURREY

*As at December 31, 2022, with comparative figures for 2021
[in thousands of dollars]*

	<i>2022 Budget (note 22)</i>	<i>2022</i>	<i>2021</i>
ANNUAL SURPLUS			
Acquisition of tangible capital assets	\$ 338,313	\$ 479,346	\$ 305,516
Amortization of tangible capital assets	(579,334)	(449,537)	(303,857)
Gain on disposal of tangible capital assets	144,029	142,440	142,707
Proceeds on disposal of tangible capital assets	-	(25,684)	(778)
	-	30,255	4,351
	<u>(96,992)</u>	<u>176,820</u>	<u>147,939</u>
Acquisition of inventories of supplies	-	(1,917)	(1,195)
Consumption of inventories of supplies	-	1,195	988
Acquisition of prepaid expenses	-	(7,464)	(6,776)
Use of prepaid expenses	-	6,776	5,352
	<u>-</u>	<u>(1,410)</u>	<u>(1,631)</u>
CHANGE IN NET FINANCIAL ASSETS			
Net financial assets, beginning of year	<u>(96,992)</u>	<u>175,410</u>	<u>146,308</u>
Net financial assets, end of year	<u>277,997</u>	<u>277,997</u>	<u>131,689</u>
	\$ 181,005	\$ 453,407	\$ 277,997

To be read in conjunction with the Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CITY OF SURREY CASH FLOWS

*For the year ended December 31, 2022 with comparative figures for 2021
[in thousands of dollars]*

	2022	2021
OPERATING TRANSACTIONS		
Annual Surplus	\$ 479,346	\$ 305,516
Non-Cash items:		
Amortization of tangible capital assets	142,440	142,707
Gain on disposal of tangible capital assets	(25,684)	(778)
Developer contributions of tangible capital assets (note 11(a))	(182,466)	(158,122)
Change in non-cash operating working capital:		
Accounts receivable	(47,953)	(321)
Inventories of supplies	(722)	(207)
Prepaid expenses	(688)	(1,424)
Trade and other accounts payable	19,611	29,783
Due to other governments	(15,084)	(128,782)
Employee future benefits	681	1,027
Deposits and prepayments	30,161	56,562
Deferred revenue	(7,765)	16,706
Deferred development cost charges	(38,146)	57,194
Net increase in cash from operating transactions	<u>353,731</u>	<u>319,861</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(267,071)	(145,735)
Proceeds on disposal of tangible capital assets	30,255	4,351
Cash used by capital transactions	<u>(236,816)</u>	<u>(141,384)</u>
FINANCING TRANSACTIONS		
Proceeds from issuance of debt	-	150,600
Repayment of MFA debt and loans payable	(23,499)	(7,860)
Cash (used) / provided by financing transactions	<u>(23,499)</u>	<u>142,740</u>
INVESTING TRANSACTIONS		
Purchase of portfolio investments	(604,278)	(636,874)
Cash distributed from other investments	205	(114)
Cash used by investing transactions	<u>(604,073)</u>	<u>(636,988)</u>
DECREASE IN CASH		
Cash and cash equivalents, beginning of year	(510,657)	(315,771)
Cash and cash equivalents, end of year	<u>591,508</u>	<u>907,279</u>
	\$ 80,851	\$ 591,508

To be read in conjunction with the Notes to the Consolidated Financial Statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

GENERAL

The City of Surrey (the "City") is incorporated under the Local Government Act of British Columbia. The City's principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, infrastructure, environmental, recreational, and utility services.

1. Significant accounting policies

(a) Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board ("PSAB").

(b) Basis of consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, and expenditures of the reporting entity. The reporting entity is comprised of all the City funds, including the Surrey Public Library ("Library") and Surrey Police Service ("SPS"), and other entities controlled by the City. Inter-fund and inter-corporate transactions and balances have been eliminated. The other entities included are as follows:

- Surrey City Development Corporation ("SCDC") and its controlled entities; and
- Surrey Homelessness and Housing Society ("SHHS").

The following funds account for the resources and operations of the City:

- i) Operating Funds - These funds are used to record the general operating costs of the services provided by the City, including drainage, sewer, water, solid waste, parking, transportation, and Surrey City Energy.
- ii) Capital Funds - These funds are used to record the acquisition costs of tangible capital assets and any related debt outstanding, including all lands and infrastructure owned by the City.
- iii) Reserve Funds - Under the Community Charter of British Columbia, City Council may, by by-law, establish reserve funds for specified purposes. Money in a reserve fund and interest earned thereon must be expended only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required for the purposes for which it was established, City Council may transfer all or part of the amount to another reserve fund.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

1. Significant accounting policies (continued)

(b) Basis of consolidation (continued)

iv) Surrey City Development Corporation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of SCDC. SCDC has the following wholly owned subsidiaries and government partnerships, which are accounted for as follows:

(i) Grove Limited Partnership and Grove (G.P.) Inc. - (50% owned and proportionately consolidated)

(ii) Surrey City Investment (Industrial) Corporation ("SCIIC") - (100% owned and fully consolidated)

SCIIC has a 50% ownership in the Beedie SCDC (34A Ave) Limited Partnership ("Beedie LP") and has 50% ownership in Beedie SCDC (34A Ave) G.P. Ltd., the General Partner of Beedie LP. Beedie LP and Beedie GP are accounted for using the modified equity method.

(iii) Surrey City Investment Corporation ("SCIC") and Kwantlen Park Development Corporation ("KPDC") – (100% owned and fully consolidated)

SCIC and KPDC were inactive as at December 31, 2022 and December 31, 2021.

v) Surrey Homelessness and Housing Society

In 2007, the City of Surrey incorporated the SHHS. The purposes of the Society are to raise funds for financing programs and projects that address homelessness in Surrey. The City is considered to have control over the Society's functions by virtue of the ability to appoint the society's board members; therefore, the Society's financial information is fully consolidated within the City's financial statements.

The consolidated financial statements include the assets, liabilities, revenues, and expenses of the SHHS. The City provided initial funding to the SHHS and oversees its operations through the council appointed board.

(c) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less at the date of acquisition, are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

1. Significant accounting policies (continued)

(d) Trust Funds

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAS recommendations on financial statement presentation for local governments, trust funds are not included in the City's consolidated financial statements. Trust funds administered by the City are presented in Note 19.

(e) Revenue recognition

Revenues are recognized in the period in which the transaction or event occurs that gives rise to the revenues or when the goods or services are delivered. All revenues are recorded on an accrual basis, except when the amounts cannot be determined with a reasonable degree of certainty.

Revenue recognition on sales of properties occurs when the City has transferred the significant risks and rewards of ownership. Property lease revenue includes all amounts earned from tenants, including property tax and operating cost recoveries. Property lease revenues are recognized on a straight-line basis over the term of the lease.

(f) Taxation revenue

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual property tax levies, including parcel taxes and grants-in-lieu of taxes, are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated future appeal adjustments.

Through the BC Assessments' appeal process, current year property assessments may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized either at the time they are awarded during the year or accrued as can be reasonably estimated at the end of the year.

(g) Transfers from other governments

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to any obligation that meets the definition of a liability. In that case, the transfer of revenue is initially deferred and then recognized in the statement of operations as the stipulation liabilities are settled.

When the City is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.

**NOTES TO THE CONSOLIDATED
CITY OF SURREY FINANCIAL STATEMENTS**

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

1. Significant accounting policies (continued)

(h) Collection on behalf of other authorities

The City is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the City's taxation revenues.

(i) Development cost charges

Development cost charges are recorded as deferred revenue at the time they are received as there is a future obligation to be fulfilled. When qualifying development expenditures are incurred, they are recognized into revenue.

(j) Developer contributions

Tangible capital assets are contributed by developers as a condition of the development approval process. The timing of delivery of tangible capital assets is dependent upon the developer. Tangible capital assets received as contributions are recorded at their estimated fair value at the date of receipt and recognized as developer contributions revenue.

(k) Investment income

Investment income is reported as revenue in the period earned.

(l) Deferred revenue

The City defers the portion of the funds collected from permits, licenses, leases, and other fees relating to services not yet rendered. Revenue is recognized in the year in which related inspections are performed or other related services are provided.

(m) Expenses

Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Interest expense is accrued using the effective interest method.

(n) Portfolio investments

City investments with an original maturity date of more than three months are reported as portfolio investments and consist of short-term investments, bonds, and debentures, which are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments on an effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

1. Significant accounting policies (continued)

(o) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives over one or more future periods and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost includes overhead charges related to construction and development that are directly attributable to the acquisition or construction of the asset. The City does not capitalize interest associated with the acquisition or construction of a tangible capital asset.

The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life – Years
Land improvements	12 to 100
Buildings and building improvements	10 to 60
Leasehold improvements	2 to 25
Infrastructure:	
Roads and road structures	5 to 100
Water, Sewer and Drainage systems	10 to 100
Machinery and equipment:	
Vehicles	5 to 30
Technology	4 to 25
Furniture & equipment	3 to 50

Annual amortization commences on the date the asset is acquired or available for use. Assets under construction are not amortized until the asset is put into service and available for productive use.

Tangible capital assets received as contributions are recorded at their estimated fair value at the date of receipt and are recorded as revenue.

Works of art and historic assets are not recorded as assets in the consolidated financial statements.

Where an estimate of fair value is not determinable, the tangible capital asset is recognized at a nominal value.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

1. Significant accounting policies (continued)

(o) Non-financial assets (continued)

(ii) Inventories of supplies

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

(iii) Prepaid expenses

Prepaid expenses of supplies or services held for consumption are recorded at the lower of cost and replacement cost.

(p) Employee future benefits

(i) City and its employees participate in the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. Payments in the year are expensed.

(ii) Sick leave, retirement pay, dental benefits, and post-employment benefits also accrue to the City's employees. The liability relating to these benefits is actuarially determined based on length of service, best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits pro-rated as employees render services necessary to earn the future benefits.

Actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

The liability for event driven benefits, such as disability benefits, is calculated when the event occurs. The expense is recognized in the year the event occurs.

(q) Budget data

The budget data presented in these consolidated financial statements was included in the City of Surrey 2022-2026 Consolidated Financial Plan and was adopted through By-law #20484 on December 24, 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

1. Significant accounting policies (continued)

(r) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating contributed tangible capital assets, developer contributions, useful lives for amortization, provisions for accrued liabilities, contingencies, and actuarial valuations of employee future benefits. Actual results could differ from these estimates.

(s) Segment disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City of Surrey has provided definitions of segments used by the City as well as presented financial information in a segmented format (Note 20).

(t) Liabilities for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- An environmental standard exists;
- Contamination exceeds an environmental standard;
- The City is directly responsible or accepts responsibility;
- The City expects that future economic benefits will be given up; and,
- A reasonable estimate of the amount can be made.

The liability is measured as management's estimate of the cost of remediation and post remediation, including operations, maintenance, and monitoring, which are an integral part of the remediation strategy for a contaminated site. The liability is recorded net of any expected recoveries. No liability for contaminated sites exists as at December 31, 2021 or 2022.

**NOTES TO THE CONSOLIDATED
CITY OF SURREY FINANCIAL STATEMENTS**

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

2. Accounts receivable

	2022	2021
General and other accounts receivable	\$ 88,382	\$ 40,191
Development cost charges	55,195	64,909
Property taxes	26,499	20,964
Utility charges	22,689	18,104
Local area improvement receivable	8,732	9,027
Due from other authorities	3,092	3,536
MFA debt reserve fund receivable	4,338	4,243
	\$ 208,927	\$ 160,974

3. Investments

(a) Portfolio Investments

	2022	2021
Maturing within one year	\$ 783,990	\$ 439,028
Maturing within two years	375,591	282,058
Maturing within three to seven years	457,761	290,482
City investments (i)	1,617,342	1,011,568
SCDC investments	-	955
SHHS investments (ii)	2,559	3,100
	\$ 1,619,901	\$ 1,015,623

(a) Portfolio Investments

- (i) City investments includes term deposits, GICs, bonds, and high interest savings accounts and have an average portfolio yield of 2.27% (2021 – 1.73%). All City investments can be liquidated on demand but may have associated penalties on liquidation.
- (ii) SHHS investments includes a diversified portfolio of fixed income and equity securities held by the SHHS with an average yield rate of (8.43%) (2021 – 6.15%), for the purpose of supporting programs and projects related the objectives of the SHHS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
 [tabular amounts in thousands of dollars]

3. Investments (continued)

(b) Investment in business partnership

	<u>2022</u>	<u>2021</u>
Business partnership	<u>\$ 533</u>	<u>\$ 738</u>

SCDC's joint-venture partnership in Beedie Limited Partnership ("Beedie LP") meets the criteria of a business partnership and results are accounted for under the modified equity method. Beedie LP owns and operates a build-to-suit industrial building in the City that has been occupied by a tenant under a long-term lease. The liability is limited to the cash held in the partnership and land which it contributed to Beedie LP. The City's proportionate share in respect of this entity is as follows:

	<u>2022</u>	<u>2021</u>
Financial assets	\$ 805	\$ 732
Liabilities	(8,446)	(8,471)
Non-financial assets	8,174	8,477
	<u>\$ 533</u>	<u>\$ 738</u>

Revenues and expenditures for the year ended December 31, 2022 were \$1.15 million (2021 – \$1.10 million) and \$0.81 million (2021 – \$0.77 million), respectively.

4. Trade and other accounts payable

	<u>2022</u>	<u>2021</u>
Trade accounts payable	\$ 55,559	\$ 39,954
Payroll accounts payable	19,540	22,951
RCMP retroactive contract accrual (i)	32,007	32,007
Contractors' holdbacks	14,211	6,838
Interest payable on debt	2,415	2,371
	<u>\$ 123,732</u>	<u>\$ 104,121</u>

- (i) In 2016, the Government of Canada introduced Bill C-7 to create a new labour relations regime for RCMP members and reservists. This bill received royal assent in 2017 and an application for certification at the Federal Public Service Labour Relations and Employment Board. In August 2021, RCMP members ratified the collective agreement, resulting in retroactive pay increases for over 19,000 RCMP regular members.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

4. Trade and other accounts payable (i) (continued)

As at December 31, 2021, the City of Surrey recorded a liability of \$32.007 million related to the RCMP collective agreement retroactive salary increase impact. The estimate was provided to the City by Public Safety Canada.

In March 2023, the City received an invoice from the RCMP in the amount of \$30.851 million, representing the total finalized retroactive pay raise amount for the period April 1, 2017 to March 31, 2021.

5. Due to other governments

	<u>2022</u>	<u>2021</u>
Due to Federal Government (RCMP)	\$ 46,228	\$ 58,438
Due to TransLink (note 13)	39,000	39,000
Due to Regional Districts	25,773	29,321
Due to Province of British Columbia	10,486	9,066
Due to other government entities	8,426	9,172
	<u>\$ 129,913</u>	<u>\$ 144,997</u>

6. Employee future benefits

The City provides certain post-employment and sick leave benefits to its employees. These benefits include accumulated non-vested sick leave, post-employment service pay and post-retirement top-ups for dental, life insurance accidental death and dismemberment insurance, vacation deferral, supplementary vacation, and benefit continuation for disabled employees. The liability associated with these benefits is calculated based on the present value of expected future payments pro-rated for services.

Accrued benefit liability:

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 30,765	\$ 29,738
Current service cost	2,445	2,114
Interest cost	761	659
Amortization of net actuarial gain	(314)	(154)
Benefits paid	(2,211)	(1,592)
Accrued benefit liability, end of year	<u>\$ 31,446</u>	<u>\$ 30,765</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
 [tabular amounts in thousands of dollars]

6. Employee future benefits (continued)

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2022. The difference between the actuarially determined accrued benefit obligation of \$31.162 million and the accrued benefit liability of \$31.446 million as at December 31, 2022 is an unamortized actuarial gain as noted below. The actuarial gain is amortized over a period equal to the employees' average remaining service life of 12 years (2021 – 12 years).

Reconciliation of accrued benefit liability to accrued benefit obligation:

	<u>2022</u>	<u>2021</u>
Actuarial benefit liability, end of year	\$ 31,446	\$ 30,765
Unamortized actuarial gain	(284)	(1,779)
Accrued benefit obligation, end of year	<u>\$ 31,162</u>	<u>\$ 28,986</u>

Actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	<u>2022</u>	<u>2021</u>
Discount rate	4.50%	2.55%
Expected future inflation rate	2.50%	1.80%
Employee average remaining service life (years)	12.00	12.00

7. Deposits and prepayments

	<u>2022</u>	<u>2021</u>
Deposits:		
Future works	\$ 66,979	\$ 61,720
Planning and development	108,939	98,702
Engineering	139,175	127,100
Pavement cuts	4,576	4,536
Boulevard trees	735	1,232
Latecomer	2,422	3,416
Other deposits	3,727	2,443
Total deposits	<u>\$ 326,553</u>	<u>\$ 299,149</u>
Prepayments:		
Taxes	\$ 50,073	\$ 47,119
Utilities	4,533	4,475
Other prepayments	297	552
Total prepayments	<u>\$ 54,903</u>	<u>\$ 52,146</u>
Total deposits and prepayments	<u>\$ 381,456</u>	<u>\$ 351,295</u>

**NOTES TO THE CONSOLIDATED
CITY OF SURREY FINANCIAL STATEMENTS**

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

8. Deferred revenue

	<u>2022</u>	<u>2021</u>
Development/building permits	\$ 41,426	\$ 39,461
Deferred capital works	46,860	49,828
Deferred lease revenue	23,103	25,606
Other	11,840	16,099
	<u>\$ 123,229</u>	<u>\$ 130,994</u>

9. Deferred development cost charges

Development Cost Charges (“DCCs”) are collected to pay for costs that will be incurred by the City to support growth, such as development projects related to infrastructure, parks, or amenities. DCCs cover 99% (2021 – 99%) of those costs based on rates as recommended by the Engineering Department. In accordance with the Local Government Act, these funds must be held in separate reserve funds and accumulate interest until spent. DCCs are deferred and recognized as revenue when the related costs are incurred.

	<u>2022</u>	<u>2021</u>
Deferred DCCs:		
Arterial roads	\$ 81,108	\$ 91,493
Parkland	39,706	75,043
Drainage/storm water detention	50,142	48,773
Sanitary sewer	33,619	37,404
Collector roads	23,652	20,695
Water	25,271	24,230
Area specific	76,200	71,045
Park development	3,860	3,021
	<u>\$ 333,558</u>	<u>\$ 371,704</u>
Deferred DCCs, beginning of year	<u>\$ 371,704</u>	<u>\$ 314,510</u>
DCCs levied for the year	83,818	101,301
Investment income	797	884
Increase in Deferred DCCs	<u>84,615</u>	<u>102,185</u>
Revenue recognized:		
General Capital	(103,514)	(36,103)
Water Capital	(4,429)	(2,080)
Sewer & Drainage Capital	(14,818)	(6,808)
DCCs recognized as revenue	<u>(122,761)</u>	<u>(44,991)</u>
Deferred DCCs, end of year	<u>\$ 333,558</u>	<u>\$ 371,704</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
 [tabular amounts in thousands of dollars]

10. Debt

	<u>2022</u>	<u>2021</u>
MFA debt (i)	\$ 300,185	\$ 311,608
Loans payable (ii)	33,286	45,362
	<u>\$ 333,471</u>	<u>\$ 356,970</u>

(i) MFA debt

Pursuant to security issuing by-laws under authority of the Community Charter, the City obtains debt instruments through the Municipal Finance Authority of British Columbia ("MFA") to finance certain capital expenditures.

Gross amount of the debt less sinking fund installments and actuarial adjustments to date are as follows:

MFA Issue	Gross debt	Sinking fund installments and actuarial adjustments	Net debt		Net debt 2021
			2022	2021	
116	\$ 100,000	\$ 32,517	\$ 67,483	\$ 71,170	
121	45,000	12,973	32,027	33,565	
126	67,335	12,706	54,629	56,273	
156	150,600	4,554	146,046	150,600	
	\$ 362,935	\$ 62,750	\$ 300,185	\$ 311,608	

Current borrowing includes:

MFA Issue	Issue Date	Term (yrs.)	Maturity	Interest Rate	* Refinancing Date
116	April 4, 2011	25	April 4, 2036	1.47%	April 4, 2026
121	October 4, 2012	25	October 4, 2037	3.39%	October 4, 2027
126	Sept. 26, 2013	30	Sept. 26, 2043	3.85%	Sept. 26, 2023
156	Sept. 27, 2021	25	Sept. 27, 2045	2.58%	Sept. 27, 2041

**On the Refinancing Date, the City has the option to retire the debt early or refinance the borrowing at a new interest rate.*

**NOTES TO THE CONSOLIDATED
CITY OF SURREY FINANCIAL STATEMENTS**

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

10. Debt (continued)

(ii) Loans payable

	2022	2021
Loan payable (Cedar Hills Shopping Plaza), Citizen's Bank of Canada, 25-year capital financing expiring Nov 1, 2037, payable in monthly payments of \$78,497, including interest calculated at a rate of 3.95% per annum, secured by a mortgage on the commercial property. This loan was paid off in full on Oct 11, 2022.	\$ -	\$ 11,141
Biofuel Processing Facility, 25-year capital financing expiring December 31, 2042, payable in monthly payments of \$221,516 including interest calculated at a rate of 5.10% per annum.	33,286	34,221
Total Loans Payable	\$ 33,286	\$ 45,362

MFA payments and loan payments over the next five years and thereafter are as follows:

	MFA payments (i)	Loan payments (ii)	Total
2023	\$ 11,782	\$ 983	\$ 12,765
2024	12,153	1,035	13,188
2025	12,534	1,089	13,623
2026	12,932	1,146	14,078
2027	13,340	1,205	14,545
2028 and thereafter	237,444	27,828	265,272
Total	\$ 300,185	\$ 33,286	\$ 333,471

Total interest expense recorded for the year ended December 31, 2022 was \$11.3 million (2021 - \$9.3 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
 [tabular amounts in thousands of dollars]

11. Tangible capital assets

Net Book Value by category	<u>2022</u>	<u>2021</u>
Land and land improvements	\$ 2,171,718	\$ 2,059,626
Land under roads	3,580,548	3,427,817
Buildings and building improvements	468,615	488,716
Infrastructure	3,309,183	3,298,574
Machinery and equipment	126,968	132,645
Assets under construction	277,379	224,507
	<u>\$ 9,934,411</u>	<u>\$ 9,631,885</u>
Net Book Value by fund	<u>2022</u>	<u>2021</u>
General	\$ 2,864,117	\$ 2,734,811
Transportation	4,678,937	4,474,047
Water	655,632	661,990
Sewer	611,604	602,505
Drainage	1,115,150	1,111,500
Library	5,067	4,787
Surrey Police Service	2,782	398
Surrey City Development Corp.	1,122	41,847
	<u>\$ 9,934,411</u>	<u>\$ 9,631,885</u>

For additional detailed information, see the Schedule of Tangible Capital Assets (Schedule 1).

a) Contributed tangible capital assets

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of contributed assets received during the year was \$182.5 million (2021 - \$158.1 million) comprised of roads infrastructure in the amount of \$163.7 million (2021 - \$129.8 million), water and wastewater infrastructure in the amount of \$15.0 million (2021 - \$17.5 million) and land in the amount of \$3.8 million (2021 - \$10.8 million), including improvements.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

12. Accumulated surplus

Accumulated surplus consists of individual fund surpluses, reserves and equity in tangible capital assets. The City's accumulated surplus is as follows:

	2022			2021		
Tangible Capital Assets	\$ 9,934,411			\$ 9,631,885		
Debt funded assets	<u>(208,464)</u>			<u>(208,519)</u>		
Invested in tangible capital assets	<u>9,725,947</u>			<u>9,423,366</u>		
Gross Allocations			Gross Allocations			
Reserves set aside by Council						
Capital legacy	49,539	(49,539)	-	49,317	(49,317)	-
Municipal land	112,928	(27,454)	85,474	69,894	(38,311)	31,583
Equipment and building replacement	39,336	(5,044)	34,292	37,959	(9,354)	28,605
Neighborhood concept plans	53,534	(6,863)	46,671	41,618	(10,255)	31,363
Park land acquisition	6,217	(797)	5,420	13,600	(3,351)	10,249
Local improvement financing	18,372	(2,355)	16,017	18,104	(4,461)	13,643
Environmental stewardship	6,958	(892)	6,066	6,945	(1,711)	5,234
Parking space	9,410	(1,206)	8,204	3,746	(923)	2,823
Water claims	1,386	(178)	1,208	1,382	(341)	1,041
Affordable housing	3,715	(476)	3,239	2,100	(517)	1,583
Capital projects	65,176	(8,356)	56,820	30,412	(7,494)	22,918
	<u>366,571</u>		<u>263,411</u>	<u>275,077</u>		<u>149,042</u>
Internal borrowing to fund capital	<u>(103,160)</u>			<u>(126,035)</u>		
Other appropriated funds						
Infrastructure replacement	43,475	-	43,475	19,616	-	19,616
Revenue stabilization	13,490	-	13,490	13,490	-	13,490
Self insurance	12,193	-	12,193	12,328	-	12,328
Operating contingency and emergencies	8,610	-	8,610	8,610	-	8,610
Environmental emergencies	7,244	-	7,244	7,210	-	7,210
Prepaid expenses	7,464	-	7,464	6,776	-	6,776
Inventories of supplies	1,917	-	1,917	1,195	-	1,195
Committed funds	321,251	-	321,251	288,311	-	288,311
	<u>415,644</u>	-	<u>415,644</u>	<u>357,536</u>	-	<u>357,536</u>
Other Entities						
Surrey City Development Corporation		(10,153)			(15,252)	
Surrey Homelessness and Housing Society		<u>2,350</u>			<u>3,161</u>	
		<u>(7,803)</u>			<u>(12,091)</u>	
Accumulated Surplus per Statement of Financial Position	<u>\$ 10,397,199</u>				<u>\$ 9,917,853</u>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

13. Due to TransLink

In January 2020, TransLink and City of Surrey signed a Memorandum of Understanding ("MOU") to advance the development of several Project Partnership Agreements ("PPAs") related to the Surrey portion of the South of Fraser Rapid Transit - Surrey Langley SkyTrain ("SLS") project. The PPAs to be entered would include (a) Supportive Policies Agreement; (b) Municipal Access Agreement; and (c) Reimbursement Agreement.

In September 2020, TransLink and the City signed a compensation agreement, defined as the Reimbursement Agreement in the MOU. The agreement required that the City would contribute \$39.0M to the SLS project, comprised of property contributions valuing \$16.9 million; parking contributions valuing \$12.8 million; and a financial contribution of \$9.3 million. The City and TransLink will determine the timing and manner of payment of the financial contribution, but the payment from the City to TransLink shall be no later than 90 days after TransLink executes the Project agreement for the construction of the Project.

As at December 31, 2022 the City has recorded a liability due to TransLink in the amount of \$39.0 million relating to this compensation agreement. (Note 5)

14. Commitments and contingencies

- a) The City has significant future contractual commitments for incomplete capital acquisitions and capital construction projects in progress. The City records the capital costs incurred to the end of the year on these projects as work in progress under tangible capital assets. To provide for the completion of the projects, unexpended budget money for incomplete projects is appropriated as Committed Funds (see Note 12). The Financial Plan, updated annually, provides for the financing of these and future obligations within the estimated financial resources of the City.
- b) The City as a member of Metro Vancouver is directly, jointly and severally liable with the other member municipalities for the net capital liabilities of those authorities. Any liability which may arise as a result will be accounted for in the period in which the required payment is known and can be estimated, no liability was recorded during 2021 or 2022.

**NOTES TO THE CONSOLIDATED
CITY OF SURREY FINANCIAL STATEMENTS**

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

14. Commitments and contingencies (continued)

- c) The City is a shareholder and member of E-Comm Emergency Communications for British Columbia Incorporated (E-Comm), whose services include a regional 9-1-1 call centre for the Greater Vancouver Regional District, Area Wide Radio emergency communications network, dispatch operations, and records management. The City holds 2 Class "A" shares and 1 Class "B" share (of a total of 37 Class "A" and 18 Class "B" shares issued and outstanding as at December 31, 2022). As a Class "A" shareholder, the City is committed to paying levies for services received under a cost sharing formula to fund the operating and capital costs of E-Comm operations. In addition, the City is contingently liable to cover its proportionate share of such costs should any member be unable to fulfill its funding obligations. Annual levy amounts fluctuate based on various factors under the cost sharing formula and amounted to \$1.4 million during the year (2021 - \$1.3 million). No liability was recorded during 2021 or 2022.
- d) The City is, from time to time, engaged in or party to certain legal actions, assessment appeals and other existing conditions involving uncertainty which may result in material losses. The outcome and amounts that may be payable, if any, under some of these claims, cannot be determined, and accordingly, only those claims in which a payment is considered likely and the amounts can be reasonably estimated have been recorded in the financial statements as a liability.
- e) The City insures itself through a combination of insurance policies and self-insurance. The City has a funded self-insurance appropriation included in accumulated surplus (Note 12). Based on estimates, this appropriation reasonably provides for all outstanding claims where the outcome is not currently determinable and already recognized as a liability.
- f) Debt Reserve Fund Demand Note

The City has a contingent liability with respect to the MFA Debt Reserve Fund Demand Notes. This contingent liability is a condition of the borrowings undertaken by the City.

As a condition for each debenture issue, the City is required to execute demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The debt agreement with the MFA provides that if at any time the scheduled payments provided for in the agreement are not sufficient to meet the MFA's obligations in respect to such borrowing, the resulting deficiency becomes the joint and several liability of the City and all other participants to the agreement through the MFA. The City is similarly liable on a contingent basis for the debt of other municipalities secured through the MFA.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

14. Commitments and contingencies (continued)

f) Debt Reserve Fund Demand Note (continued)

Demand note amounts are as follows:

Issue	LA	SI	Rgn SI	Purpose	Term	DRF Demand Note
116	17173	R10-2022	1139	Other	25	\$ 319
116	17180	R10-2357	1141	Other	25	637
116	17231	R11-124	1142	Other	25	1,035
121	17231	R11-124	1142	Other	25	743
126	17928	R13-1059	1188	Other	30	943
126	17929	R13-1061	1188	Other	30	280
156	20270	R21-541	1323	Other	25	721
156	20271	R21-543	1323	Other	25	371
156	20272	R21-545	1323	Other	25	1,622
Total						\$ 6,671

Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

g) Policing services

The City is responsible under the Provincial Police Act for providing policing and law enforcement services within the municipality in accordance with the policing model selected by the City. The Province, through the Minister of Public Safety, and with delegated authority to the Director of Police Services, is responsible to superintend policing and ensure adequate and effective policing in BC.

In November 2018, the City initiated a transition of its policing model from the RCMP Contract to a municipal police service. Subsequently, in July 2020, the Province established the Surrey Police Board (the “Board”), and in August 2020 the Board created the SPS.

In November 2022, Council directed City staff to prepare a plan to retain the RCMP as Police of Jurisdiction (“POJ”) in Surrey and request the Province to wind down the SPS. In December 2022, a report outlining the plan was submitted to the provincial Solicitor General and provincial Minister of Public Safety.

In January 2023, the Province advised the City that further information was required from all parties prior to an endorsement by the Minister of Public Safety of Council’s decision to retain the RCMP as POJ.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

14. Commitments and contingencies (continued)

g) Policing services (continued)

In February 2023, the City provided further information as requested by the Province. As of the date of this report, the status of the Provincial endorsement of Council's decision to retain the RCMP as POJ cannot be determined.

h) Biofuel processing facility

The City entered a 25-year agreement in 2015 to design, build, finance, operate and maintain the Surrey Organics Biofuel Processing facility. Under the agreement, the City guaranteed to provide a minimum tonnage of City organic waste (as defined in the agreement) for processing. In return the City will receive 100% of the biomethane produced at the facility and will share in certain other revenues generated at the facility.

In 2018, the City recorded the facility as a tangible capital asset in the amount of its construction cost of \$50.0 million. The City also recorded a loan payable liability for an equal amount representing the capital financing for the facility. The liability will be reduced over the term of the agreement as payments are made to the operator for the City organic waste processed by the facility (note 10(ii)).

15. Contractual rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The following table summarizes the contractual rights that existed at December 31, 2022:

	2023	2024	2025	2026	Thereafter
Lease revenue (a)	\$ 7,169	\$ 6,366	\$ 5,620	\$ 3,772	\$ 21,480
Government agreements (b)	4,916	2,712	140	141	458
Total	\$ 12,085	\$ 9,078	\$ 5,760	\$ 3,913	\$ 21,938

a) Lease revenue

The City has entered into a number of fixed term lease agreements for the use of City owned land and/or buildings that are anticipated to provide the City with future revenues. These agreements are for terms that vary from 1 to 22 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

15. Contractual rights (continued)

b) Government agreements

The City has entered into various government agreements with senior government and other agencies related to contractual rights expected to be realized as stipulations are met including when eligible expenditures are incurred or funding is received based on terms of agreement.

c) Developer contributions

The City has entered into a number of public works development agreements which require the developers to contribute various infrastructure assets to the City, including roads and underground utilities. The timing and extent of these future contributions vary depending on development activity and fair value of the assets received at the time of contribution, which cannot be determined with certainty at this time.

d) Other contractual rights

The City is entitled to receive revenue from certain other agreements. The revenue from these agreements cannot be quantified and has not been included in the amounts noted above.

16. Pension plan

The City and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the Plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

**NOTES TO THE CONSOLIDATED
CITY OF SURREY FINANCIAL STATEMENTS**

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

16. Pension plan (continued)

The most recent valuation for the Plan as at December 31, 2021, indicated a \$3.761 million funding surplus for basic pension benefits on a going concern basis.

The City paid \$21.8 million (2021 - \$20.9 million) for employer contributions while employees contributed \$18.9 million (2021 - \$17.5 million) to the Plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

17. Taxation revenue

	<u>2022</u>	<u>2021</u>
Tax collected:		
Property taxes	\$ 416,702	\$ 400,630
Collections for other authorities	464,940	416,256
Parcel taxes	93,965	91,189
Grants-in-lieu of taxes	21,751	25,632
Other	589	949
	<hr/> 997,947	934,656
Less transfers to other authorities:		
Province of BC - School Taxes	(334,776)	(295,169)
Metro Vancouver Regional District	(13,971)	(11,509)
BC Assessment Authority	(10,197)	(9,021)
TransLink	(68,902)	(60,400)
Other	(37,095)	(40,157)
	<hr/> (464,941)	(416,256)
Taxation revenue	<hr/> \$ 533,006	\$ 518,400

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

18. Other revenue

	<u>2022</u>	<u>2021</u>
Licenses and permits	\$ 44,319	\$ 40,746
Leases and rentals	15,371	12,948
Penalties and interest on taxes	7,572	7,036
Miscellaneous	13,123	6,158
Gain on disposal of tangible capital assets	<u>25,684</u>	<u>778</u>
	<u>\$ 106,069</u>	<u>\$ 67,666</u>

19. Trust funds

These assets must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAS, trust funds are not included in the City's Consolidated Financial Statements.

Amounts administered by the City as trust funds are as follows:

	<u>2022</u>	<u>2021</u>
Cemetery Perpetual Care Fund	\$ 5,093	\$ 4,652
Employee Benefits Fund	790	769
	<u>\$ 5,883</u>	<u>\$ 5,421</u>

20. Segmented information

The City of Surrey is a diversified municipal government institution that provides a wide range of services to the citizens of Surrey, including Police Services; Parks, Recreation and Culture Services; General Government Services; Water Services; Fire Services; Sewer Services; Engineering Services; Drainage Services; Solid Waste Management Services; Roads & Traffic Safety Services; Planning and Development Services; Parking Services; Surrey City Energy Services; and Surrey Public Library Services. For management reporting purposes, the Government's operations and activities are organized and reported by Service Area. Service Areas were created for the purpose of recording specific activities and related objectives in accordance with legislated requirements.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

20. Segmented information (continued)

City Departments and the activities for which they are responsible are reported in these Service Areas. The Departments listed in the segmented information, along with the services that each Department provides are listed below:

Police Services

The mandate of the Police Service includes enforcing laws, preventing crime, and maintaining peace, order, and security.

Parks, Recreation and Culture Services

The Parks, Recreation and Culture Department is responsible for planning, facilitating the development of, operating and maintaining high quality parks, recreation and cultural facilities and services.

General Government Services – Mayor & Councillors’ Department, City Manager’s Department, Finance Department, Corporate Services Department, Surrey City Development Corporation, and Surrey Homelessness and Housing Society

General Government Services includes those elements of the organization with responsibility for adopting by-laws, adopting administrative policy, levying taxes, acquiring, disposing and managing City assets, ensuring effective financial management, monitoring performance and ensuring that high quality City service standards are met. The Surrey City Development Corporation, which engages in land development activities, and the Surrey Homelessness and Housing Society, which focuses on addressing homelessness in Surrey through raising funds and the provision of grants to worthy projects, also form part of General Government Services.

Roads and Traffic Safety Services

The Roads & Traffic Safety Utility provides effective managed transportation systems that serve the mobility needs of individuals and businesses and are safe, secure and support the economic vitality of the City, and protect and enhance the environment.

Water Services

The Water Utility operates the water system and its primary responsibility, in partnership with the Operations Division and Metro Vancouver, is to supply clean, safe drinking water to the residences and businesses of Surrey.

Fire Services

The mandate of the Fire Department is to enforce codes and maintain security by protecting life, property and the environment through the provision of emergency response services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

20. Segmented information (continued)

Sewer Services

The Sewer Utility operates the network of sewer mains, to collect sewage and convey such sewage to treatment plants. The utility also plans, designs, and constructs sanitary sewer infrastructure; manages inflow and infiltration controls; and undertakes initiatives in support of the region's Integrated Liquid Waste Resource Management Plan.

Solid Waste Management Services

The Solid Waste Utility provides weekly residential curbside organic waste collection with alternating bi-weekly garbage and recycling collection services via a fully automated cart-based collection system.

Drainage Services

The Drainage Utility operates the network of storm sewers and pump stations for storm water management. Its primary responsibility is to manage the City's storm water runoff in partnership with Metro Vancouver.

Planning and Development Services

The Planning and Development Department is responsible for preparing land use plans, by-laws and policies for sustainable development of the City and for reviewing and approving new land and building development.

Surrey Public Library Services

The Surrey Public Library provides access to local and global information through its 11 Library branches located throughout the City.

Engineering Services

The Engineering Department is responsible for providing timely and effective services relating to water, sewer, drainage, solid waste collection, transportation systems, and corporate real estate.

Surrey City Energy

Surrey City Energy Utility operates a network of thermal energy systems. This utility provides these systems to new and existing developments throughout the Surrey City Centre area.

Parking

The Parking Authority Utility that plans, manages and enforces the City's on and off-street parking assets, employing leading edge technologies, such as license plate recognition and pay stations that provide a user-friendly interface, improved theft security and efficient enforcement.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

NOTE	20 SEGMENTED INFORMATION	Parks, Recreation and Culture	General Government	Roads & Traffic Safety	Water	Fire Services	Sewer	Solid Waste Management	Drainage	Planning and Development	Library Services	Engineering	Surrey City Energy	Parking	2022
REVENUES															
Taxation, grants-in-lieu, assessments \$	-	\$ 921,794	\$ 32,166	\$ 1	\$ (1)	\$ 426	\$ -	\$ 43,561	\$ -	\$ -	\$ -	\$ -	\$ 997,947		
Collections for other authorities	-	(464,941)	-	-	-	-	-	-	-	-	-	-	\$ (464,941)		
EXPENSES															
Sales of goods and services	1,990	25,795	456,853	32,166	1	(1)	426	43,561	224	8,335	4,827	3,185	533,006		
Development cost charges	-	-	35,064	1,564	86,995	5,216	74,703	48,800	5,213	-	-	-	301,948		
Developer contributions	-	537	122,761	-	-	-	-	9,022	-	30	244	1,100	18	122,761	
Investment income	-	-	69,528	164,632	2,308	-	3,946	-	50	-	-	-	251,385		
Transfers from other governments	6,835	2,135	39,719	-	142	-	71	21	-	6,540	-	-	40,903		
Other	6,849	3,322	14,946	37,927	-	-	8	-	-	982	-	-	69,391		
	15,674	31,789	793,929	238,844	90,780	5,249	79,831	49,025	59,864	36,831	1,339	12,375	5,963	3,350	1,424,543
Salaries and benefits	76,891	63,325	43,526	5,158	1,247	70,431	937	-	1,956	25,407	16,987	44,480	778	673	351,806
RCMP contracted services	134,780	-	-	-	-	-	-	-	-	-	-	-	-	-	134,780
Consulting and professional services	6,857	4,240	2,873	1,754	592	333	472	545	1,943	1,254	159	1,127	84	99	22,332
Telephone and communications	523	310	537	35	14	185	22	6	18	85	36	235	6	55	2,067
Regional district utility charges	-	-	-	-	68,569	-	56,570	-	-	-	-	-	-	-	125,139
Utilities	603	4,543	53	3,943	107	432	1,643	197	18	528	367	1,011	2,320	4	15,769
Garbage collection and disposal	17	1,075	2	1	-	25	-	25,523	-	-	6	58	-	-	26,707
Maintenance and small equipment	1,414	8,922	8,548	429	403	1,464	421	421	18	4,906	313	1,277	99	68	28,703
Insurance and claims	27	1	4,955	-	-	16	-	557	-	8	-	23	-	-	5,587
Leases and rentals	2,301	1,904	457	1,272	735	10	1,067	216	1,536	56	45	2,452	32	9	12,092
Supplies and materials	1,888	8,937	2,811	6,054	1,541	2,668	1,715	866	1,045	744	549	6,163	78	28	35,087
Advertising and media	125	201	433	3	-	-	-	37	1	11	2,112	18	-	-	2,941
Grants and sponsorships	1	2,470	7,693	-	-	-	-	-	-	9	-	-	-	-	10,173
Contract payments	1,165	5,795	723	8,903	851	264	531	2,425	1,614	105	55	2,738	138	213	25,520
Other	2,647	2,185	3,724	309	337	1,917	1,013	9	1,335	1,314	841	1,028	51	-	16,710
Cost recoveries, net	748	391	(7,043)	11,522	7,883	(2,284)	3,658	3,978	6,318	(474)	662	(50,757)	(53)	(45)	(25,496)
Interest on debt	-	-	8,695	-	-	-	-	2,958	-	-	-	-	-	-	11,353
Other interests and fiscal services	24	374	764	-	(31)	-	2	-	183	10	11	117	33	33	1,487
Amortization expense	1,300	19,934	14,123	46,612	10,394	2,320	13,192	1,809	21,618	35	1,874	6,843	1,282	1,104	142,440
	231,311	124,607	92,874	85,995	92,642	77,781	81,243	39,247	37,420	34,162	24,035	16,707	4,932	2,241	945,197
Excess (deficiency) of revenues over expenses	(215,637)	(92,818)	701,055	152,849	(1,862)	(72,532)	(1,412)	9,778	22,144	2,669	(22,696)	(4,332)	1,031	1,109	479,346
Transfer from (to) operating funds	66,574	3,055	(124,176)	25,639	8,344	4,900	9,534	(6,158)	(7,536)	1,124	22,768	1,911	11,178	(469)	-
Transfer from (to) reserve funds	(962)	(601)	(57,644)	42,342	5,268	(1,377)	11,760	(35)	3,268	100	(3,337)	96	1,415	(1,881)	-
Transfer from (to) capital funds	1,209	(6,285)	39,616	(9,286)	2,462	-	(9,081)	-	(5,332)	-	(17)	58	(11,473)	-	
Annual surplus (deficit)	\$ (148,816)	\$ (96,629)	\$ 558,851	\$ 211,544	\$ (2,476)	\$ (69,009)	\$ 10,801	\$ 3,585	\$ 12,544	\$ 3,500	\$ 155	\$ (6,700)	\$ 832	\$ 164	\$ 479,346

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

NOTE	20 SEGMENTED INFORMATION	Polic	Parks, Recreation and Culture	General Roads & Traffic Government	Roads & Traffic Safety	Water	Fire Services	Sewer	Solid Waste Management	Drainage	Planning and Development	Library Services	Engineering	Surrey City Energy	Surrey City	Parking	2021
REVENUES																	
Taxation, grants-in-lieu, assessments	\$ -	\$ -	\$ 860,677	\$ 31,700	\$ 13	\$ -	\$ 504	\$ -	\$ 41,762	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 934,656	\$ (416,256)
Collections for other authorities																	
Taxation revenue	-	-	444,421	31,700	13	-	-	-	41,762	-	-	-	-	-	-	-	-
Sales of goods and services	2,007	13,457	31,524	820	86,808	3,796	71,438	504	46,547	41,762	5,512	140	7,680	3,699	2,560	518,400	
Development cost charges	-	-	44,991	-	-	-	-	-	-	-	-	-	-	-	-	-	275,990
Developer contributions	-	413	58,281	131,477	4,343	-	-	4,055	-	9,440	-	23	-	-	-	-	44,991
Investment income	-	8	17,689	-	167	-	96	28	-	27	-	-	-	-	-	-	208,220
Transfers from other governments	8,064	1,627	15,875	17,926	(1)	178	-	4,986	-	1,008	-	-	-	-	-	-	18,015
Other	147	2,217	27,273	1,384	1,323	(115)	668	195	29,557	44	3,778	46	-	-	-	-	49,835
EXPENSES																	
Salaries and benefits	40,614	49,588	50,883	6,524	-	64,281	-	-	-	23,738	14,519	43,572	715	584	295,018	-	169,623
RCMP contracted services	169,623	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consulting and professional services	2,857	3,279	1,753	1,987	363	175	623	953	1,987	2,760	167	1,036	155	116	18,211	-	-
Telephone and communications	456	281	943	49	111	164	18	7	8	80	29	249	3	56	2,354	-	-
Regional district utility charges	-	-	-	-	56,575	-	52,921	-	-	-	-	-	-	-	-	-	109,496
Utilities	607	3,653	36	4,026	76	391	1,732	180	10	539	336	1,476	1,471	4	4	14,537	-
Garbage collection and disposal	17	923	12	59	1	23	-	26,283	-	-	-	-	-	-	-	-	27,379
Maintenance and small equipment	354	7,284	8,092	258	455	1,535	21	312	4	1,450	241	776	97	74	20,953	-	-
Insurance and claims	-	-	3,628	-	-	-	-	434	-	18	-	56	-	-	-	-	4,136
Leases and rentals	1,003	734	(134)	1,096	690	27	1,004	222	1,412	1,412	17	43	2,135	12	8,261	-	-
Supplies and materials	997	7,005	1,901	3,083	1,709	2,662	1,652	1,272	731	1,480	473	5,073	20	59	28,117	-	-
Advertising and media	51	245	199	48	-	3	-	46	-	28	3,013	27	-	-	-	-	3,660
Grants and sponsorships	1	1,301	9,717	-	-	-	-	-	-	3	12	-	-	-	-	-	11,034
Contract payments	5	4,649	611	7,634	739	114	746	2,423	1,508	21	36	2,203	157	197	21,043	-	-
Other	1,722	1,599	3,977	186	192	1,984	650	3	580	1,221	969	939	71	1	14,094	-	-
Cost recoveries, net	8	36	(5,840)	8,485	9,206	(2,914)	4,492	4,406	7,603	(484)	640	(48,983)	(4)	(13)	(23,392)	-	-
Interest on debt	-	-	6,651	520	-	-	-	-	-	-	-	-	-	-	-	-	9,309
Other interests and fiscal services	23	175	10,075	45,771	10,075	(4)	-	(10)	-	175	4	11	141	30	1,065	-	-
Amortization expense	1,364	19,391	15,091	-	-	-	-	-	21,353	35	1,872	6,998	1,066	1,104	142,707	-	-
	219,702	100,743	98,020	79,186	80,088	70,670	77,091	41,719	35,206	31,081	22,360	15,623	3,892	2,224	877,605	-	-
Excess (deficiency) of revenues over expenses	(209,484)	(83,021)	542,034	104,171	12,565	(66,989)	(152)	5,051	21,201	3,988	(21,145)	(4,165)	34	1,428	305,516	-	-
Transfer from (to) operating funds	27,303	-	(71,089)	24,635	1,794	-	3,425	(6,737)	(3,602)	-	21,482	100	3,925	(1,106)	-	-	-
Transfer from (to) reserve funds	(2,278)	(747)	(27,800)	27,396	2,341	(1,297)	2,537	(619)	3,933	(263)	(3,303)	-	-	-	-	-	-
Transfer from (to) capital funds	446	(10,080)	45,318	(16,751)	(3,524)	-	(9,165)	-	(3,790)	1,885	(40)	24	(4,148)	(175)	\$ 147	\$ 305,516	-
Annual surplus (deficit)	\$ (184,013)	\$ (93,848)	\$ 488,453	\$ 139,451	\$ 13,176	\$ (68,286)	\$ (3,355)	\$ (2,305)	\$ 17,742	\$ 5,610	\$ 377	\$ (189)	\$ 147	\$ 147	\$ 147	\$ 305,516	-

**NOTES TO THE CONSOLIDATED
CITY OF SURREY FINANCIAL STATEMENTS**

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

21. Transfers from other governments

The Government transfers reported on the Consolidated Statement of Operations are comprised of the following:

	2022	2021
Revenue		
BC Provincial government grants:		
Ministry of Transportation and Infrastructure	\$ 8,207	\$ 341
Traffic fines revenue sharing	6,368	7,528
Casino revenue sharing	3,313	1,750
Flood mitigation funding	2,739	2,132
Childcare and seniors	1,422	1,707
Arts, Communities, and Sundry	1,398	94
Local government climate action program	1,175	-
Library operating and BC one Card	981	1,008
ICBC road improvement	655	1,003
Victim services	219	210
Roads	213	49
Clean energy vehicle fast charging stations	18	83
Climate action revenue incentive program	-	215
Subtotal BC Provincial government grants	26,708	16,120
Federal government grants:		
Rapid housing initiative	6,846	9,694
Water, drainage and sewer	3,407	3,031
Roads and parking	658	123
Building & facility improvements	656	198
SAFE program	487	533
Arts and heritage grants	213	109
Keep of prisoners	115	136
Childcare and youth	61	94
Summer students	35	16
Subtotal Federal government grants	12,478	13,934
TransLink:		
Arterial widening and intersection improvements	168	214
Arterial paving	8,659	939
Arterial bridges	2,891	6,643
Structures	5,436	-
Road operating and maintenance	4,477	4,002
Road general rehabilitation	2,265	1,797
Traffic signals, signs, and markings	1,936	2,399
Bicycle street network and other transit projects	2,695	508
Subtotal TransLink grants	28,527	16,502
UBCM community works fund:	1,678	3,283
Total transfers from other government revenues	\$ 69,391	\$ 49,839

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CITY OF SURREY

For the year ended December 31, 2022
[tabular amounts in thousands of dollars]

22. Budget data

The budget data presented in these consolidated financial statements was included in the City of Surrey 2022-2026 Consolidated Financial Plan and was adopted through By-law #20484 on December 24, 2021. The following table reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget Amount
Approved consolidated budgeted revenues	<u>\$ 1,237,929</u>
Approved consolidated budgeted expenditures	1,489,399
Transfers between funds	<u>(230,970)</u>
	1,258,429
Less:	
Capital expenditures	(579,334)
Municipal debt principal repayments	(10,449)
Add:	
Transfers between funds	<u>230,970</u>
Total Expenses:	<u>899,616</u>
Annual surplus per statement of operations	<u>\$ 338,313</u>

23. Comparative figures

Certain comparative information has been reclassified to conform to the financial statement presentation adopted in the current year.

24. Subsequent Events

- (i) On February 14, 2023, the City of Surrey received \$11.3 million from the Canada Mortgage and Housing Corporation as part of Rapid Housing Initiative flow-through grant funding to assist with the development of supportive housing units for vulnerable populations, in partnership with external service providers.

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

*For the year ended December 31, 2022
[tabular amounts in thousands of dollars]*

24. Subsequent Events (continued)

- (ii) On March 3, 2023, the Province of BC's Ministry of Municipal Affairs announced the Growing Communities Fund which provides a one-time total of \$1.0 billion in grants to all 188 BC municipalities and regional districts to help local governments prioritize local infrastructure and amenities projects. \$89.9 million was allocated to the City of Surrey based on the province's distribution formula incorporating population size and per-capita population growth.

25. Changes in Accounting Standards

Effective January 1, 2023, the City will be required to apply the new PSAS standard PS3280 Asset Retirement Obligations. Under this standard, a liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement cost is expensed.

The City believes that the primary obligations will be associated with the removal of asbestos, disposal of certain equipment with hazardous materials, and remediating leased sites to their original condition. The City has not completed its estimate of the future liabilities related to these obligations, primarily the removal and disposal of asbestos which is believed to be prevalent throughout the City's buildings and infrastructure assets that were built prior to the mid-1980s.

At present, only rough estimates are available and the processes to ensure completeness of the obligations are still being performed. Over the remainder of 2023, the City will work on establishing reliable estimates and ensuring all obligations are captured, in order to recognize management's best estimate under the Standard.

SCHEDULE 1
TANGIBLE CAPITAL ASSETS CITY OF SURREY

As at December 31, 2022 [in thousands of dollars]

	Land and land improvements	Land under road	Buildings and building improvements	Infrastructure	Machinery and equipment	Assets under construction	Balance at December 31, 2022
COST							
Opening Balance	\$ 2,161,128	\$ 3,427,817	\$ 807,514	\$ 5,187,648	\$ 324,121	\$ 224,507	\$ 12,132,735
Additions and transfers	119,622	152,731	3,260	106,223	14,829	52,872	449,537
Disposals	(3,680)	-	(3,079)	(5,972)	(7,181)	-	(19,912)
Ending Balance	2,277,070	3,580,548	807,695	5,287,899	331,769	277,379	12,562,360
ACCUMULATED AMORTIZATION							
Opening Balance	101,502	-	318,798	1,889,074	191,476	-	2,500,850
Amortization	5,241	-	23,251	93,458	20,490	-	142,440
Accum. amort. on disposals	(1,391)	-	(2,969)	(3,816)	(7,165)	-	(15,341)
Ending Balance	105,352	-	339,080	1,978,716	204,801	-	2,627,949
NET BOOK VALUE	\$ 2,171,718	\$ 3,580,548	\$ 468,615	\$ 3,309,183	\$ 126,968	\$ 277,379	\$ 9,934,411
	Land and land improvements	Land under road	Buildings and building improvements	Infrastructure	Machinery and equipment	Assets under construction	Balance at December 31, 2021
COST							
Opening Balance	\$ 2,106,924	\$ 3,311,025	\$ 791,081	\$ 5,051,243	\$ 316,750	\$ 266,493	\$ 11,843,516
Additions and transfers	57,462	116,792	16,433	139,694	15,462	(41,986)	303,857
Disposals	(3,258)	-	-	(3,289)	(8,091)	-	(14,638)
Ending Balance	2,161,128	3,427,817	807,514	5,187,648	324,121	224,507	12,132,735
ACCUMULATED AMORTIZATION							
Opening Balance	96,670	-	294,793	1,799,944	177,801	-	2,369,208
Amortization	5,145	-	24,005	91,939	21,618	-	142,707
Accum. amort. on disposals	(313)	-	-	(2,809)	(7,943)	-	(11,065)
Ending Balance	101,502	-	318,798	1,889,074	191,476	-	2,500,850
NET BOOK VALUE	\$ 2,059,626	\$ 3,427,817	\$ 488,716	\$ 3,298,574	\$ 132,645	\$ 224,507	\$ 9,631,885

PERMISSIVE EXEMPTIONS

STATEMENT OF 2022 PERMISSIVE EXEMPTIONS CITY OF SURREY

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
			Total Exemption \$ 2,114,717
	10644 CITY PKY	A.C.A. Afghan Canadian Association of B.C.	5,304
	10625 KING GEORGE BLVD	Abraar Foundation	1,928
204	12639 80 AVE	Akal Academy Society	3,367
	12268 BEECHER ST	All Saints Community Church	3,868
	5441 125A ST	Al-Mustafa Academy (Canadian Hussaini Association)	3,455
	12740 102 AVE	Amazing Grace United Church	3,952
	10553 148 ST	Anglican Church of the Epiphany	2,818
	11927 96A AVE	Arthur Hedley House	1,902
	13630 GROSVENOR RD	Association of Islamic Charitable Projects (AICP)	425
	12210 AGAR ST	Association of Neighbourhood Houses of BC	596
	12210 AGAR ST	Association of Neighbourhood Houses of BC	5,980
	2916 MCBRIDE AVE	Association of Neighbourhood Houses of BC - Camp Alexandra	3,668
	2916 MCBRIDE AVE	Association of Neighbourhood Houses of BC - Camp Alexandra	10,441
101	9706 188 ST	B C Wildlife Federation	5,417
	19550 FRASER HWY	Baltic Properties (Brookside) Ltd.	21,479
	19218 96 AVE	Baron von Mackensen House ("The Castle")	1,055
	15220 92 AVE	BC Family Hearing Resource Centre	19,809
211	12837 76 AVE	BC Genealogical Society	4,008
	13585 62 AVE	BC Muslim Association	1,811
	12407 72 AVE	BC Muslim Association	3,665
	7234 124 ST	BC Muslim Association	1,353
	16748 50 AVE	BC SPCA	5,312
	8383 140 ST	Bear Creek Community Church	2,528
	6062 132 ST	Berea Baptist Church	5,781
	14853 60 AVE	Bethany Newton United Church	6,509
	16321 108 AVE	Bethesda Christian Association	2,391
	16811 60 AVE	Boothroyd Heritage House	2,827
	12888 CRESCENT RD	Brynjolfson Residence	1,056
	5724 176 ST	Buddhist Compassion Relief Tze Chi Foundation of Canada	6,620
	16293 104 AVE	Calvary Christian Church	8,613
121	7536 130 ST	Calvary Grace Church (Faith and Vision)	3,445
	7170 132 ST	Calvary Pentecostal Tabernacle	4,156
	11125 124 ST	Calvary Worship Centre	4,012
	8365 140 ST	Canadian Ramgarhia Society	3,490
	17473 60 AVE	Canadian Reformed Church of Cloverdale	4,618
	5818 182 ST	Cecil Heppell House	2,144
	10330 144 ST	Cedar Grove Baptist Church	11,050
	12256 98 AVE	Cedar Hills Pentecostal Lighthouse Church	2,539

**STATEMENT OF 2022
CITY OF SURREY PERMISSIVE EXEMPTIONS**

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
4	12332 PATTULLO PL	Celebration Christian Fellowship International	540
5	12332 PATTULLO PL	Celebration Christian Fellowship International	999
6	12332 PATTULLO PL	Celebration Christian Fellowship International	1,602
	8041 132 ST	Celebration Life Ministries	3,298
	13453 111A AVE	Cherington Intercare Inc.	14,459
	16591 BELL RD	Christ Church Anglican Cemetery	5,089
	16631 OLD MCLELLAN RD	Christ Church Surrey Centre	2,681
	13388 104 AVE	Christ The King Lutheran Church	2,541
	16613 BELL RD	Christ The Redeemer Anglican Church	4,986
	17171 80 AVE	Christ Worship Centre	5,376
	18780 58 AVE	Christians' Gospel Society	1,059
	15048 92 AVE	Church of Christ	2,478
	10122 140 ST	Church of Jesus Christ of Latter Day Saints	12,200
	15450 20 AVE	Church of Jesus Christ of Latter Day Saints	6,653
	6270 126 ST	Church of Jesus Christ of Latter Day Saints	14,144
	13062 104 AVE	City Centre Church	3,252
	18788 71 AVE	Clayton Heights Care Holdings	26,140
	18685 64 AVE	Cloverdale Baptist Church	12,886
	18603 60 AVE	Cloverdale Bibleway Church & Christian Academy	3,907
	17575 58A AVE	Cloverdale United Church	3,587
108	17828 65A AVE	Coast Hills Community Church	4,178
109	17828 65A AVE	Coast Hills Community Church	4,277
	2201 148 ST	Coastal Football Club	1,812
	2201 148 ST	Coastal Football Club	1,378
	2854 OHARA LANE	Cobblestones	1,461
	15659 96 AVE	Community Living Society	2,354
	8041 COOPERSHAWK CRT	Community Living Society	2,838
	15293 95 AVE	Community Living Society	2,143
	14625 108 AVE	Connecting Community Church	2,627
3314	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3317	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	393
3318	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3349	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	398
3367	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3364	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	439
3366	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3368	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	399
3374	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401
3302	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3304	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401

STATEMENT OF 2022 PERMISSIVE EXEMPTIONS CITY OF SURREY

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
3306	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3310	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3312	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401
3316	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401
3320	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	407
3321	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3322	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	397
3323	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3324	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3326	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	394
3330	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3334	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	394
3336	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	421
3340	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3342	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	394
3344	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	396
3346	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3347	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	452
3348	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	395
3352	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	397
3354	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	398
3356	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	407
3361	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	394
3357	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401
3353	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3351	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	394
3343	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	389
3341	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3337	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	391
3335	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3333	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401
3331	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3329	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401
3327	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	401
3325	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	392
3313	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3307	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	393
3303	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3301	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	394
	13951 CRESCENT RD	Daniel Johnson House	1,986

**STATEMENT OF 2022
CITY OF SURREY PERMISSIVE EXEMPTIONS**

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	9243 152 ST	Danish Lutheran Church "Granly"	2,761
	13455 76 AVE	DIVERSEcity Community Resources	29,363
	9025 160 ST	Elim Housing Society	17,267
	9067 160 ST	Elim Housing Society	21,452
	11187 ELLENDALE DR	Elizabeth Fry Society	6,693
	17029 16 AVE	Emmanuel Evangelical Covenant Church	4,376
	13591 BINNIE LANE	Emmanuel Romanian Pentecostal Church	1,570
	13575 KING GEORGE BLVD	Emmanuel Romanian Pentecostal Church	2,328
	13585 BINNIE LANE	Emmanuel Romanian Pentecostal Church	16,986
	15660 84 AVE	Evergreen Cottages	9,357
1	12988 84 AVE	Faith Dominion Ministry	1,788
	7086 124 ST	Faith Evangelical Lutheran Church	6,747
	10922 SCOTT RD	Fatimia Education Association	3,518
	10906 LARSON RD	Fatimia Education Association	1,661
	10926 SCOTT RD	Fatimia Education Association	3,611
	14040 32 AVE	Feedham House	3,008
	9165 160 ST	Fleetwood Christian Reformed Church	6,417
	8725 158 ST	Fleetwood Gospel Hall	5,779
	8250 161 ST	Fleetwood International Church	4,112
	16011 83 AVE	Fleetwood Place Holdings	18,682
	14756 88 AVE	Fraser Region Aboriginal Friendship Centre Association	2,087
	14589 108 AVE	Fraser Region Aboriginal Friendship Centre Association - Awahsuk Aboriginal Headstart Pre-School	2,240
	3136 MCBRIDE AVE	Fraser Valley Heritage Railway Society	4,511
	5554 176 ST	Fraser Valley Heritage Railway Society	19,304
	18790 58 AVE	Free Presbyterian Church in Cloverdale	1,423
	13175 107 AVE	Gateway Baptist Church	4,159
	14805 57 AVE	George Rankin House	2,115
	13560 105A AVE	Ghausia International Foundation of Canada	3,280
	10528 135A ST	Ghausia International Foundation of Canada	5,391
	13570 78 AVE	Grace Baptist Church	5,049
	9770 KING GEORGE BLVD	Grace Hanin Community Church	51,920
	3487 KING GEORGE BLVD	Gracepoint Community Church	14,977
	12057 88 AVE	Great Light Healing Ministries International	5,092
	15577 82 AVE	Greater Vancouver Assembly Hall of Jehovah's Witnesses	13,477
114	12975 84 AVE	Greater Vancouver Youth for Christ	4292
115	12975 84 AVE	Greater Vancouver Youth for Christ	3,603
	9635 132 ST	Greek Orthodox Community Church	1,568
	13181 96 AVE	Greek Orthodox Community of Surrey and Fraser Valley Association	2,550
	14219 88 AVE	Green Timbers Covenant Church	4,563

STATEMENT OF 2022 PERMISSIVE EXEMPTIONS CITY OF SURREY

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	15290 103A AVE	Guildford Islamic Cultural Society	1,382
	15290 103A AVE	Guildford Islamic Cultural Society	2,022
	14568 104A AVE	Guildford Seniors Village	10,976
	14212 88 AVE	Gurdwara Nanaksar Satsang Sabha Society	1,703
	7050 120 ST	Guru Nanak Sikh Temple	28,186
	5988 184 ST	Guru Teg Bahadur Welfare Society	2,987
	14069 104 AVE	Hahn Seok Buddhist Foundation	2,533
	1614 184 ST	Hazelmere United Church	1,556
	5950 179 ST	Hillside Christian Church & School	5,827
	13525 HILTON RD	Hilton Villa Care Centre	21,376
	16520 40 AVE	Historic Collishaw Farm	896
	13753 108 AVE	Holy Cross Ukrainian Catholic Church	4,681
	7975 123A ST	Holy Satsang Foundation	2,911
	7990 123A ST	Holy Satsang Foundation	1,645
	18625 FRASER HWY	Hope Community Church of Surrey	5,231
	15145 68 AVE	Iglesia Ni Cristo (Church of Christ)	5,336
	12969 CRESCENT RD	Imitating Christ Ministries	21,005
	15177 68 AVE	Ismaili Jamatkhana Prayer Centre	8,511
208	14770 64 AVE	Jain Center of BC	1,787
	19533 64 AVE	Jericho Ridge Community Church	8,810
	13055 OLD YALE RD	Jesus Christ (The Kingdom of), the Name Above Every Name, Inc.	2,060
	12645 14B AVE	John Horner House	2,211
	12817 104 AVE	John Howard Society	1,766
	12819 104 AVE	John Howard Society	1,767
	9612 152 ST	Johnston Heights Evangelical Free Church	5,257
	15245 96 AVE	Johnston Heights Evangelical Free Church	3,534
	8870 120 ST	Kennedy Community Hall Association	9,794
	3138 MCBRIDE AVE	Kerala Christian Fellowship Society	3,183
	8599 132 ST	Kerala Christian Fellowship Society	956
105	7938 128 ST	Khalsa Diwan Society of Surrey BC	3,160
104	7938 128 ST	Khalsa Diwan Society of Surrey BC	1,610
103	7938 128 ST	Khalsa Diwan Society of Surrey BC	1,373
107	7938 128 ST	Khalsa Diwan Society of Surrey BC	2,325
108	7938 128 ST	Khalsa Diwan Society of Surrey BC	3,015
202	7938 128 ST	Khalsa Diwan Society of Surrey BC	3,064
201	7938 128 ST	Khalsa Diwan Society of Surrey BC	1,721
215	7938 128 ST	Khalsa Diwan Society of Surrey BC	5,954
212	7938 128 ST	Khalsa Diwan Society of Surrey BC	1,869
	10110 175A ST	Korean Central Presbyterian Church	4,518
	15688 106A AVE	Kwanglim Methodist Church in Canada	5,804

**STATEMENT OF 2022
CITY OF SURREY PERMISSIVE EXEMPTIONS**

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	16837 94A AVE	Lam Ty Ni (Lumbini) Buddhist Temple	2,076
	9688 137A ST	Laurel Place Care Centre Partnership	38,059
	9012 160 ST	Legacy - A Church of the Nazarene	8,018
	17655 57 AVE	Lighthouse Spiritual Centre	2,950
	12265 99A AVE	Living Hope Christian Fellowship	2,807
	12246 100 AVE	Living Hope Christian Fellowship	3,912
	10008 128 ST	Lookout Housing and Health Society	2,238
	10667 135A ST	Lookout Housing and Health Society	19,843
	10689 135A ST	"Lookout Housing and Health Society (Surrey HIV/AIDS Centre)"	8,480
	11334 RIVER RD	Louis Dahl	713
	17890 62 AVE	Lower Fraser Valley Exhibition Assn.	1,860
	17890 62 AVE	Lower Fraser Valley Exhibition Assn.	2,274
	19495 36 AVE	Lower Mainland German Shepherd Dog Club	15,870
	13260 108 AVE	Manawmaya Theravada Buddhist Society Inc.	1,836
	12300 92 AVE	Maranatha Canadian Reformed Church	5,765
	13526 98A AVE	Masjid Al Noor "Mosque of Lights"	4,497
	14042 GROSVENOR RD	Masonic Building Association of North Surrey	3,275
	15955 27 AVE	Morgan Heights Care	19,087
	3288 156A ST	Morgan Place Holdings	24,500
	2350 148 ST	Mount Olive Lutheran Church	4,480
	14136 GROSVENOR RD	Muslim Education & Welfare Foundation of Canada	1,891
104	12941 115 AVE	Muslim Food Bank and Community Services Society	5,894
	8868 128 ST	New Life Ministries	7,910
	7328 144 ST	Newton Fellowship Baptist Church	5,903
	13579 BENTLEY RD	Nichiren Shoshu Temple	1,363
	13044 96 AVE	North Surrey Gospel Chapel	2,707
	8855 156 ST	Northwood United Church	6,141
	1577 128 ST	Ocean Park Community Hall	5,544
	14832 24 AVE	Ocean Park Congregation of Jehovah's Witnesses	5,933
115	13045 84 AVE	On the Water Rich Media Ministry	5,778
	9815 140 ST	OPTIONS - Surrey Community Services Society	28,607
	9803 140 ST	Options Community Services Society	2,372
	13582 68 AVE	Options Community Services Society	2,024
	13520 78 AVE	Options Community Services Society	21,298
	10460 139 ST	Our Lady of Good Counsel Church and School (Roman Catholic Archbishop of Vancouver)	18,612
	5337 180 ST	Pacific Community Church of the Christian and Missionary Alliance	17,621
	5435 123 ST	Panorama Ridge Riding Club	467
	5435 123 ST	Panorama Ridge Riding Club	6,153
	12953 20 AVE	Parish of St. Mark - Ocean Park	6,455
	9574 160 ST	Parkland Fellowship Baptist Church	8,703

STATEMENT OF 2022 PERMISSIVE EXEMPTIONS CITY OF SURREY

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	15435 16A AVE	Peace Arch Hospice Society	11,741
	15128 27B AVE	Peace Portal Alliance Church	64,011
	15441 16 AVE	Peace Portal Lodge	6,222
	2756 127 ST	Peninsula United Church	3,209
	15639 24 AVE	Peninsula United Church	3,301
	14456 104A AVE	People's Full Gospel Church	11,612
	9135 132 ST	Philadelphia Church of Vancouver Society	4,574
	13959 100 AVE	Phoenix Drug & Alcohol Recovery and Education Society	5,359
	9942 127A ST	Phoenix Drug & Alcohol Recovery and Education Society	2,847
	12159 SULLIVAN ST	PLEA Community Services Society of BC	5,712
	16590 96 AVE	PLEA Community Services Society of BC	703
	16590 96 AVE	PLEA Community Services Society of BC	2,397
	19131 88 AVE	Port Kells Congregational Christian Church	2,510
	18922 88 AVE	Port Kells Fire Hall No. 7	5,961
	18922 88 AVE	Port Kells Fire Hall No. 7	5,961
	10304 152A ST	Praise International Church	2,246
	17475 59 AVE	Precious Blood Parish	8,422
	7566 120A ST	Progressive Intercultural Community Services Society	624
211	12725 80 AVE	Progressive Intercultural Community Services Society	5,168
205	12725 80 AVE	Progressive Intercultural Community Services Society	1,496
206	12725 80 AVE	Progressive Intercultural Community Services Society	1,507
207	12725 80 AVE	Progressive Intercultural Community Services Society	1,629
208	12725 80 AVE	Progressive Intercultural Community Services Society	1,674
209	12725 80 AVE	Progressive Intercultural Community Services Society	1,491
	14488 72 AVE	Punjabi Masihi Church Society	5,381
	6788 152 ST	Relate Christian Church	25,588
	16940 FRIESIAN DR	Richardson House	1,420
	15240 34 AVE	Rosemary Heights Seniors' Village	17,390
	2598 OHARA LANE	Rothwell House	5,871
	2290 152 ST	Royal Canadian Legion	11,239
	2643 128 ST	Royal Canadian Legion	9,168
	2643 128 ST	Royal Canadian Legion	4,825
	17567 57 AVE	Royal Canadian Legion	11,775
	17567 57 AVE	Royal Canadian Legion	3,304
	6975 123 ST	Satnam Education Society of BC	2,251
	14633 16 AVE	Seaview Pentecostal Assembly	5,153
	8520 132 ST	Surrey Seventh-Day Adventist Church (BC Conference)	8,992
	5588 188 ST	Sonrise Full Gospel Church	6,220
	1290 160 ST	Sources Community Resources Society	3,075
	2343 156 ST	Sources Community Resources Society	9,614

**STATEMENT OF 2022
CITY OF SURREY PERMISSIVE EXEMPTIONS**

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	1951 KING GEORGE BLVD	Sources Community Resources Society	2,297
	15318 20 AVE	Sources Community Resources Society	8,247
102	13771 72A AVE	Sources Community Resources Society	5,003
104	13771 72A AVE	Sources Community Resources Society	2,710
105	13771 72A AVE	Sources Community Resources Society	2,371
110	13771 72A AVE	Sources Community Resources Society	2,449
106	13771 72A AVE	Sources Community Resources Society	3,460
107	13771 72A AVE	Sources Community Resources Society	3,900
	2197 148 ST	South Surrey Field House Society	5,335
	12642 100 AVE	Southside Community Church	3,694
	10492 CITY PKY	Spanish Alliance Church	1,887
	8135 132 ST	Sri Guru Singh Sabha Gurdwara Association	18,603
	8115 132 ST	Sri Guru Singh Sabha Gurdwara Association	24,361
	10222 161 ST	St. Andrew Kim Catholic Parish	9,330
	7147 124 ST	St. Andrews - Newton Presbyterian Church	6,582
	6543 132 ST	St. Bernadette Roman Catholic Church & School	12,390
	10787 128 ST	St. Helen's Anglican Church	712
	10167 148 ST	St. Luke Lutheran Church	8,229
	12996 60 AVE	St. Michael's Anglican Church	4,602
	8679 HARVIE RD	St. Nicolae Romanian Orthodox Church	2,311
	19016 96 AVE	St. Oswald's Anglican Church	4,193
	15024 24 AVE	Star of the Sea School and Good Shepherd Church	9,357
	14557 105A AVE	Strive Living Society	2,690
	6306 152 ST	Sullivan Community Hall	10,958
	13687 62 AVE	Suncreek Village	22,303
	15008 26 AVE	Sunnyside Villas Society	12,499
	13095 60 AVE	Sunshine Hills Congregation of Jehovah's Witnesses	5,626
	6230 120 ST	Sunshine Ridge Baptist Church	8,416
	13474 96 AVE	Surrey Alliance Church	4,502
	17677 56A AVE	Surrey Association for Community Living	1,841
	17687 56A AVE	Surrey Association for Community Living	992
	17687 56A AVE	Surrey Association for Community Living	990
	17687 56A AVE	Surrey Association for Community Living	992
	17687 56A AVE	Surrey Association for Community Living	1,037
	18919 62A AVE	Surrey Association for Community Living	2,642
	8590 160 ST	Surrey Chinese Baptist Church	6,259
	15421 110 AVE	Surrey Christian Alliance Church	3,366
	17400 60 AVE	Surrey Covenant Reformed Church	2,717
15	12484 82 AVE	Surrey Crime Prevention Society	3,802
	13912 104 AVE	Surrey Evangelical Chinese Bible Church	5,115

STATEMENT OF 2022 PERMISSIVE EXEMPTIONS CITY OF SURREY

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
1	13478 78 AVE	Surrey Food Bank Foundation	13,744
2	13478 78 AVE	Surrey Food Bank Foundation	6,156
3	13478 78 AVE	Surrey Food Bank Foundation	6,156
4	13478 78 AVE	Surrey Food Bank Foundation	6,156
5	13478 78 AVE	Surrey Food Bank Foundation	6,156
6	13478 78 AVE	Surrey Food Bank Foundation	6,156
7	13478 78 AVE	Surrey Food Bank Foundation	6,085
	12371 96 AVE	Surrey Free Methodist Church	5,427
	14618 110 AVE	Surrey Grace Community Church	1,775
	14624 110 AVE	Surrey Grace Community Church	2,252
	15964 88 AVE	Surrey Korean Presbyterian Church	6,108
	16870 80 AVE	Surrey Pentecostal Assembly	24,375
	3140 MCBRIDE AVE	Surrey Sailing Club	552
	3140 MCBRIDE AVE	Surrey Sailing Club	3,029
	10776 KING GEORGE BLVD	Surrey Urban Mission Society	14,419
	13821 GROSVENOR RD	Surrey Vietnamese Alliance Church	1,198
	13815 GROSVENOR RD	Surrey Vietnamese Alliance Church	2,246
	9460 140 ST	The Centre for Child Development of the Lower Mainland	15,367
1001	13737 96 AVE	The Children's Foundation	4,099
1002	13737 96 AVE	The Children's Foundation	3,543
1003	13737 96 AVE	The Children's Foundation	3,543
1004	13737 96 AVE	The Children's Foundation	3,091
1005	13737 96 AVE	The Children's Foundation	5,094
1006	13737 96 AVE	The Children's Foundation	4,348
1007	13737 96 AVE	The Children's Foundation	3,610
1008	13737 96 AVE	The Children's Foundation	3,365
1009	13737 96 AVE	The Children's Foundation	3,129
	9630 131A ST	The Church in Surrey	3,270
	13639 108 AVE	The Evidence Church	10,522
208	7750 128 ST	The Muslim Youth Centre	1,704
209	7750 128 ST	The Muslim Youth Centre	1,722
	17215 104 AVE	The Nature Conservancy of Canada	2,552
	17055 106 AVE	The Nature Conservancy of Canada	2,514
	17055 106 AVE	The Nature Conservancy of Canada	5,065
	17122 106 AVE	The Nature Conservancy of Canada	2,939
	17174 106 AVE	The Nature Conservancy of Canada	2,939
	17179 106 AVE	The Nature Trust of British Columbia	434
	17179 106 AVE	The Nature Trust of British Columbia	9,348
	10660 CITY PKY	The Royal Canadian Theatre Company & Streetchip Hop Society	19,848
	15306 24 AVE	The Semiahmoo Foundation	8,132

**STATEMENT OF 2022
CITY OF SURREY PERMISSIVE EXEMPTIONS**

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
3	13550 77 AVE	The Semiahmoo Foundation	6,044
5	13550 77 AVE	The Semiahmoo Foundation	5,496
6	13550 77 AVE	The Semiahmoo Foundation	5,130
	2365 153A ST	The Semiahmoo House Society	2,208
	12698 25 AVE	The Semiahmoo House Society	2,801
	8425 196 ST	Tong Do Sa Buddhist Temple Chogye Order Korea (Seu Kwang Sa Buddhist Temple Society)	2,065
	10704 CITY PKY	Transformation Christian Centre	15,995
	9568 168 ST	Tynehead Community Hall	7,905
	10446 157 ST	Tynehead Park Congregation of Jehovah's Witnesses	3,237
	13512 108 AVE	Ukrainian Orthodox Church of St. Mary (Church Hall)	3,080
	10765 135A ST	Ukrainian Orthodox Church of St. Mary (Church)	2,949
	13546 BENTLEY RD	Vancouver Chinese Zion Church	3,199
	13551 KING GEORGE BLVD	Vancouver Chinese Zion Church	1,020
	15582 96 AVE	Vancouver Christadelphian Ecclesia	3,425
	11565 142 ST	Vancouver Life Church	2,902
	14370 104 AVE	Vancouver New Life Church	1,714
	10370 143A ST	Vancouver New Life Church	1,808
	10381 144 ST	Vancouver New Life Church	947
	8321 140 ST	Vedic Hindu Cultural Society of BC	5,863
	6331 176 ST	Westwinds Community Church	6,878
	9650 137A ST	Whalley & District Senior Citizen Housing Society (Kinsmen Lodge)	32,490
	1657 140 ST	White Rock Baptist Church	3,899
SEPIP	RADIO EQUIP BCH&P	White Rock City	1,735
	14615 16 AVE	White Rock Seventh Day Adventist Church	3,484
	16017 8 AVE	White Rock Seventh Day Adventist Church	2,481
30	3033 KING GEORGE BLVD	White Rock South Surrey Jewish Community Centre	527
	2590 OHARA LANE	Willard Kitchen Heritage House	5,295
	5939 180 ST	Zion Park Manor - Lutheran Senior Citizens Housing Society	3,932

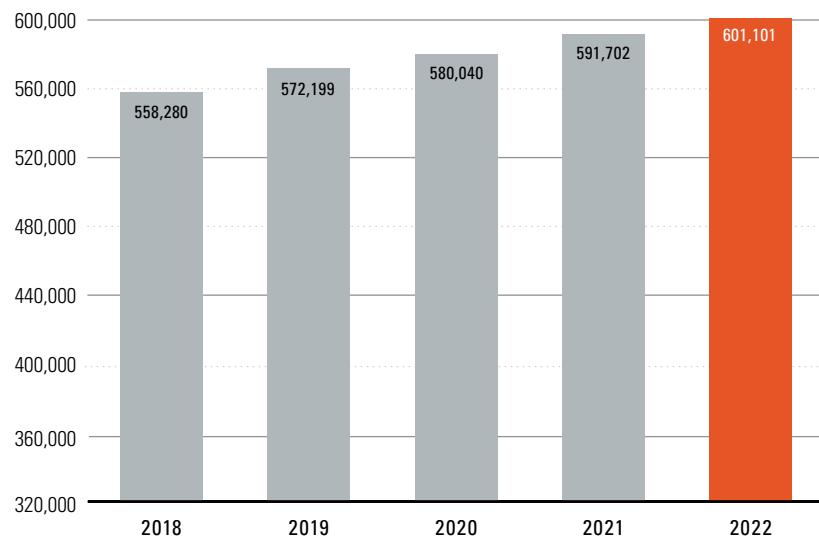


STATISTICAL REVIEW

STATISTICAL REVIEW

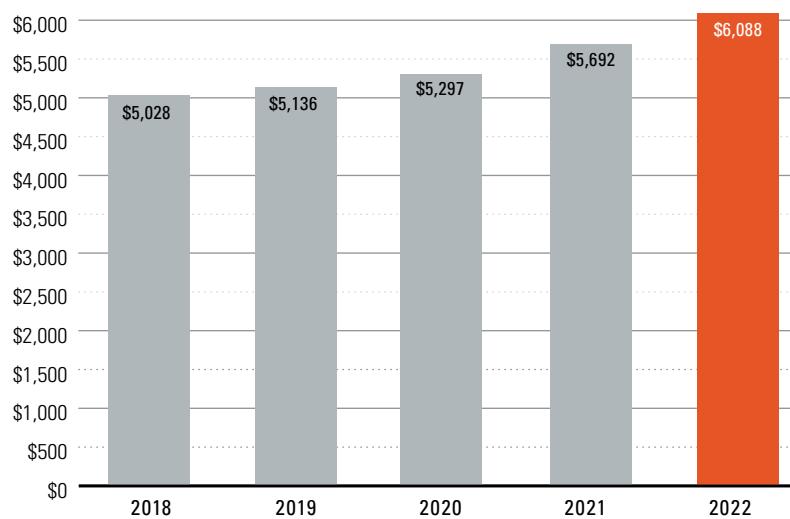
Population

Source: City of Surrey Planning & Development Department



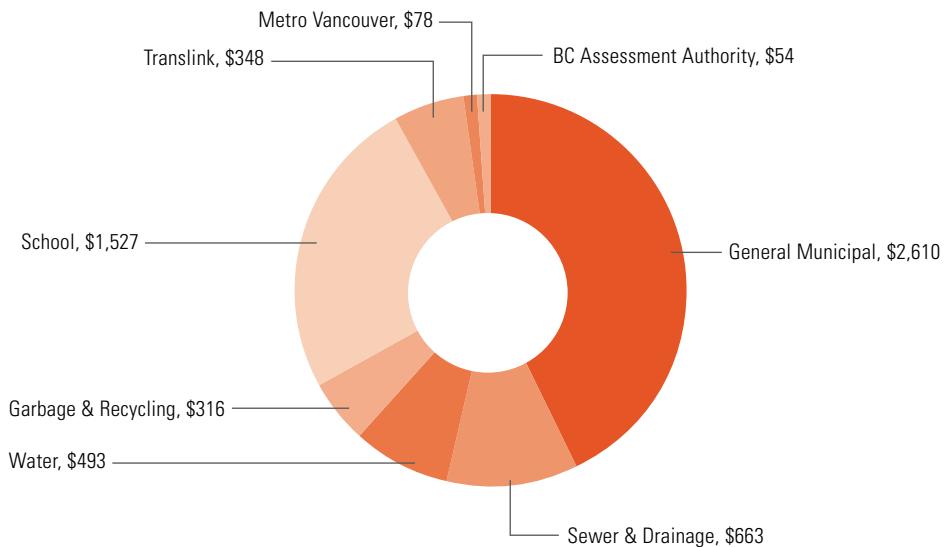
Average Residential Tax and Utilities Bill

Source: City of Surrey Finance Department



2022 Average Residential Tax and Utilities Bill*

Source: City of Surrey Finance Department

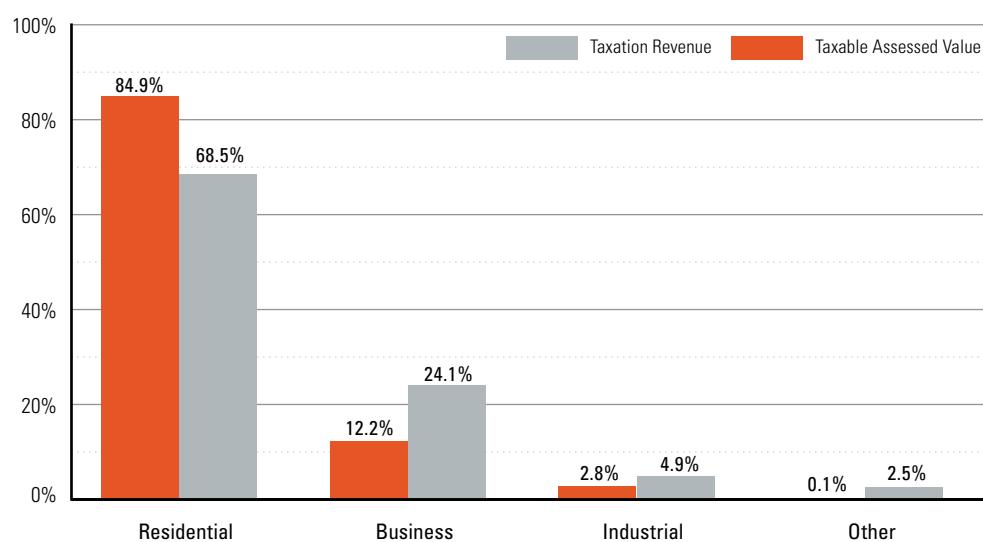


*Based on an Average Residential Dwelling with Assessed Value of \$1,539,883.

Note: If Eligible for full Provincial Home Owner Grant, taxes are reduced by \$570 (\$845 if over 65 years of age or disabled)

2022 Taxable Assessment and Taxation by Property Class

Source: City of Surrey Finance Department



STATISTICAL REVIEW

Taxable Assessment and Property Tax Notice Statistics

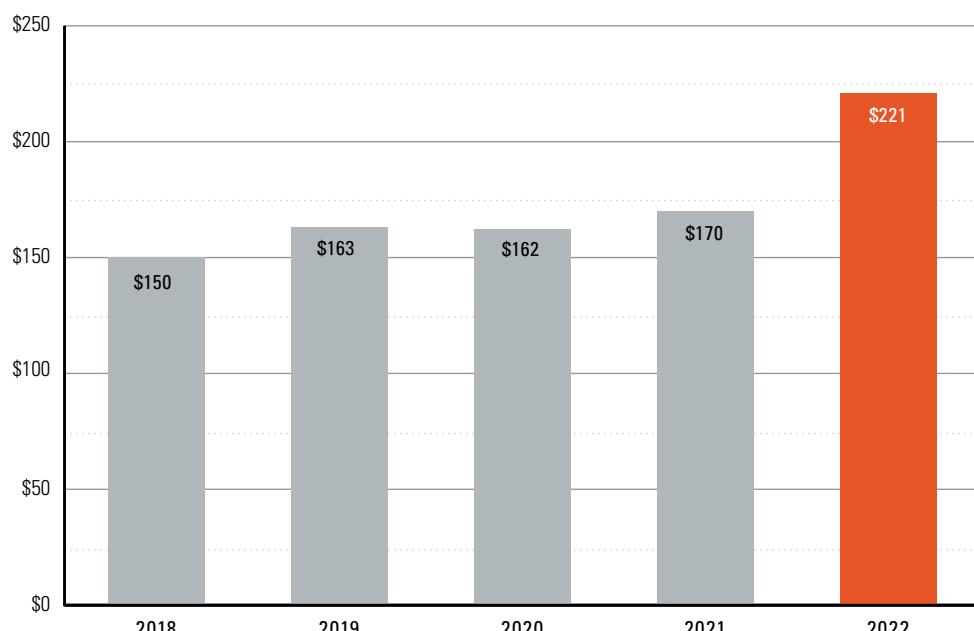
Source: City of Surrey Finance Department

	2018	2019	2020	2021	2022
Taxable Assessment (in thousands)	\$ 150,039,107	\$ 163,008,550	\$ 162,045,304	\$ 170,055,350	\$ 220,919,861
Total Number of Assessed Properties	157,594	160,831	163,360	165,514	168,761
Population	557,390	571,610	580,360	588,490	601,101
Taxable Assessment Per Capita	\$ 269,182	\$ 285,174	\$ 279,215	\$ 288,969	\$ 367,525
Percentage of Taxable Assessment Represented by:					
Residential	87.5%	86.9%	84.9%	84.9%	84.9%
Utilities	0.1%	0.1%	0.1%	0.1%	0.1%
Major Industrial	0.1%	0.1%	0.1%	0.1%	0.1%
Light Industrial	1.9%	2.0%	2.3%	2.6%	2.7%
Business / Other	10.3%	10.8%	12.4%	12.2%	12.2%
Non-Profit Recreation	0.1%	0.1%	0.1%	0.1%	0.1%
Farm	0.0%	0.0%	0.0%	0.0%	0.0%
	100.0%	100.0%	100.0%	100.0%	100.0%
Gross Taxes Collected (in thousands)*					
Current Year's Levy	\$ 761,023	\$ 807,429	\$ 801,021	\$ 933,856	\$ 1,010,287
Current Taxes Collected	746,634	791,112	795,153	917,965	988,771
Current Taxes Outstanding	\$ 14,389	\$ 16,317	\$ 5,868	\$ 15,891	\$ 21,516
Percentage of Taxes Collected	98.1%	98.0%	99.3%	98.3%	97.9%
Levy per Capita	\$ 1,365	\$ 1,413	\$ 1,380	\$ 1,587	\$ 1,681

* Gross Taxes Collected includes all items on the Property Tax Notices: City taxes, garbage rates and secondary suite fees plus collections for other authorities, such as School, TransLink and Metro Vancouver Regional District.

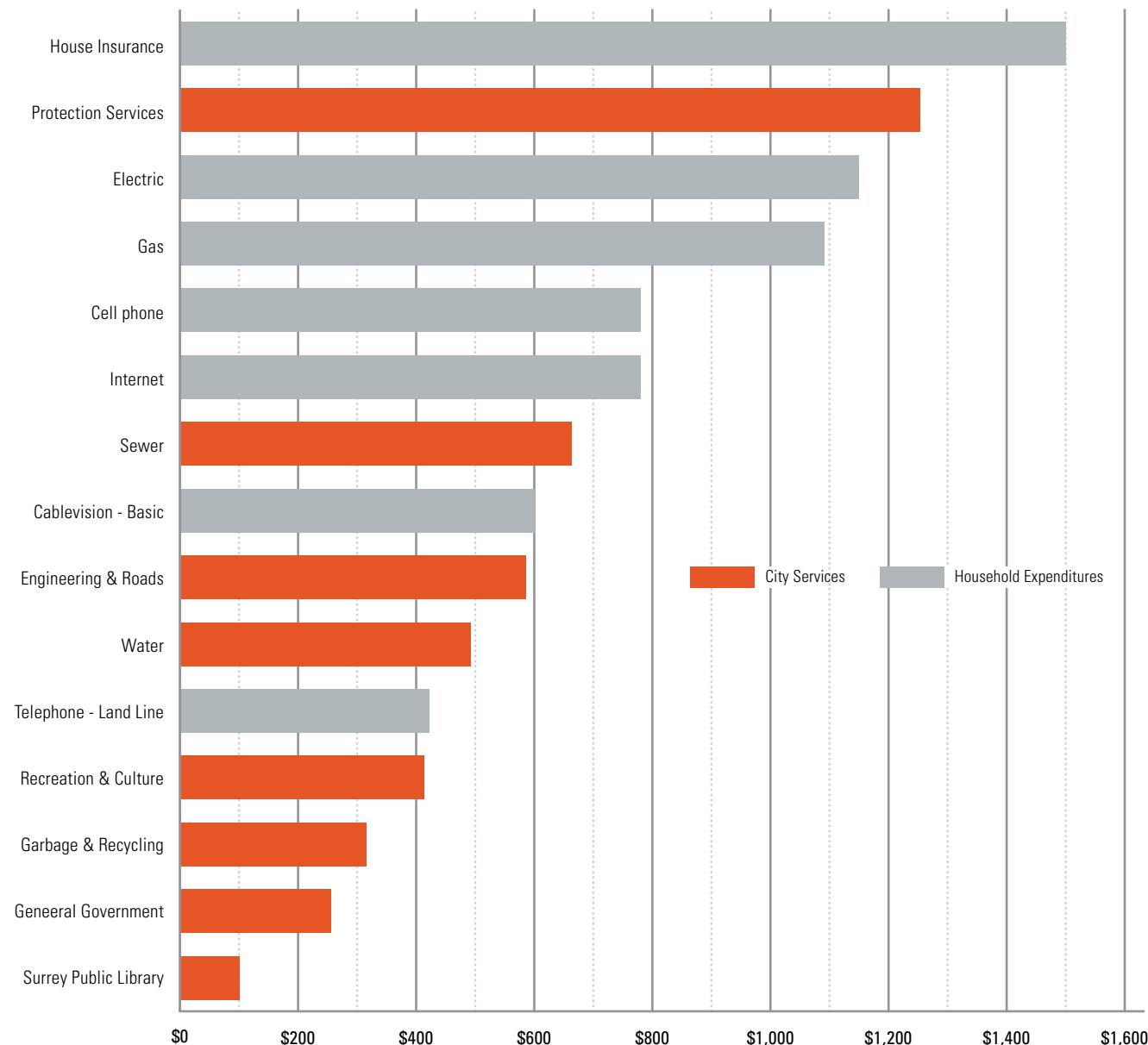
Assessment for Taxation (in billions)

Source: City of Surrey Finance Department



2022 Household Expenditures versus City Services

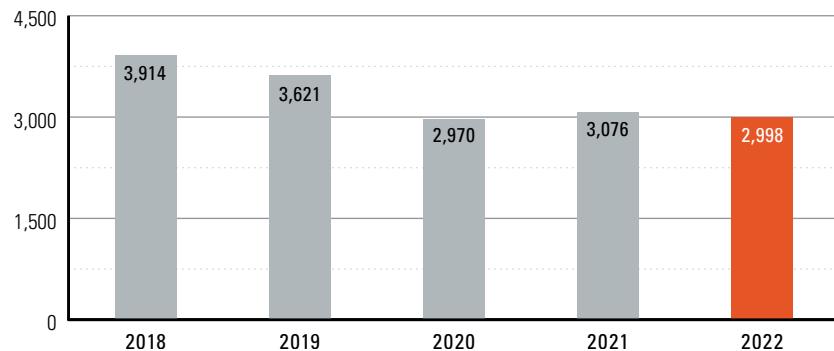
Source: City of Surrey Finance Department



STATISTICAL REVIEW

Number of Building Permits Issued

Source: City of Surrey Planning & Development Department



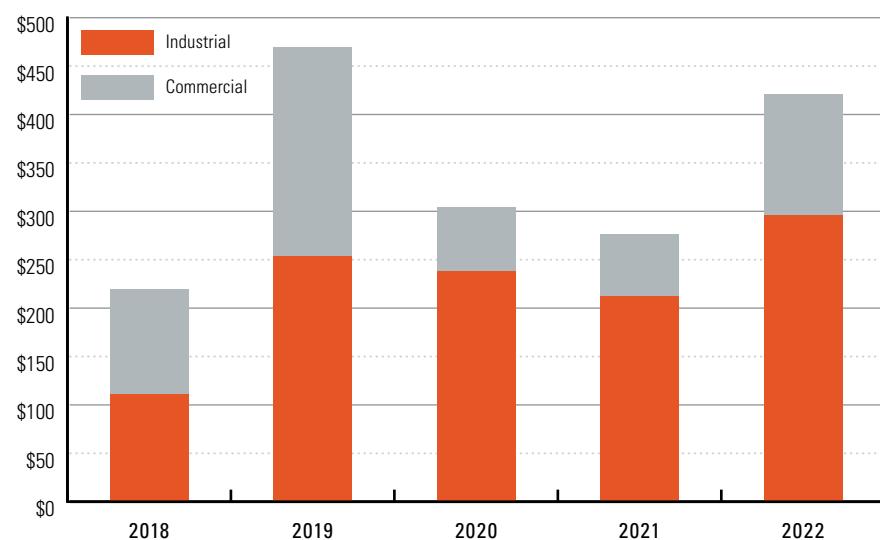
Construction Value of Building Permits Issued (in millions)

Source: City of Surrey Planning & Development Department



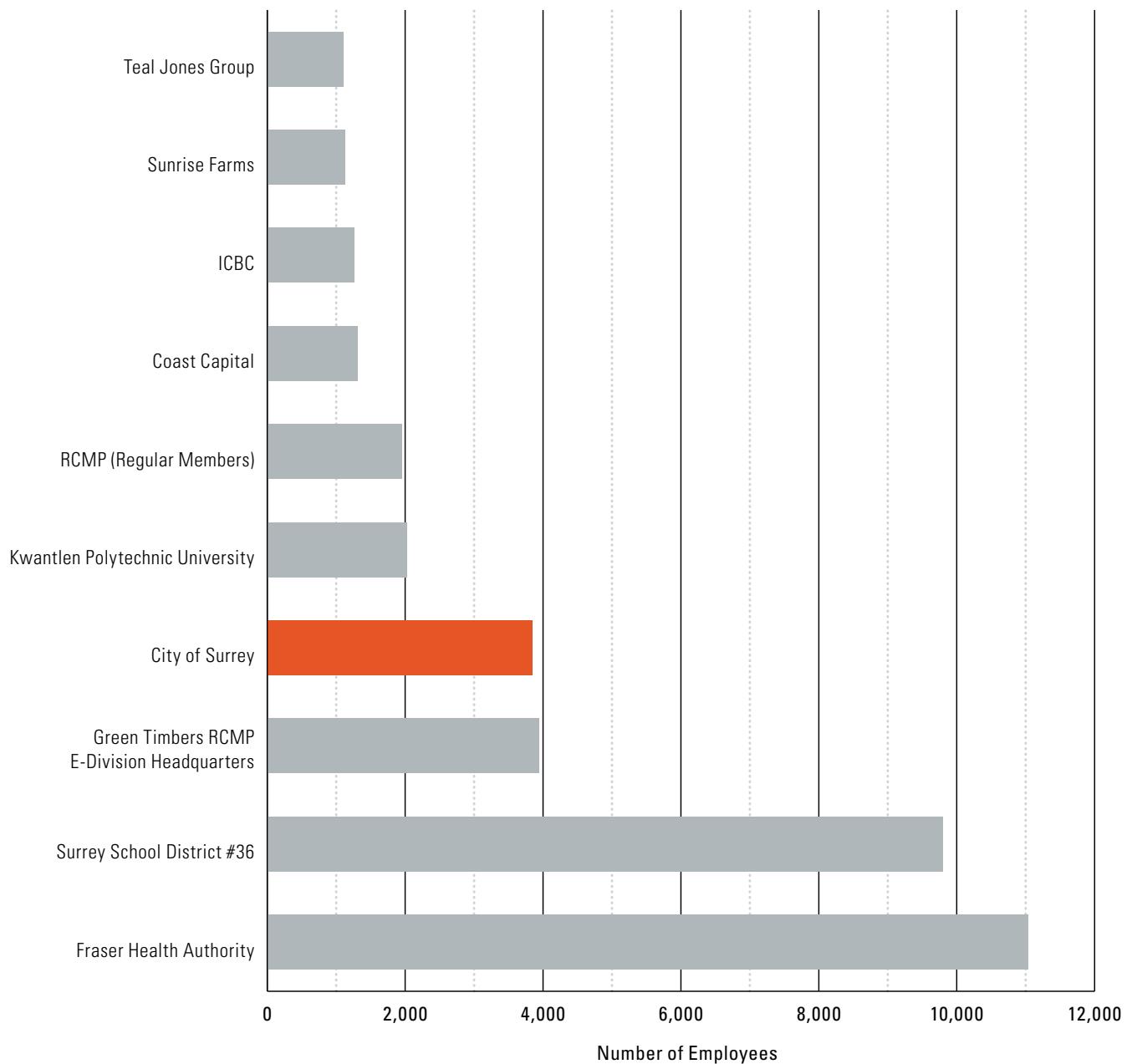
Commercial and Industrial Development Approved in Surrey (in millions)

Source: City of Surrey Planning & Development Department



Top 10 Employers in Surrey in 2022

Source: City of Surrey Economic Development Division



1. These numbers are self-reported by the listed organizations. Other companies may have ranked but did not respond to information requests by the deadline.
2. These numbers depict only the employees who are employed at the Surrey locations of the above organizations.
3. These numbers are updated once every two years, next update will be in 2024.

STATISTICAL REVIEW

Unemployment Rates (as of December 2022)

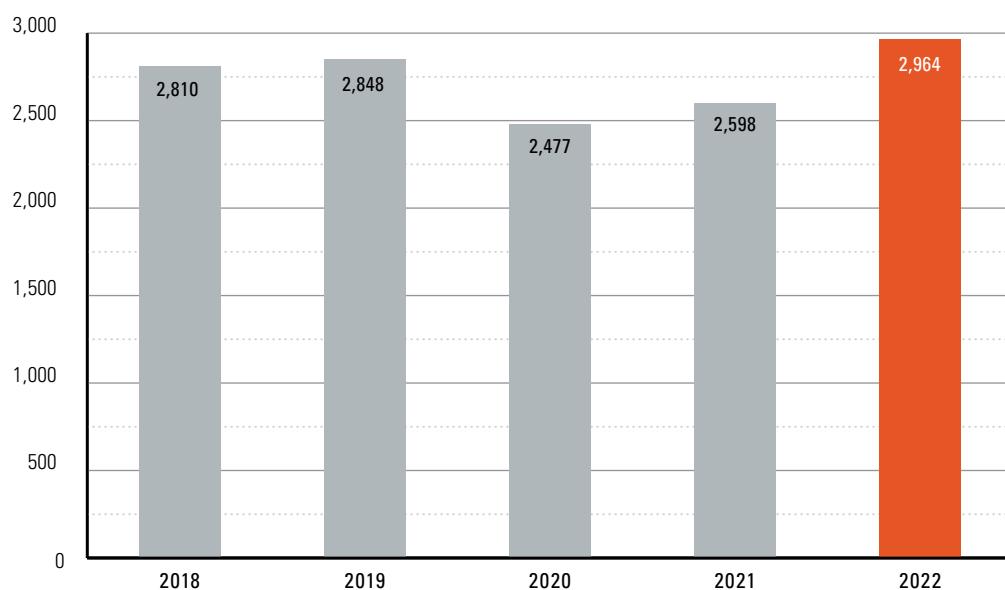
Source: Statistics Canada, Labour Force Survey



*Metro Vancouver includes Anmore, Belcarra, Bowen Island, Burnaby, Coquitlam, Delta, Langley (City and Township), Lions Bay, Maple Ridge, New Westminster, North Vancouver (City and District), Pitt Meadows, Port Coquitlam, Port Moody, Richmond, Surrey, Vancouver, West Vancouver, White Rock, and Electoral Area A

Full-Time Equivalent* Employees (as of December 31, 2022)

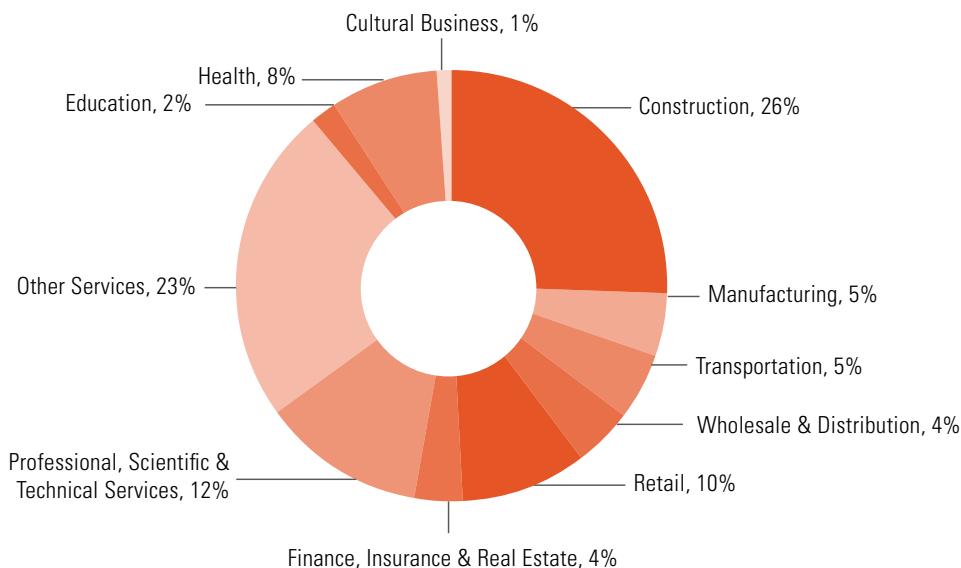
Source: City of Surrey Corporate Services Department



*Full-time equivalent (FTE)—A term expressing the amount of time for which a position has been budgeted in relation to the amount of time a regular full-time employee normally works in a year. Most full-time employees (1.00 FTE) are paid for either 1,820 or 1,950 hours in a year, depending on their staffing position requirements.

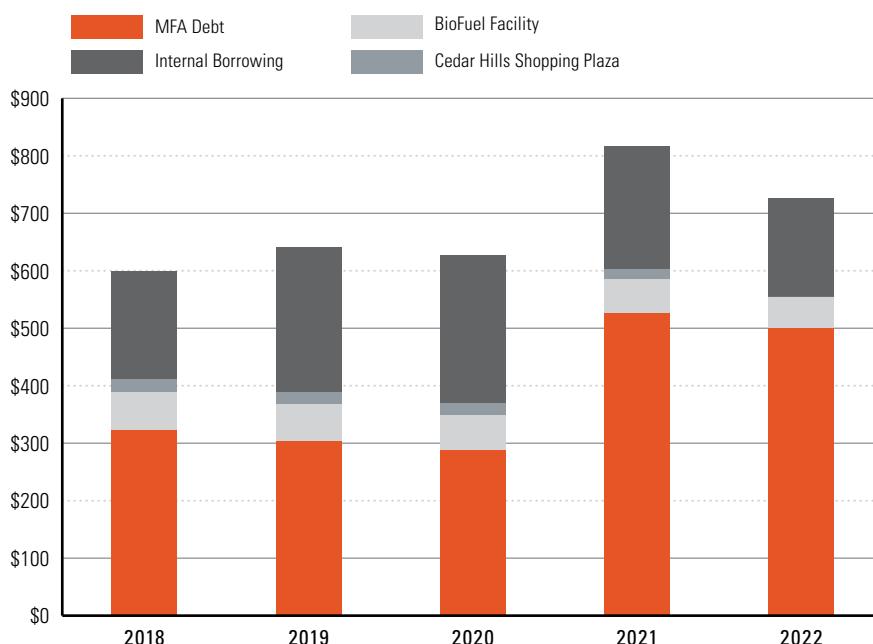
Surrey's Business Distribution by Sector

Source: City of Surrey Economic Development Division



Consolidated Debt per Capita

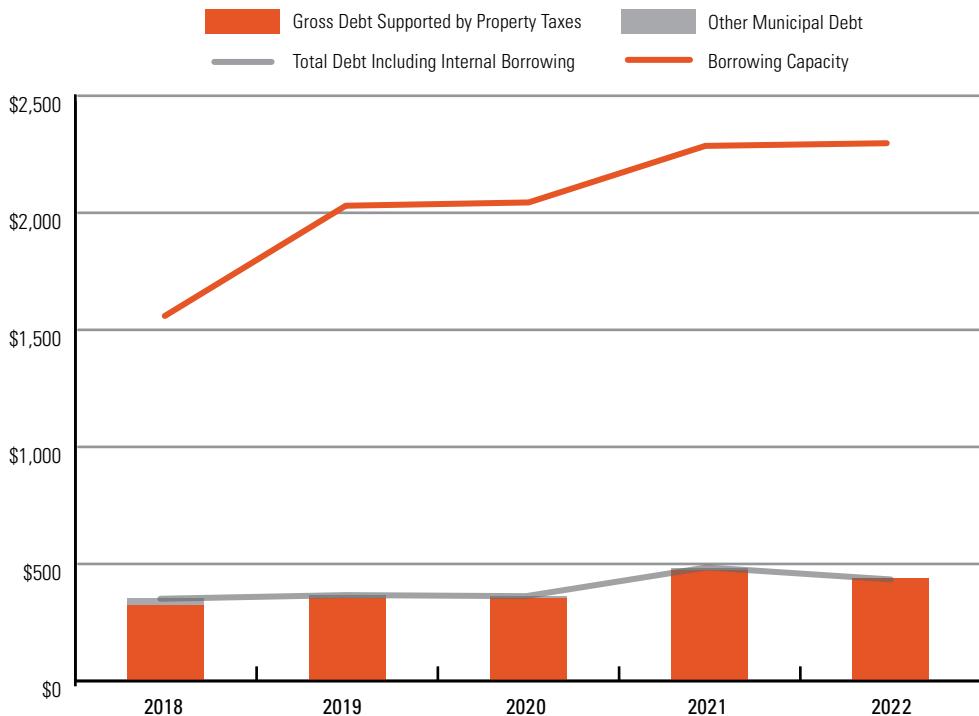
Source: City of Surrey Finance Department



STATISTICAL REVIEW

Gross Debt Supported by Property Tax versus Total Debt (in millions)

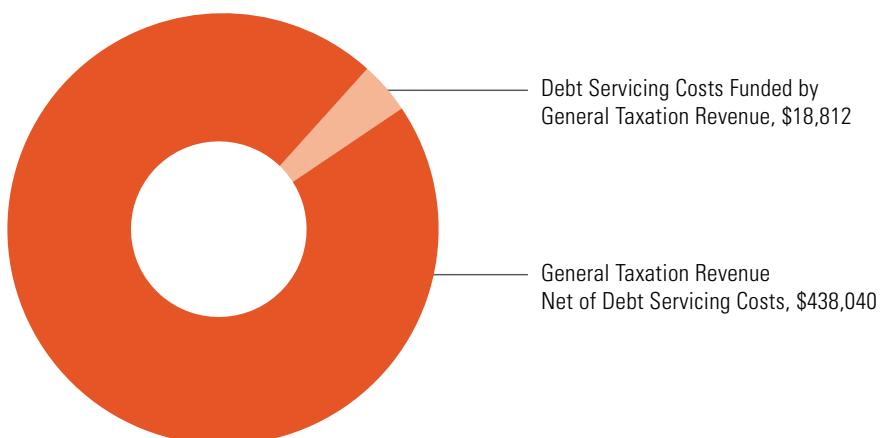
Source: City of Surrey Finance Department



Overlapping debt which represents the total debt of regional districts where the City of Surrey is a member and is jointly and severally liable, is not included. The City's overlapping debt (in millions of dollars) was \$3,131 in 2022 (2021: \$2,935).

2022 Debt Servicing Costs Compared to General Taxation Revenue (in thousands)

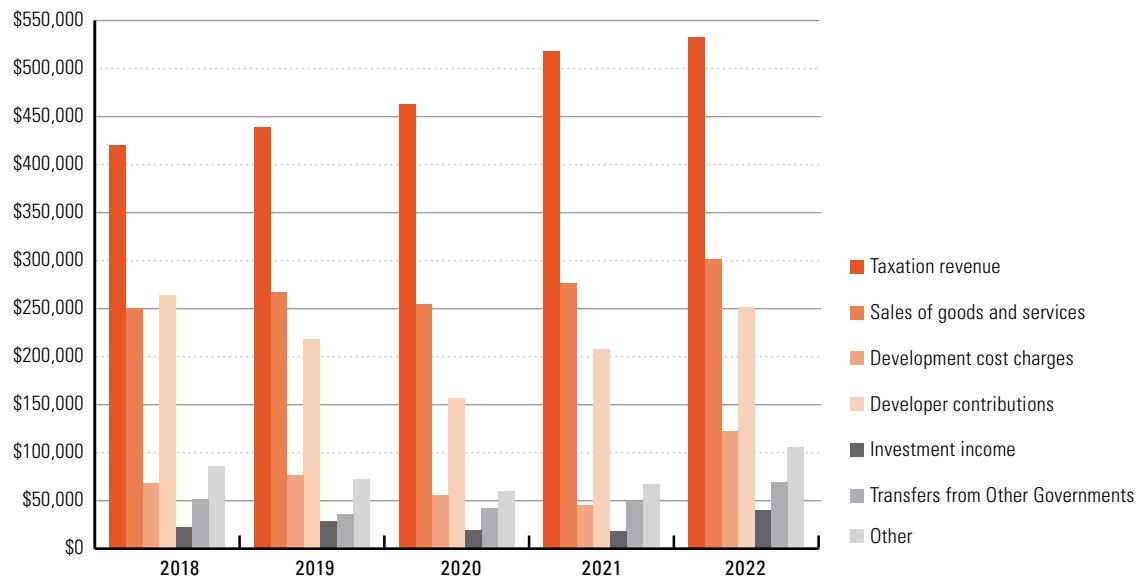
Source: City of Surrey Finance Department



STATISTICAL REVIEW

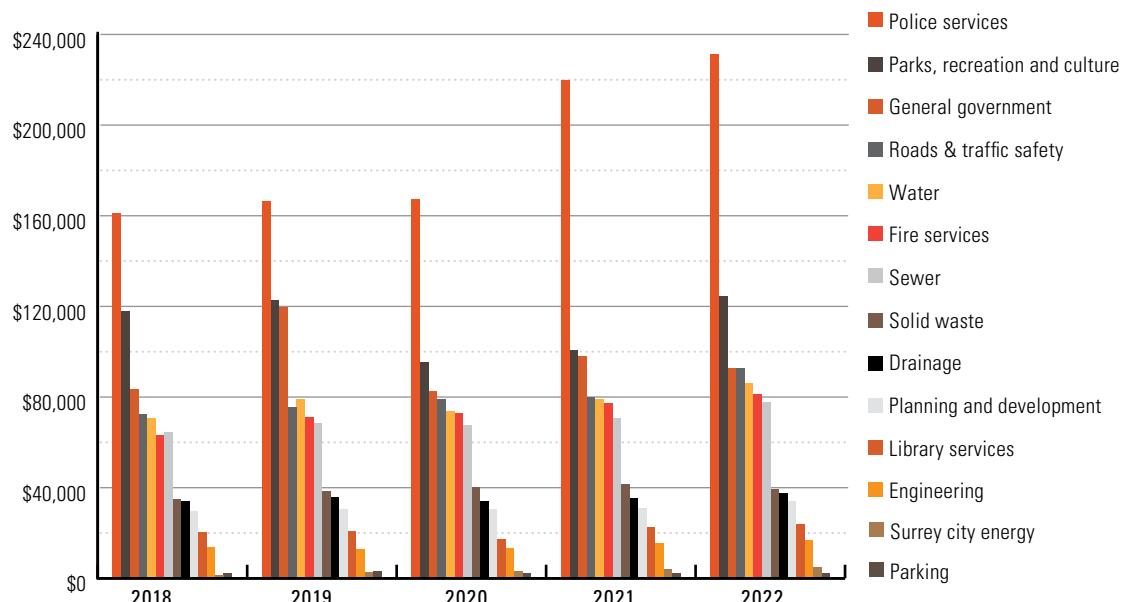
Revenue Trend by Source of Revenue (in thousands)

Source: City of Surrey Finance Department



Expenses Trend by Function (in thousands)

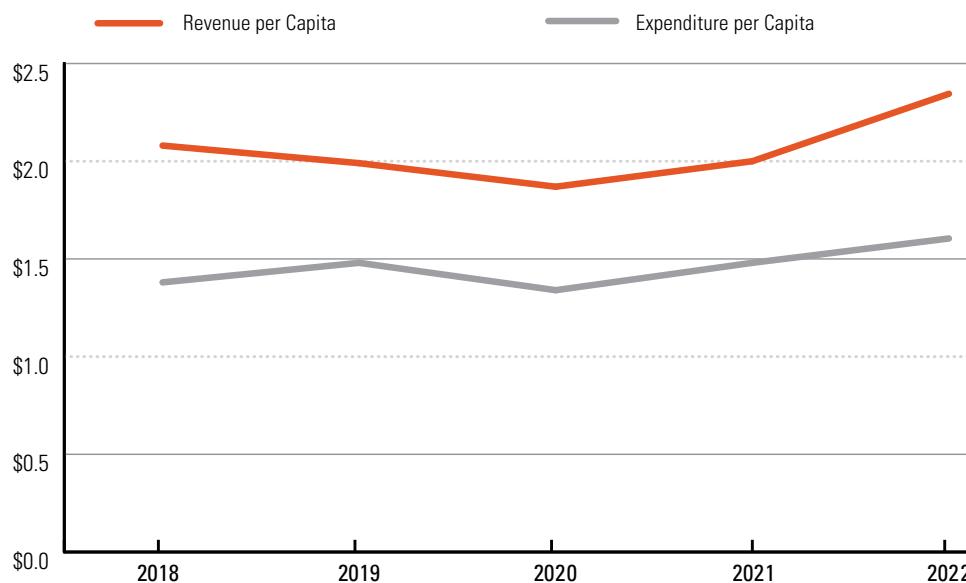
Source: City of Surrey Finance Department



STATISTICAL REVIEW

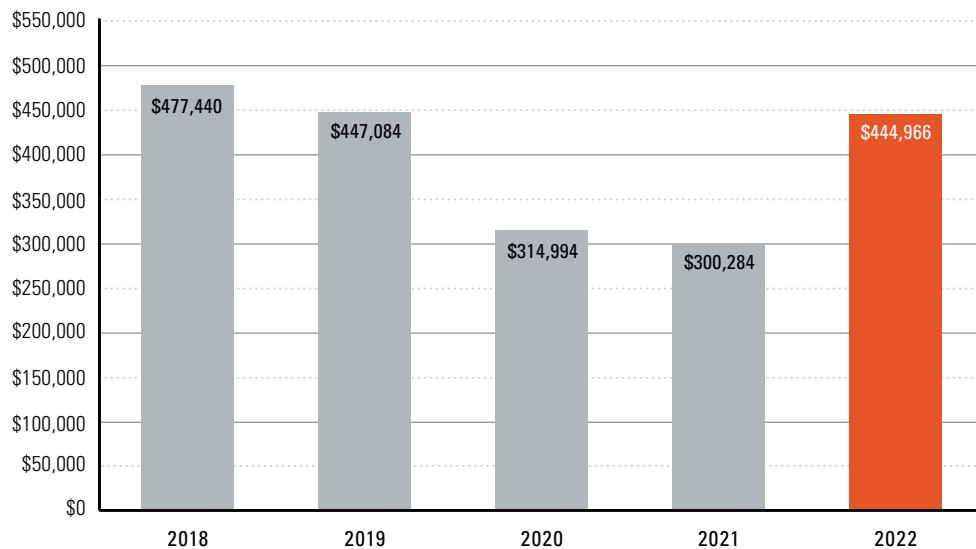
Revenue & Expenditure per Capita (in thousands)

Source: City of Surrey Finance Department



Net Tangible Capital Asset Acquisitions (in thousands)

Source: City of Surrey Finance Department



STATISTICAL REVIEW

Financial Statistics (in thousands)

Source: City of Surrey Finance Department

	2018	2019	2020	2021	2022
Contribution to/(from) capital from equity	\$ 633,786	\$ 557,278	\$ 391,452	\$ 406,740	\$ 670,134
Contribution to/(from) reserves	(247,607)	(267,158)	(118,966)	(101,224)	(190,788)
Transfer to/(from) appropriated surplus	-	-	-	-	-
Annual Surplus	\$ 386,179	\$ 289,520	\$ 272,486	\$ 305,516	\$ 479,346
Financial Assets	\$ 1,111,559	\$ 1,163,280	\$ 1,447,305	\$ 1,768,843	\$ 1,910,212
Liabilities (excluding Debt)	(819,761)	(902,746)	(1,101,386)	(1,133,876)	(1,123,334)
Debt	(229,024)	(221,777)	(214,230)	(356,970)	(333,471)
Net Financial Assets/(Debt)	\$ 62,774	\$ 38,757	\$ 131,689	\$ 277,997	\$ 453,407
Restricted Reserves/Appropriated Surplus	\$ 208,821	\$ 228,755	\$ 247,337	\$ 344,302	\$ 462,771
Internal Borrowing	(105,365)	(144,237)	(149,909)	(126,035)	(103,160)
Unappropriated Surplus/Committed Funds	179,057	166,991	240,162	276,220	311,641
Tangible Capital Assets (net of debt)	8,767,818	9,088,342	9,274,747	9,423,366	9,725,947
Accumulated Surplus	\$ 9,050,331	\$ 9,339,851	\$ 9,612,337	\$ 9,917,853	\$ 10,397,199

DEFINITIONS

Annual Surplus/(Deficit)

The statement of operations reports the surplus (or deficit) from operations in the accounting period.

Net Financial Assets/(Net Debt)

Net debt is measured as the difference between a government's liabilities and financial assets. Net debt provides a measure of the future revenues required to pay for past transactions and events. If the government's financial assets exceed its liabilities, then the indicator is a net financial asset position, indicating that there are net financial assets on hand, which can provide financial resources to finance future operations.

Accumulated Surplus/(Deficit)

Financial assets can be used to discharge liabilities or provide services, while non-financial assets can normally be used only for service provision to accomplish future objectives. Non-financial assets are added to net financial assets (or net financial debt) to calculate the accumulated surplus or deficit for the accounting period.

STATISTICAL REVIEW

Consolidated Revenues (in thousands)

Source: City of Surrey Finance Department

	2018	2019	2020	2021	2022
Taxation Revenue					
Property taxes	\$ 348,065	\$ 363,342	\$ 384,807	\$ 400,630	\$ 416,702
Drainage parcel taxes	55,138	56,426	57,815	91,189	93,965
Grants-in-lieu of taxes	16,626	18,539	19,500	25,632	21,751
Other	316	498	959	949	589
Collections for other authorities					
Province of BC - School taxes	241,267	262,525	220,026	295,169	334,776
Greater Vancouver Regional District	7,676	8,083	10,012	11,509	13,971
BC Assessment Authority	7,766	7,975	8,702	9,021	10,197
TransLink	46,500	50,333	56,236	60,400	68,902
Other	14,262	28,939	23,728	40,157	37,095
	737,616	796,660	781,785	934,656	997,948
Collections for other authorities	(317,471)	(357,855)	(318,704)	(416,256)	(464,941)
	\$ 420,145	\$ 438,805	\$ 463,081	\$ 518,400	\$ 533,006
Sale of Goods and Services					
Application fees	\$ 5,012	\$ 4,844	\$ 4,519	\$ 5,526	\$ 5,525
Recreation and culture	27,513	27,310	7,641	9,915	21,932
Utility rates and fees	168,067	181,123	187,242	201,150	207,343
Other	49,689	53,428	55,151	59,399	67,148
	\$ 250,281	\$ 266,705	\$ 254,553	\$ 275,990	\$ 301,948
Development Cost Charges					
	\$ 68,353	\$ 76,830	\$ 55,377	\$ 44,991	\$ 122,761
Developer Contributions					
	\$ 263,556	\$ 218,080	\$ 155,931	\$ 208,220	\$ 251,365
Investment Income					
	\$ 22,633	\$ 28,643	\$ 19,407	\$ 18,015	\$ 40,003
Transfers from Other Governments					
Provincial government and other	\$ 37,445	\$ 33,798	\$ 40,906	\$ 35,905	\$ 56,913
Federal government	14,277	1,669	2,262	13,934	12,478
	\$ 51,722	\$ 35,467	\$ 43,168	\$ 49,839	\$ 69,391
Other					
Licenses and permits	\$ 33,713	\$ 36,898	\$ 38,976	\$ 40,746	\$ 44,319
Leases and rentals	13,286	13,399	12,474	12,948	15,371
Penalties and interest on taxes	5,365	6,402	5,390	7,036	7,572
Miscellaneous	10,052	5,898	3,780	6,158	13,123
Gain on sale of assets	15,709	4,659	(686)	778	25,684
Gain on sales of development properties	-	4,780	178	-	-
Gain on sale of partnership interest	7,338	-	-	-	-
	\$ 85,463	\$ 72,036	\$ 60,112	\$ 67,666	\$ 106,069
TOTAL REVENUES					
	\$ 1,162,153	\$ 1,136,566	\$ 1,051,629	\$ 1,183,121	\$ 1,424,543

Certain comparative information has been reclassified to conform to the financial statement presentation adopted in the current year.

STATISTICAL REVIEW

Consolidated Expenses (in thousands)

Source: City of Surrey Finance Department

	2018	2019	2020	2021	2022
By Function					
Police services	\$ 161,096	\$ 166,653	\$ 167,134	\$ 219,702	\$ 231,311
Parks, recreation and culture	118,111	122,626	95,424	100,743	124,607
General government	83,646	119,527	82,385	98,020	92,874
Roads and traffic safety	70,858	79,006	73,879	80,088	85,995
Water	72,573	75,329	79,191	79,186	92,642
Fire services	64,664	68,304	67,666	70,670	77,781
Sewer	63,095	71,229	72,826	77,091	81,243
Solid waste	35,147	38,308	40,084	41,719	39,247
Drainage	33,914	36,030	34,079	35,206	37,420
Planning and development	29,524	30,401	30,369	31,081	34,162
Library services	20,157	20,867	17,206	22,360	24,035
Engineering	13,561	13,073	13,362	15,623	16,707
Surrey City Energy	1,399	2,695	3,196	3,892	4,932
Parking	2,385	2,998	2,342	2,224	2,241
TOTAL EXPENSES	\$ 770,130	\$ 847,046	\$ 779,143	\$ 877,605	\$ 945,197
By Object					
Salaries and benefits	\$ 272,388	\$ 286,195	\$ 265,163	\$ 295,018	\$ 351,806
RCMP contracted services	129,972	133,335	129,999	169,623	134,780
Consulting and professional services	19,009	19,310	14,500	18,211	22,332
Telephone and communications	2,417	2,471	2,259	2,354	2,067
Regional district utility charges	86,868	96,475	102,676	109,496	125,139
Utilities	15,363	15,173	12,094	14,537	15,769
Garbage collection and disposal	23,097	23,795	26,668	27,379	26,707
Maintenance and small equipment	20,145	21,263	21,094	20,953	28,703
Insurance and claims	3,307	3,442	4,986	4,136	5,587
Leases and rentals	9,768	10,282	7,845	8,261	12,092
Supplies and materials	32,804	32,064	25,714	28,117	35,087
Advertising and media	2,123	2,079	2,609	3,660	2,941
Grants and sponsorships	4,363	3,048	2,594	11,034	10,173
Contract payments	22,481	26,375	21,481	21,043	25,520
Other	12,671	52,133	13,152	14,094	16,710
Cost recoveries, net	(29,819)	(26,149)	(21,334)	(23,392)	(25,496)
Interest on debt	10,493	10,436	10,376	9,309	11,353
Interest, fiscal services and other	2,031	1,303	913	1,065	1,487
	639,481	713,030	642,789	734,898	802,757
Amortization expense	130,649	134,016	136,354	142,707	142,440
TOTAL EXPENSES	\$ 770,130	\$ 847,046	\$ 779,143	\$ 877,605	\$ 945,197

STATISTICAL REVIEW

Reserves, Committed Funds and Surplus (in thousands)

Source: City of Surrey Finance Department

	2018	2019	2020	2021	2022
Reserve Funds (before internal borrowing)					
Capital legacy	\$ 47,329	\$ 47,847	\$ 48,981	\$ 49,317	\$ 49,539
Municipal land	39,002	53,947	63,463	69,894	112,928
Equipment and building replacement	32,611	25,714	29,067	37,959	39,336
Neighbourhood concept plans	22,521	28,003	31,227	41,618	53,534
Park land acquisition	22,372	17,408	4,651	13,600	6,217
Local improvement financing	17,015	17,417	17,803	18,104	18,372
Environmental stewardship	6,749	6,809	6,855	6,945	6,958
Parking space	2,629	2,651	3,089	3,746	9,410
Water claims	1,351	1,362	1,378	1,382	1,386
Affordable housing	23	591	1,058	2,100	3,715
Capital projects	-	-	1,108	30,412	65,176
	\$ 191,602	\$ 201,749	\$ 208,680	\$ 275,077	\$ 366,571
Internal Borrowing					
	\$ (105,365)	\$ (144,237)	\$ (149,909)	\$ (126,035)	\$ (103,160)
Appropriated Surplus (before allocations)					
Infrastructure replacement	\$ (22,318)	\$ (14,546)	\$ (3,687)	\$ 19,616	\$ 43,475
Revenue stabilization	13,490	13,490	13,490	13,490	13,490
Self insurance	11,732	13,253	12,825	12,328	12,193
Operating contingency and emergencies	8,276	8,276	8,607	8,610	8,610
Environmental emergencies	7,082	7,082	7,082	7,210	7,244
Prepaid expenses	4,197	4,577	5,352	6,776	9,271
Inventories of supplies	760	874	988	1,195	1,917
Committed funds	160,156	160,093	249,660	288,311	321,251
	\$ 183,375	\$ 193,099	\$ 294,317	\$ 357,536	\$ 415,644

Certain comparative information has been reclassified to conform to the financial statement presentation adopted in the current year.

STATISTICAL REVIEW

Reserves, Committed Funds and Surplus (in thousands)

Source: City of Surrey Finance Department

	2018	2019	2020	2021	2022
Other Entities:					
Surrey City Development Corporation	\$ 6,834	\$ (4,841)	\$ (19,213)	\$ (15,252)	\$ (10,153)
Surrey Homelessness and Housing Society	6,019	5,748	3,710	3,161	2,350
Innovation Boulevard	48	(9)	5	-	-
	\$ 19,410	\$ 7,407	\$ (8,989)	\$ (12,091)	\$ (7,803)
Tangible Capital Assets	\$ 8,982,600	\$ 9,295,668	\$ 9,474,308	\$ 9,631,885	\$ 9,934,411
Debt funded assets	(214,782)	(207,326)	(199,561)	(208,519)	(208,464)
Total Equity in Tangible Capital Assets	\$ 8,767,818	\$ 9,088,342	\$ 9,274,747	\$ 9,423,366	\$ 9,725,947
TOTAL ACCUMULATED SURPLUS	\$ 9,050,331	\$ 9,339,851	\$ 9,612,337	\$ 9,917,853	\$ 10,397,199

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