

# 2013 ANNUAL REPORT



FOR THE YEAR ENDED DECEMBER 31, 2013

Design, layout, production and photos provided by the City of Surrey – Marketing & Communications ©

**Prepared by the City of Surrey Finance & Technology Department  
Surrey, British Columbia, Canada**

# CONTENTS

## INTRODUCTION

|                                                   |           |
|---------------------------------------------------|-----------|
| Mayor's Message                                   | iv        |
| City Council & Surrey Officers                    | v         |
| Organizational Chart                              | vi        |
| Canadian Award for Financial Reporting            | vii       |
| City of Surrey Overviews                          | 1         |
| <b>Awards</b>                                     | <b>3</b>  |
| <b>City Manager's Office</b>                      | <b>5</b>  |
| <b>Engineering Department</b>                     | <b>7</b>  |
| <b>Finance &amp; Technology Department</b>        | <b>9</b>  |
| <b>Fire Department</b>                            | <b>11</b> |
| <b>Human Resources Department</b>                 | <b>13</b> |
| <b>Parks, Recreation &amp; Culture Department</b> | <b>15</b> |
| <b>Planning &amp; Development Department</b>      | <b>17</b> |
| <b>RCMP</b>                                       | <b>19</b> |
| <b>Surrey Public Libraries</b>                    | <b>21</b> |

|                           |           |
|---------------------------|-----------|
| <b>STATISTICAL REVIEW</b> | <b>23</b> |
|---------------------------|-----------|

|                             |           |
|-----------------------------|-----------|
| <b>PERFORMANCE MEASURES</b> | <b>31</b> |
|-----------------------------|-----------|

|                             |                           |
|-----------------------------|---------------------------|
| <b>FINANCIAL STATEMENTS</b> | <b>Back Pocket Insert</b> |
|-----------------------------|---------------------------|

|                                                                  |           |
|------------------------------------------------------------------|-----------|
| <b>Report from the General Manager, Finance &amp; Technology</b> | <b>2</b>  |
| City of Surrey Financial Statements                              | 4         |
| <b>City of Surrey, Independent Auditors' Report</b>              | <b>5</b>  |
| <b>Consolidated Statement of Financial Position</b>              | <b>6</b>  |
| <b>Consolidated Statement of Operations</b>                      | <b>7</b>  |
| <b>Consolidated Statement of Changes in Net Financial Assets</b> | <b>8</b>  |
| <b>Consolidated Statement of Cash Flows</b>                      | <b>9</b>  |
| <b>Notes to the Consolidated Financial Statements</b>            | <b>10</b> |
| <b>Supplementary Financial Information</b>                       | <b>36</b> |
| Surrey Public Library Financial Statements                       | 54        |
| <b>Surrey Public Library, Independent Auditors' Report</b>       | <b>55</b> |
| <b>Statement of Financial Position</b>                           | <b>56</b> |
| <b>Statement of Operations</b>                                   | <b>57</b> |
| <b>Statement of Changes in Net Financial Assets (Debt)</b>       | <b>58</b> |
| <b>Statement of Cash Flows</b>                                   | <b>59</b> |
| <b>Notes to the Financial Statements</b>                         | <b>60</b> |
| <b>Supplementary Financial Information</b>                       | <b>65</b> |
| Permissive Exemptions                                            | 68        |

## MAYOR'S MESSAGE



On behalf of Surrey City Council, I am pleased to present the 2013 Annual Report for the City of Surrey.

Due to comprehensive planning and diligent management, Surrey continues to maintain its healthy financial position. Through the practice of transparency and accountability, the City's financial processes and control systems have made certain that Surrey's assets and interests remain secure. The management of resources during this past year has ensured that Surrey residents and businesses will continue to reap substantial benefits, allowing them to invest into an even brighter future.

With a vibrant and diverse population of over 500,000, Surrey is British Columbia's second-largest metropolitan centre. This growth has been accompanied by major investments into social and transportation infrastructure. Robust development has been occurring, with careful planning to ensure the facilitation of sustainable community living. In addition, the City of Surrey is continuing to pursue rapid transit, in efforts to increase mobility and accessibility for Surrey residents.

The City of Surrey's commitment to financial integrity during recent years has continued to garner international recognition. This year, the Finance and Technology Department was awarded the Government Finance Officers Association of the United States and Canada's "Canadian Award for Financial Reporting" for the seventeenth consecutive year.

A number of important initiatives have generated robust economic growth within the City. The Build Surrey program continues to unfold, as ongoing capital projects are completed and new ones are undertaken. In February, Surrey's New City Hall was completed, marking a milestone in the progress of Build Surrey. We are looking forward to the official opening of our new Animal Shelter and the completion of two new indoor aquatic centres in both Guildford and Grandview Heights. Build Surrey is carrying on as the most comprehensive construction program in Surrey's history.

With the hard work and support of our citizens, businesses, community leaders and administration, Surrey is destined for a prosperous future. City Council takes pride in the City's enviable financial position and remains committed to maintaining healthy finances, while planning a City of the future with great excitement!

Sincerely,

A handwritten signature in black ink, which appears to read "Dianne L. Watts". The signature is stylized and fluid.

Dianne L. Watts

Mayor



# CITY COUNCIL & SURREY OFFICERS

## Surrey Officers

|                                                               |                  |
|---------------------------------------------------------------|------------------|
| City Manager .....                                            | V. Lalonde       |
| Chief Librarian, Director of Library Services .....           | M. Houlden       |
| City Solicitor .....                                          | C. MacFarlane    |
| Fire Chief .....                                              | Chief L. Garis   |
| Acting General Manager, Engineering Department .....          | G. McKinnon      |
| General Manager, Finance & Technology Department .....        | V. Wilke         |
| General Manager, Human Resources Department .....             | N. Webb          |
| General Manager, Parks, Recreation & Culture Department ..... | L. Cavan         |
| General Manager, Planning & Development Department .....      | J. Lamontagne    |
| Officer in Charge, Surrey RCMP Detachment .....               | Supt. Bill Fordy |

**Auditors** - KPMG LLP

**Bankers** - Royal Bank of Canada

## City Council

### BACK

Bruce Hayne

Mary Martin

Judy Villeneuve

Barinder Rasode

### FRONT

Tom Gill

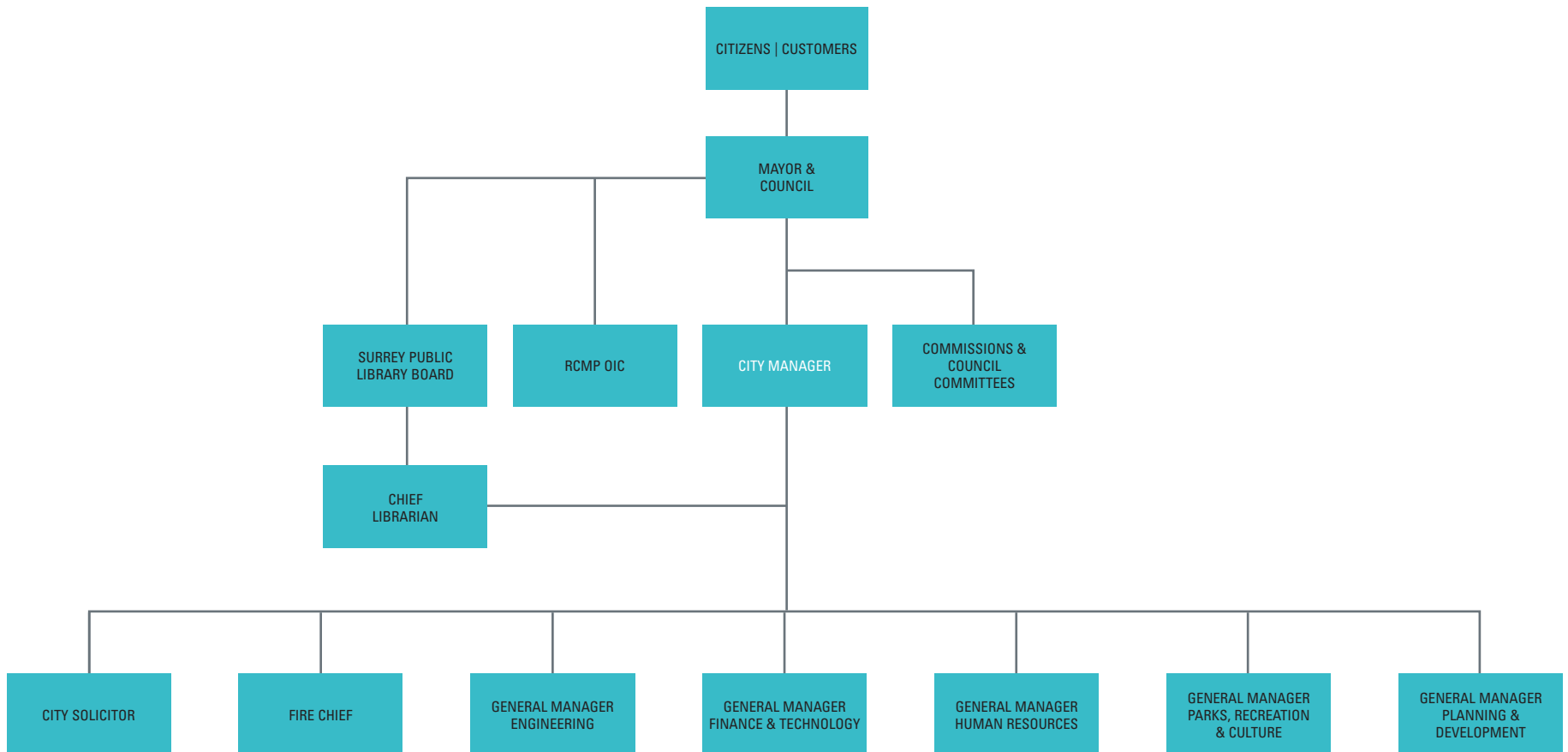
Linda Hepner

Mayor Dianne Watts

Barbara Steele

Marvin Hunt

# 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, 2012**

A handwritten signature in black ink, reading 'Jeffrey R. Egan'. The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

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, 2012. 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 a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to the GFOA.



**Surrey offers active, affordable and accessible lifestyles for a diverse population.**

**Surrey is a fast-growing community and has become well-known for its authentic motto: ‘the future lives here’. It is a city where modern urban development meets an abundance of green spaces, parks and farmland. Home to six distinct town centres, 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 with a strong emphasis on affordable living serviced with modern amenities. As an inclusive and welcoming community, the City embraces all people and cultures.**

**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. Surrey has one of the lowest residential and business taxes in the region and is ranked as one the best places in the country to invest. The City continues to enhance its infrastructure through progressive projects included in the Build Surrey program. In recent years, the City has seen the largest construction and investment plan in the city’s history.**

**With a commitment to sustainable living and a proactive approach to economic and social development, the City of Surrey is destined for a future that is rich with opportunity.**



**Engineering receives the Corporate Operations Award from the Community Energy Association for the District Energy project at City Centre Library & New City Hall.**

# CITY OF SURREY OVERVIEWS

## AWARDS

**The City of Surrey continues to be recognized for its excellence and innovation; honoured in 2013 with the following awards:**

### COMMUNITY HEALTH & SAFETY AWARD

*International City/County Management Association*

Awarded to Fire for their Fire Reduction Program.

### BEST PUBLIC ENTERTAINMENT EVENT IN CANADA AWARD

*Canadian Event Industry Association*

Parks, Recreation & Culture recognized for the City of Surrey's Canada Day 2012 event.

### TECHGREEN AWARD

*Applied Science Technologists & Technicians of BC*

The Surrey Board of Trade nominated the City of Surrey for their Sustainability Dashboard & Transportation.

### AWARD OF EXCELLENCE IN MUNICIPAL ENGINEERING

*BC Association of Consulting Engineering Companies*

Awarded to Engineering for their Bridgeview Sewer System.

### CANADIAN AWARD FOR FINANCIAL REPORTING

*Government Finance Officers Association (GFOA)*

City of Surrey's 2012 Annual Report won the Canadian Award for Financial Reporting from the GFOA of the United States and Canada for the 17th consecutive year.

### DISTINGUISHED BUDGET PRESENTATION AWARD

*Government Finance Officers Association (GFOA)*

Surrey received the Distinguished Budget Presentation Award for the 2013 – 2017 Financial Plan.

### 2013 CANADA'S PASSION CAPITAL AWARD

*Knightsbridge Human Capital Solutions*

Awarded to the Investment & Intergovernmental Relations Department.

### CORPORATE OPERATIONS AWARD

*Community Energy Association*

Engineering received this award for the District Energy at New City Hall and City Centre Library.

### BEST PRACTICES, SOCIAL MEDIA

*Union of British Columbia Municipalities*

The City of Surrey was recognized for their Social Media Strategy.

### 2013 WASTE AWARD

*FCM Sustainable Communities Award*

Engineering was recognized for their Rethink Waste program.

### COMMUNITY ENERGY BUILDER AWARD

*Quest*

The Engineering department was awarded this for their District Energy & Biofuel facility.

### CANADA'S TOP EMPLOYER FOR YOUNG PEOPLE

*Canada's Top 100*

City of Surrey was recognized as one of the top employers for young people in Canada.

### GOLD – MUNICIPAL CATEGORY

*IPAC Deloitte Public Sector Leadership Awards*

Awarded to the Kensington Prairie Community Centre.

### BEST FESTIVAL AWARD

*Special Event Magazine Gala Awards*

The City was recognized for the 2013 Fusion Festival.

### MOST OUTSTANDING EVENT - \$100K-\$300K CATEGORY

*BC Event Awards*

Parks, Recreation & Culture received this award for the Party for the Planet event.

### POPULAR ANNUAL FINANCIAL REPORTING

*Government Finance Officers Association*

The Finance Department was recognized for the 2012 Annual Report.

### BEST PUBLIC ENTERTAINMENT EVENT

*BC Event Awards*

Parks, Recreation & Culture was recognized for the 2013 Canada Day event.

### CERTIFICATION OF EXCELLENCE INVESTMENT POLICY AWARD

*Association of Public Treasurers of the United States & Canada*

The City of Surrey was recognized for its investment policy.

### HEROES OF HOMELESSNESS AWARD

*Surrey Homelessness & Housing Society*

Surrey Libraries was recognized for this award.



**New strategies underway targeting health sciences & knowledge-based sectors.**

# CITY OF SURREY OVERVIEWS

## CITY MANAGER'S DEPARTMENT

**The City Manager's Department provides advice and recommendations to City Council related policies and emerging issues. Assists in guiding the work of other City Departments ensuring a coordinated and balanced implementation of Council policy, and sees to it that Council resolutions are addressed in a timely and fulsome manner. The City Manager's office provides effective financial management by monitoring the annual budget and the 5-year Financial Plan, and by reviewing the City's financial performance throughout the year. They are responsible for ensuring that high quality sustainable City services are delivered on a consistent basis to the City's residents and businesses. The City Manager's Department also has responsibility for the following operational divisions/sections:**

### LEGAL SERVICES

The Legal Services Division provides legal services to City Council and all City Departments. Solicitors serve as court counsel, provide legal advice and render legal opinions along with drafting and reviewing all forms of legal and legislative documentation. The Division is also responsible for the By-law Enforcement & Licensing Services Sections and for the operation of the City Animal Shelter, parking enforcement and the City tow yard.

### LEGISLATIVE SERVICES

Legislative Services provides information and coordination in accordance with statutory, legislative and administrative requirements to City Council, the public and City Departments. The Division is responsible for the official records of the City, Council Minutes and By-laws and guides the legislative of the City, in accordance with the Community Charter and Local Government Act. They also respond to requests for information under the Freedom of Information and Protection of Privacy legislation.

### CRIME REDUCTION STRATEGY

The Crime Reduction Strategy Office implements the recommendations of the Surrey Crime Reduction Strategy which focuses not only on reducing crime and nuisance behavior, but on increasing public safety using best practices and standards by tailoring them to the needs of the community.

### SUSTAINABILITY OFFICE

The Sustainability Office is responsible for implementing the recommendations contained within the Surrey Sustainability Charter. The goal of the Charter is to make meaningful advances in sustainability to the benefit of present and future generations.

### ECONOMIC DEVELOPMENT

The Economic Development Division is responsible for producing and implementing the Economic Diversification Strategy and for identifying and developing relationships with key organizations to facilitate investment, industry and business growth in Surrey. They maintain current information about businesses in Surrey, and collect and analyze local, regional and provincial economic data.

## 2013 ACCOMPLISHMENTS

Advanced initiatives of the City's economic development strategy in key sectors of aerospace, clean energy, health & neuroscience;

Developed economic strategies to target knowledge-based & high-growth sectors, such as Innovation Blvd for health technology and strategies related to attracting and supporting clean technology companies;

Launched two Inter Municipal Business License (IMBL) pilot projects;

Facilitated the Pre-Pacific Northwest Aerospace Alliance (PNAA) departure event in partnership with the Province;

Increased Business License revenue by increasing enforcement efforts and inspections;

Negotiated & executed amendments to the City's street furniture and digital sign agreements with Pattison Outdoor;

Extended the Inter Municipal Business License pilot project with 9 Fraser Valley municipalities and launched second project with 5 other Metro municipalities;

Completed a Business Energy and Emissions Profile for Surrey;

Completed Surrey's Community Climate Action Strategy;

Surrey named Canadian finalist city in World Wildlife Fund's Earth Hour City Challenge;

Completed the City's 2012 corporate emissions inventory and implemented the Corporate Emissions Action Plan priorities;

Completed the City's first 2012 carbon neutral reporting to the Province;

Implemented climate change educational programs and organized dialogue sessions on sustainability/environmental projects in Surrey Schools;

Organized and participated in a dialogue session with Surrey Schools on common sustainability and environmental projects and partnership opportunities;

Installed DC Fast Charge EV Charging Station at the Surrey Museum and developed an EV outreach communications plan with Metro Vancouver;

Produced the third Sustainability Annual Report based on the Dashboard;

Produced a 2013 Annual Report on the Crime Reduction Strategy;

Implemented awareness program to stakeholder groups to reduce costs, safety concerns and nuisance associated with metal theft;

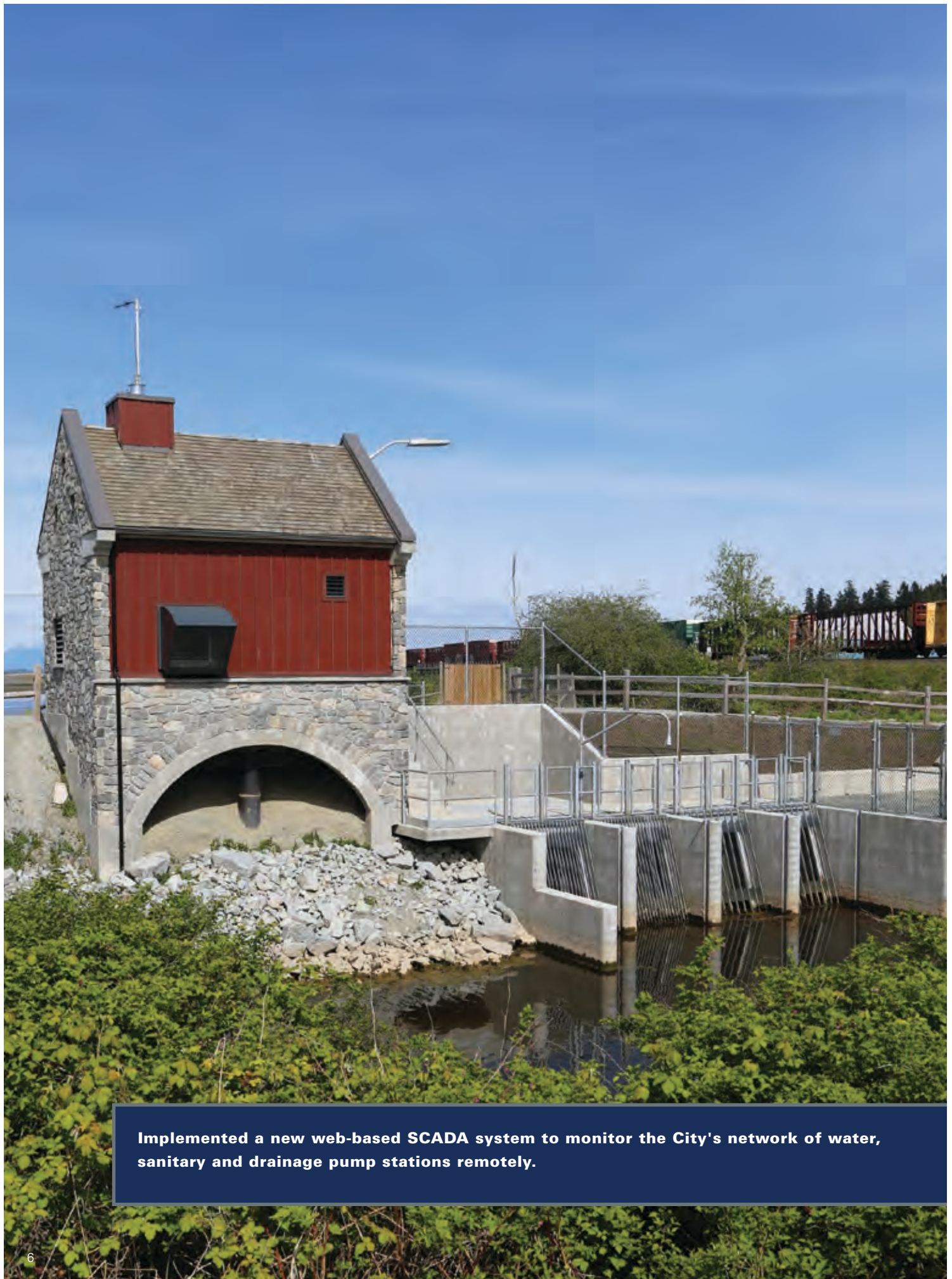
The Substance Use Awareness Team (SUAT) continued key strategic initiatives and added new partners;

Surrey Coalition Against Domestic Abuse (SCADA) conducted their 4th annual training for service providers;

Engaged stakeholders in discussions and actions to address challenges specific to mental illness and the justice system through a Mayor's Mental Health Roundtable;

The Crime Reduction office supported the District 4 RCMP detachment in addressing community concerns in the Clayton and Port Kells areas; and

Organized a successful Community Summit in partnership with community stakeholders to enhance community engagement.



**Implemented a new web-based SCADA system to monitor the City's network of water, sanitary and drainage pump stations remotely.**

# CITY OF SURREY OVERVIEWS

## ENGINEERING DEPARTMENT

**The Engineering Department provides services relating to transportation systems, garbage, recycling, water, sewer, drainage, land development, geographic information services, surveying and the management of real estate assets. This includes Land Development, Realty Services, Operations, Utilities and Transportation divisions.**

### LAND DEVELOPMENT

Land Development includes the Development Services section which prescribes required servicing of land and building development and the Inspection Services section which ensures that municipal engineering services are constructed to meet Council-adopted standards and requirements. The Counter Services section issues permits for miscellaneous construction to the public/contractors and manages engineering enquiries from the public. The File Registry section manages the department's records.

### REALTY SERVICES

Realty Services manages the acquisitions, dispositions, and development of the City's real estate portfolio. It includes the Land Acquisition Section which is responsible for the timely acquisition of land and rights-of-way for capital projects and park purposes including land assemblies for civic purpose projects. Asset Management manages the City's real estate inventory, which includes land inventory management, leasing and property sales. Realty Services also manages the City's land appraisal and conveyancing duties.

### OPERATIONS

Operations' maintains the City's engineering infrastructure including roads, drainage, sewer and water operations. This division is also responsible for Surrey's residential waste management and maintaining the City's fleet of vehicles.

### TRANSPORTATION AND DESIGN & CONSTRUCTION

Transportation and planning needs are delivered through the Transportation Planning and Rapid Transit & Strategic Projects Sections. The Traffic Operations and Parking Services Sections manage all aspects of the road network including traffic signals as well as off-street civic parking facilities. Design and construction services are provided to both Utilities and Transportation Divisions.

### UTILITIES

Utilities plans for the current and future sewer, water and drainage needs for the City and assists the Design & Construction group in the delivery of sewer, water and drainage construction projects. They also lead the development and delivery of district energy, biodiversity conservation, cross connection control and erosion & sediment control.

## 2013 ACCOMPLISHMENTS

Delivered property requirements for Phase II of the Bridgeview Vacuum Sewer replacement;

Completed RFQ process for the proposed Bio-fuel facility which will turn organics into vehicle grade fuel source;

Initiated Modo car sharing network in City Centre & completed a review of the City's Fleet;

Identified and secured locations in City Centre for permanent District Energy facilities;

Achieved 70% plus diversion target set by Metro Vancouver before the 2015 deadline through new curbside organics collection program;

Reduced residential landfill-bound garbage tonnage by over 40%;

Assumed transferred operations and maintenance activities of the Surrey Dyking District;

Completed the development, training and roll out of Cityworks Mobility to more than 150 Engineering Operations field staff to enhance work flow and efficiencies;

Completed Engineering Requirements for 283 development applications;

Monitored and processed \$67.8 million in new infrastructure through the Land Development process;

Continued to secure property rights, construction, and legal surveys for \$173 million Roberts Bank Rail Corridor, including railway overpasses on 192 Street, 54 Avenue, 196 Street, and 152 Street;

Constructed, or commenced construction of, 123 transportation projects with a total value of \$37 million;

Increased the number of bus stops to 1,340 (76.2%) accessible to wheelchair users, ranking Surrey second in the region for accessibility;

Implemented a new web-based SCADA system to monitor the City's network of water, sanitary and drainage pump stations remotely;

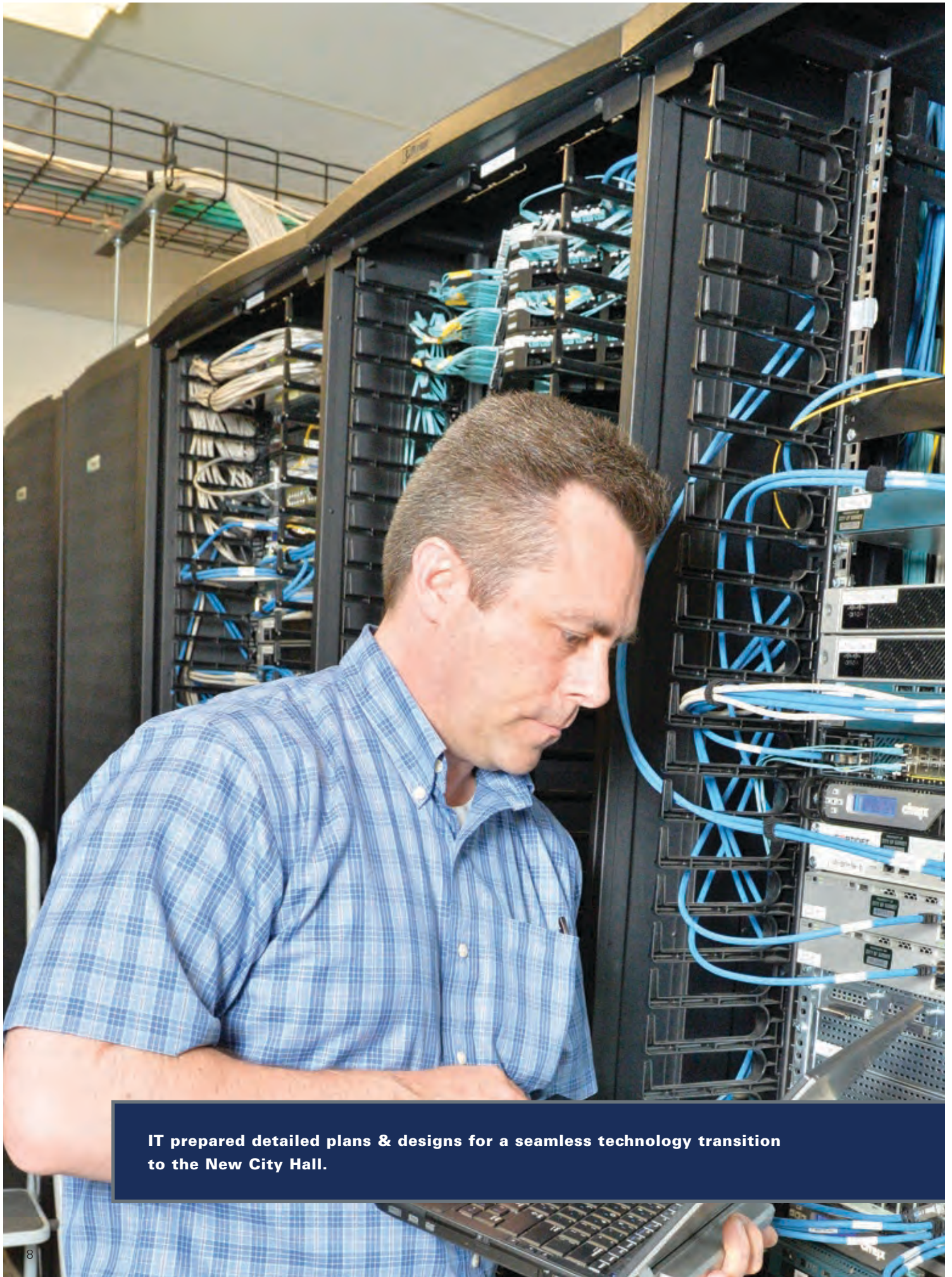
Improved transit operation and efficiency in Surrey by installing/designing bus queue jumpers on King George Boulevard at 32, 76 and 88 Avenues and on Scott Road at Tannery Required;

Installed enhanced crosswalks at all the greenway crossings along all City's arterial roads;

Completed a new 10-year servicing plan that includes the City's climate action strategy;

Continued with the 17th year of the 2013 Salmon Habitat Restoration Program ("SHaRP") and 6th year of the Operation Save H2O Program; and

Developed a 30-year financial model for the district energy utility, initiated infrastructure designs.



**IT prepared detailed plans & designs for a seamless technology transition to the New City Hall.**

# CITY OF SURREY OVERVIEWS

## FINANCE & TECHNOLOGY DEPARTMENT

**The Finance & Technology Department provides financial expertise, risk management, information technology services, advice and guidance to support City operations. It provides responsive services and innovative solutions required to streamline City processes. The Department leads process improvements and sets and maintains financial and information technology practices, policies and standards. The Department's five divisions include:**

### FINANCIAL REPORTING

Financial Reporting includes long-term financial planning, annual budget development, accounting, procurement and statutory financial reporting. Responsible for presenting an annual five-year financial plan that establishes financial and programming priorities, they also keep management and Council informed about the City's financial performance, ensuring that the City meets its annual budget. In addition, they coordinate the procurement of high quality, cost-effective goods and services and maintain an optimum supply of inventory levels. Procurement follows applicable legislation and ensures an appropriate public and competitive process.

### FINANCIAL SERVICES

Financial Services includes payroll, investments, treasury, cash management, asset management, accounts payable and taxation. Staff calculate, levy, and collect property taxes, water and sewer billing and other payments. They monitor cash flow and invest funds for maximum return while minimizing risk and adhering to the City's investment policy. Staff ensure that external vendor invoices are paid in a timely and cost effective manner.

### INFORMATION TECHNOLOGY

Information Technology (IT) enables internal and external customers with appropriate technology, information, applications, architecture, and business consultation to maximize effectiveness from the City's investment in information technology. IT provides business technology research, consulting, analysis, development, maintenance and customer service required to deliver business services efficiently and effectively.

### RISK MANAGEMENT

Risk Management is a service group that provides service and expertise in risk management, insurance, claims, litigation, and loss control.

### INTERNAL AUDIT

Internal Audit is responsible for reviewing business processes, policies and procedures for efficiency, control and compliance. It investigates internal and external breaches of control, conducts specialized projects, provides commodity tax services to the City and develops the annual Corporate Audit Plan.

## 2013 ACCOMPLISHMENTS

Provided financial analysis and advice on City initiatives;

Ensured that all financial transactions met appropriate statutory requirements;

Used effective and efficient financial processes and systems to safeguard the City's assets;

Continued to ensure that all relevant applications and technologies met the compliance requirements of the Payment Card Industry (PCI);

Provided internal audit services to internal and external stakeholders;

Conducted a corporate review of all significant revenue streams, reviewed internal controls and provided recommendations for improvement;

Reviewed material revenue streams generated by the By-laws division to ensure accuracy and completeness, and provided recommendations for system and process changes as appropriate;

Received the Canadian Award for Financial Reporting for the 2012 Annual Report;

Received the Distinguished Budget Presentation Award for the 2013-2017 Financial Plan;

Maintained and sustained IT assets through replacement and upgrade of aging application and technologies;

Continued the implementation of an Enterprise Risk Management Program within Surrey;

Prepared for the transition back to PST;

Issued 138 solicitations and contracts plus 95 amending agreements;

Implement a new Financial System improving our Procurement & Accounts Payable functions;

Centralized customer service roles to improve efficiency;

Moved to electronic file storage for Payroll and Cash Management;

Updated/revised the Investment Policy that was approved by Council on May 6, 2013;

Awarded Certification of Excellence for the City's Investment Policy by the Association

of Public Treasurers of the United States and Canada (APTUS & C);

Provided superior customer service and expert advice to internal and external customers;

Provided assistance and financial advice to Surrey associations and non-profit organizations;

Prepared the detailed plans and designs to enable a seamless technology transition from the current City Hall to the New City Hall;

Provided oversight and direction for the implementation of the City's mobile-friendly website;

Automated financial system processes creating improved efficiencies; and

Implemented field automation for Engineering Operations by leveraging wireless technology and mobile computing devices for field staff.



**Surrey Fire teaches fire prevention through HomeSafe inspections, public forums and other safety initiatives.**

# CITY OF SURREY OVERVIEWS

## FIRE DEPARTMENT

**The Fire Service makes our City a safer place to live. In addition to the Department's Administration division, the other divisions include:**

### OPERATIONS

Operations' is the largest division and is responsible for emergency medical services, fire suppression, hazardous materials response and rescue activities. The Prevention and Training Branches also fall within the Operations division.

### PREVENTION

Prevention reduces the loss of life, property and environmental damage due to fire or hazardous materials. The Branch is comprised of four functional areas: Prevention, Enforcement, Investigations and Public Information. Fire Prevention Officers perform fire investigations, business inspections, routine fire safety inspections, and re-inspections, as well as review plans for new buildings, renovations and sites for fire safety, occupancy approval, and business licenses. They also help to educate the public about fire safety.

### TRAINING

The Training branch develops and delivers training programs to enhance the skills, increase the competencies and expand the scope of training for Surrey's 500 career and volunteer staff.

### COMMUNICATIONS

Communications provides dispatch and after-hours public works emergency calls to 12 municipalities in the Metro Vancouver region, three departments in the Squamish-Lillooet Regional District, and 13 departments and five municipalities in the Columbia-Shuswap District.

### MECHANICS

The Mechanics division maintains, repairs and inspects the Department's specialty fire vehicles and equipment.

### SURREY EMERGENCY PROGRAM

Surrey's Emergency Program includes Neighbourhood Emergency Preparedness Program (NEPP), Surrey Emergency Program Amateur Radio (SEPAR), Surrey Search and Rescue (SSAR), and Emergency Social Services (ESS), Level One: Personal Disaster Assistance. Through these programs, City staff and the large network of volunteers provide valuable community emergency services.

## 2013 ACCOMPLISHMENTS

Implemented a more cost-efficient recruit screening, testing and training processes, resulting in reduced hiring costs;

Coordinated removal of 4 problematic structures which were cost drivers for a significant number of repeat calls for service;

Published 24 research articles and/or papers illustrating the evidence-based decision-making used for strategic planning and fire and emergency activity;

Purchase and delivery of one mail and equipment delivery truck completed on time and within budget;

Continued to minimize absenteeism related costs through an attendance management program that resulted in achieving a 62% perfect attendance;

Electrical Fire Safety Initiative Team's ongoing contributions to improved environmental conditions included 318 inspections, 56 illegal grow operations detected, and 218 repair notices issued;

Implemented video streaming capabilities for distance education/training in station, reducing travel required by fire apparatus to deliver training initiatives;

The International City/County Management Association awarded the City of Surrey with the International 2013(ICMA) Community Health & Safety Award for the HomeSafe Program: Evidence Based Fire Reduction Strategy (developed with research conducted by University of the Fraser Valley);

HomeSafe program resources were successfully redeployed to focus on targeted Community Safety initiatives:

Two Safety Initiative events that reached 2,447 homes;

Participated in 7 forums for seniors; Installed 273 smoke alarms, and conducted 162 HomeSafe Inspections;

Secured strategic partnerships that reached out to vulnerable at risk populations, resulting in the Red Cross smoke alarm awareness campaign with the Home Equipment Loan Program Centre;

Held a Fire Prevention Week with information on preventing and responding to fires, maintaining smoke alarms and developing home escape plans;

Delivered 39 Surrey Neighbourhood Emergency Preparedness presentations to 1,041 attendees. In addition, 5 emergency preparedness booths were conducted at various fairs, resulting in exposure to 2,445 additional individuals;

Coordinated 33 Level 1 emergency support services responses; and

Issued 123 Order to Remedy Conditions for securing vacant buildings in the City, which reduces the occurrence of problems typically associated with vacant buildings.



**HR engaged employees in the design & preparation of workspaces at the New City Hall.**

# CITY OF SURREY OVERVIEWS

## HUMAN RESOURCES DEPARTMENT

**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 management, 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). The Department administers programs for City staff (exempt, CUPE, firefighters, volunteers, volunteer firefighters and retirees) and supports open communication and respectful workplace relationships throughout the City. Human Resources staff also partner with other City departments to attract, retain and motivate a qualified and diverse workforce. The Department includes the following sections:**

### OCCUPATIONAL HEALTH & SAFETY

The Occupational Health & Safety (OHS) team strives to make the workplace safe and healthy for all employees. The section works with managers, staff, unions and community partners to prevent workplace accidents and illnesses, to keep employees well, and to help employees return to work after an injury or illness.

### ORGANIZATIONAL DEVELOPMENT

Organizational Development's responsibilities focus on supporting staff and City Departments in developing, transforming and enhancing organizational effectiveness. This involves responding to corporate employee development needs, departmental business unit needs, and individual employee development needs through services including training, change management, performance management, employee engagement, succession planning and leadership development.

### LABOUR RELATIONS & COMPENSATION

Labour Relations & Compensation advises staff on collective bargaining, collective agreement interpretation and administration, workplace policies and practices, employee relations, job classification, compensation programs, and benefit and pension administration.

### HUMAN RESOURCES INFORMATION SYSTEMS

Human Resource Information Systems (HRIS) leverages new and emerging HR technologies to streamline workflow, maximize the accuracy, reliability and validity of workforce data, and facilitate the collection of data and key metrics. HRIS also maintains the Human Resources internal intranet website.

### EMPLOYMENT SERVICES

Employment Services collaborates with and provides support to management and staff with employee recruitment and administration. Employment Services partners with community organizations to provide information on employment opportunities, and seeks new and innovative opportunities to source talent.

### SUPPORT SERVICES

Reporting to the General Manager Human Resources, RCMP Support Services includes operational communications (emergency 911 and non-emergency call taking and dispatch), records management, court liaison, finance, information technology, facilities management, fleet management, training and development, communications, and cellblock operations. Support Services also delivers various community services and programs including victim services, youth intervention, restorative justice and crime prevention.

## 2013 ACCOMPLISHMENTS

Continued on-line training (New Worker Health & Safety Orientation) to streamline the 'onboarding' process for new hires;

Continued conversion of employee paper files to electronic employee files reducing the impact on the environment;

Remained a Top Employer in BC for the ninth consecutive year;

Awarded 2013 Canada's Top Employer for Young People;

Achieved a workplace accident frequency rate that was 12% below 2013 target;

Engaged employees in the design and preparation of workspaces at the New City Hall;

Continued to offer diversity and inclusion events sponsored for City staff;

City of Surrey and City of Vancouver partnered with ACCESS-on, an Essential Skills for Aboriginal Futures program; and

Partnered with Surrey School Board on the Student Mentorship program.



**Over 200,000 people attended annual City events including the Surrey International Children's Festival.**

# CITY OF SURREY OVERVIEWS

## PARKS, RECREATION & CULTURE DEPARTMENT

**The programs, facilities and services of Parks, Recreation & Culture reflect people working together to improve opportunities and enhance the quality of life for residents of Surrey. While working alongside the community, the department supports individuals and community wellness, environmental stewardship, cultural diversity, arts and heritage services, and community development. The department divisions include:**

### PARKS SERVICES

Parks Services is responsible for the planning, development, operation and maintenance of over 2,601 hectares of parkland, a civic marina and three cemeteries. The Division oversees stewardship of the natural environment, and facilitates the provision of nature-based programs. The Division works with the community to program the use of all outdoor athletic facilities and community gardens. The Special Events & Filming section hosts major events throughout the year, provides advice and permits to community event organizers and is a one-stop agency for filming. Civic Beautification offers a range of initiatives to make public spaces more beautiful.

### COMMUNITY & RECREATION

Community & Recreation Services (CRS) is responsible for the efficient and effective operation of community pools, arenas, recreation and community centres throughout the City. This division delivers programs and services that are accessible for seniors, youth, children and families. CRS engages volunteers with an inclusive approach by reaching out to Surrey's diverse community.

### ARTS

The Arts Services division plans and oversees a wide range of cultural services and programs within the City. This includes the operation of the Surrey Arts Centre as well as administering the Public Art Program, Cultural Grants Program and Surrey International Children's Festival. Arts Services staff provides stewardship for the City's art collections and supports the City-wide identification and implementation of arts programs and facilities. Staff works with community organizations and other sectors to build awareness and appreciation for the benefits of the arts, provides arts education and develops new audiences through the presentation of exhibits, public programs and theatre events.

### HERITAGE

Heritage Services plans, oversees and operates the Surrey Museum, the City of Surrey Archives, and the Historic Stewart Farm. Heritage supports the City-wide stewardship of documentary and material cultural heritage collections and the presentation of community history. Heritage partners with community organizations to build awareness and appreciation for Surrey's history and heritage through the presentation and circulation of exhibits, tours, public programs, curriculum-based school programs and special events. The division fosters and supports community participation and life-long learning through volunteer and work experience opportunities for youth and adults.

## 2013 ACCOMPLISHMENTS

The City received UBCM's 2013 Community Excellence Award for Best Practices in Social Media, the 2013 National Star Award for Best Public Entertainment Event in Canada for Canada Day 2012 Celebration, the 2013 Special Event Gala Award for the Best International Festival for Fusion Festival and Kensington Prairie Community Centre received a Gold Award from the Institute of Public Administration of Canada/Deloitte Public Leadership Awards;

6,200 trees were planted to beautify the city, over 18,000 native trees and shrubs were planted to improve habitat and over 103,000 ms of invasive plants were removed;

40.1 hectares (99.1 acres) of new parkland was added;

Hosted Cities Fit for Children conference for children and youth, Youth Fest & Seniors Summit;

Expanded and re-opened the Bridgeview Community Centre;

There were 3,287,400 visitors to PRC Facilities;

Heritage Services coordinated 33 special events that attracted nearly 12,000 visitors to the Museum and Stewart Farm;

The Art Gallery presented 19 exhibitions with works by over 280 local, national and international artists and engaged over 200 volunteers. The Surrey Arts Centre Theatres featured 50 performances of 13 productions attended by over 12,300 patrons;

As part of the Build Surrey Program, substantial construction began on the Cloverdale Youth Park and the West Newton Cricket Park;

Over 200,000 people attended civic events such as the International Children's Festival, Canada Day, Fusion Festival and the Tree Lighting Ceremony; and

Implemented a new Sport Tourism website and hosted thirty sport tournament events.



**The new Surrey Animal Resource Centre is completed.**

# CITY OF SURREY OVERVIEWS

## PLANNING & DEVELOPMENT DEPARTMENT

**The primary functions of the Planning & Development department are to prepare land use plans, by-laws and policies for consideration by City Council. Undertake application reviews and approval processes consistent with Council-approved plans, by-laws and policies in support of planned, orderly and sustainable development. In addition, support Council's directives related to the Build Surrey Program, and issue Building Permits and undertake related inspections. This mandate is accomplished through activities of the following six Divisions:**

### ADMINISTRATION & SPECIAL PROJECTS

Administration & Special Projects provides general administrative support services, records management, budgeting, information technology deployment and support, Enterprise Content Management implementation and customer service.

### AREA PLANNING & DEVELOPMENT, NORTH & SOUTH

Area Planning & Development implements Council-adopted by-laws and policies in relation to the use and development of land. This work involves receiving and reviewing applications for land development projects and preparing reports to Council.

### BUILDING

Building administers Council adopted by-laws 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 Preservation By-law and Sign By-laws. The Building Division is also responsible for providing professional advice to City Council, the Board of Variance, other City departments and the public on building construction related matters.

### 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 strategies. Community Planning also supports the Heritage Advisory Commission, Environmental Advisory Committee, Agricultural Advisory Committee and the Social Planning Advisory Committee. The division provides graphic and mapping services for the department and supports the corporate Geographical Information Systems (GIS) services.

### CIVIC FACILITIES

Civic Facilities plans, designs and constructs new facilities, and maintains and operates the City's existing building inventory, which includes redeveloping and modifying buildings, and administering an ongoing preventative maintenance program. The division leads energy savings initiatives throughout the City, including lighting and HVAC system upgrades.

## 2013 ACCOMPLISHMENTS

Continued implementation of mobile technology for building inspections;

Received approximately 700 development applications including rezoning, subdivision, development, development variance permit, Official Community Plan amendment and Land Use Contract amendment;

Prepared and presented approximately 280 planning reports to Council on development applications;

Approved the creation of approximately 660 single family lots;

Completed Aloha Estates Infill Area Concept Plan;

Completed South Westminster Heights Infill Area Concept Plan;

New Official Community Plan given first and second readings;

West Clayton NCP received Stage 1 approval;

Major amendments to the Sign Bylaw were approved;

Issued 3,415 Building Permits with a construction value of \$1.05 billion;

Applied for and received approval for 10 Western Diversification grants totaling \$1,133,760;

Completed renovations to the Bridgeview Community Centre;

Completed the new Surrey Animal Resource Centre;

Renovation of all the holding cells at the RCMP;

Elevator replacement at Cloverdale Library;

Electrical and Tree Inspectors' Amanda MobilePal Inspections delivery;

Building Division Amanda MobilePal inspections integration amongst the Inspection Sections;

Integration of the Building Bylaw requirements into automated business processes;

New and enhanced on-demand reporting capabilities for Management;

Supported the City's Biodiversity study;

Completed energy efficiency upgrade projects for the following: Lighting upgrades to the Surrey Sport and Leisure Complex, Newton Wave Pool filtration system; boilers replacement; and Guildford Library lighting;

Completed gas chlorine conversions to liquid chlorine systems;

Replacement of boilers to high efficiency equipment at Newton Library, Fleetwood Community Centre, Surrey Arts Centre, South Surrey Ice Arena and Surrey Museum;

Completed first phase of renovations at the Port Kells Community Centre;

Housing the Homeless Plan was approved by Council; and

Heritage Revitalization Agreement protects 3 heritage structures at Meadowridge (Bose) Farm.



**Surrey Detachment Auxilliary Constables volunteered 24,810 hours at special events, community policing initiatives and crime prevention programs.**

# CITY OF SURREY OVERVIEWS

## 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, and enforcement operations, and works to reduce the impact of crime on the community through education and outreach. The Detachment is structured as follows:**

### OPERATIONS

Operations' consists primarily of uniformed general duty members. They are first responders to emergency and non-emergency calls for service and also conduct community patrols and proactive initiatives. The division also includes members in several support units, such as the mental health liaison unit (Car 67), Operations Review, and Cellblock and Detachment Duty.

### INVESTIGATIVE SERVICES

Investigative Services consists primarily of plain-clothes members organized into specialized sections such as Drugs, Property Crimes, Major Crimes and Special Projects, Intelligence and Enforcement. This division also includes Investigation Support units specific to Missing Persons, Domestic Violence, Gang Enforcement and Sexual Offences.

### OPERATIONS SUPPORT SERVICES

Operations Support Services is made up of uniformed traffic enforcement and pro-active community policing members, including School Liaison and Youth at Risk teams, Neighbourhood Liaison and Crime Reduction Units, Community Safety Officers. The division also includes number of specialized support units, such as Media Relations, Professional Standards, and Corporate and Client Services.

### SUPPORT SERVICES

Support Services includes operational communications (emergency 911 and non-emergency call taking and dispatch), records and exhibit management, court liaison, 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 victim services, youth intervention, restorative justice and crime prevention.

## 2013 ACCOMPLISHMENTS

Safeguarded the City's assets through effective and efficient financial processes and systems;

Ensured that all financial transactions met appropriate statutory requirements;

Utilized new media technologies (e.g., Sharepoint) to improve internal information sharing and better support business operations;

Successfully negotiated a five year agreement with the Corporation of Delta to provide Cell Block (prisoner management) services to the Delta Police Department;

Surrey Detachment Auxiliary Constables volunteered a total of 24,810 hours assisting with special events, community policing initiatives and crime prevention programs;

Continued to support departmental waste diversion program that includes multi-stream recycling receptacles to help achieve the City's landfill reduction and bio-fuel processing goals;

Continued to promote energy savings, double-sided printing, battery recycling and other conservation practices through a departmental sustainability working group;

Hosted a number of shred-a-thon events across the City to promote awareness of identity fraud;

Participated in the Lions Recycle for Sight program, donating used eyeglasses to people in developing countries;

Contributed resources, analysis, and advice to various City initiatives associated with public safety and the Crime Reduction Strategy;

Conducted Traffic Safety enforcement campaigns coinciding with high collision areas, targeting dangerous practices;

Delivered 109 community presentations to almost 3,300 people on topics such as personal safety, home security, frauds and scams, seniors safety, pedestrian safety and property crime prevention;

Hosted an Open House for Police Week 2013, where hundreds of citizens met local police and participated in interactive displays;

Established a detachment presence on social media with the launch of Surrey RCMP Twitter and Facebook accounts, ending the year with a following of over 3,000 people;

Led the Stop Bullying Film Contest that received over 30 submissions from talented local youth, one of which was used by Crime Stoppers as a Domestic Violence Public Service Announcement;

Partnered with ICBC and Surrey Crime Prevention Society on the "Protect it, Lock it, Keep it" auto crime prevention campaign that checked more than 60,000 vehicles over a 10-week period; and

Developed and successfully implemented operational plans to preserve the peace and ensure safety at a number of large, high-profile community events such as the Fusion Festival, Vaisakhi, the Cloverdale Rodeo, and Canada Day.



**A wide variety of free & accessible programs are offered to families at Surrey Libraries.**

# CITY OF SURREY OVERVIEWS

## SURREY PUBLIC LIBRARIES

**Surrey Libraries has nine branches, located in the six town centres: City Centre, Guildford, Fleetwood, Newton, Cloverdale and South Surrey, as well as in Strawberry Hill, Ocean Park and Port Kells. The Library collects and loans a wide variety of materials in print, audiovisual and electronic formats. Our READ-Ability home delivery service utilizes volunteers to take reading materials to people who cannot visit a library.**

**The Library offers a wide variety of programs that support literacy, including story times for children, job finding and career workshops, reading clubs for children and teens, computer literacy classes, services for new Canadians and support for customers with print disabilities. The library provides downloadable e-books, audio books, and a selection of online databases to Surrey residents of all ages. Partnerships with local community agencies such as School District No. 36 and Options Community Services (OCS) help to extend literacy programs beyond the Library's walls. The department's budgetary divisions include:**

### PUBLIC SERVICES

Public Services manages the circulation and information services offered through our nine locations; 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 our diverse community.

### 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.

## 2013 ACCOMPLISHMENTS

Marketed online databases to improve 'value for money' for Library resources;

Promoted electronic messaging as the preferred method of communication to reduce postage and printing costs;

Supported small businesses by providing economic meeting room space rentals;

Supported small business start-ups through workshops delivered in partnership with The Self Employment and Entrepreneur Development Society (SEEDS);

Reduced waste and printing of flyers through launch of online events calendar to promote library events;

Promoted online access by adding 30 more loanable e-readers;

Expanded collection of electronic downloadable resources such as books, newspapers, magazines, and audio/video media (e.g. launched Zinio online magazine subscription);

Launched Surrey Libraries' New Strategic Plan with outcomes that align with City's values (i.e. enhance social engagement, strengthen literacy supports, and provide equitable access to learning);

Engaged the community and promoted social inclusion through many library events (e.g. Human Library in partnership with CBC);

Supported local artists by partnering with Surrey Film Festival to teach film-editing workshops;

Improved community education levels through literacy and technology-based programs such as story times and drop-ins;

Provided accessible services by helping integrate newcomers and refugees, and amending policies to support poverty reduction;

Promoted equity and created understanding of housing issues and consequently awarded Heroes of Homelessness Award by Surrey

Homelessness & Housing Society;

Supported families by offering a variety of free and accessible programs such as Lego, movie nights and more story times on weekends;

Promoted early literacy by signing up 15,896 children for Summer Reading Club, the largest club in the province for 10 years running; and

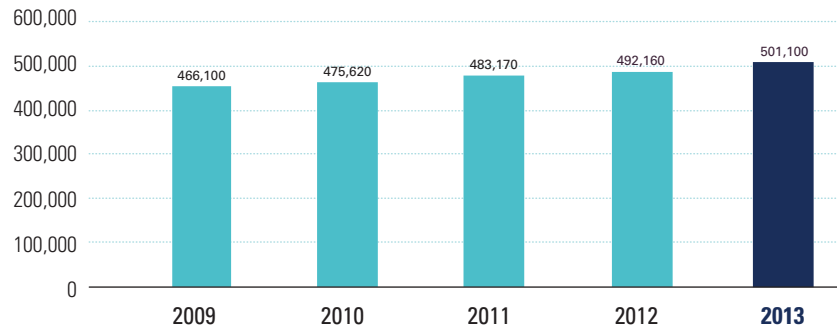
Helped integrate newcomers through joint programs with InterLINK (Library Champions) and the SFU—TD Engagement Centre and Friends of Simon Tutoring.

# STATISTICAL REVIEW

# STATISTICAL REVIEW

## Population

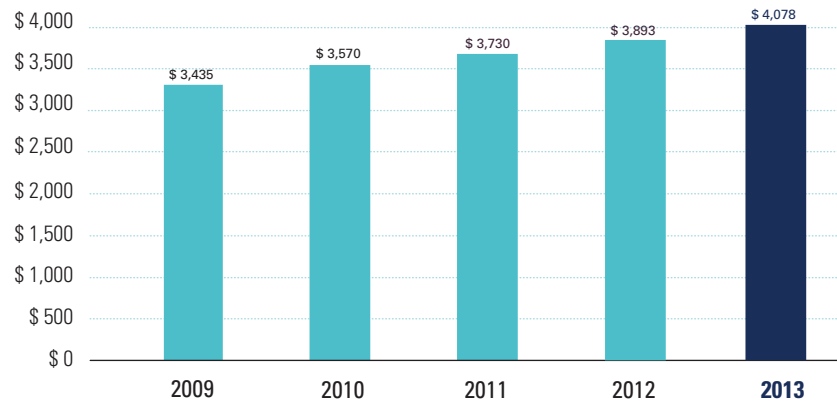
Source: City of Surrey Planning & Development Department



## Average Residential Tax and Utilities Bill

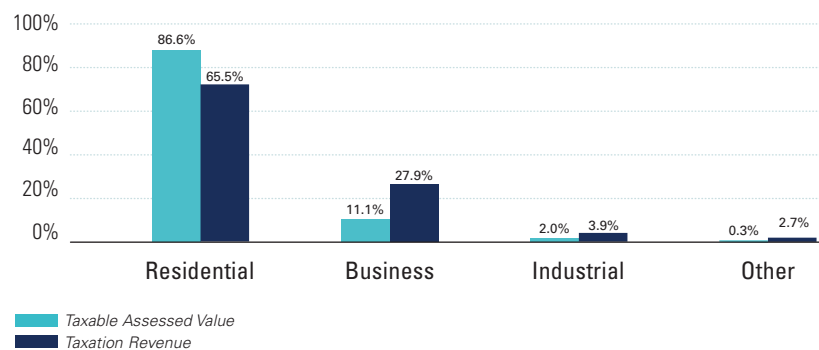
(Amount would be reduced by Provincial Home Owner Grant, if eligible)

Source: City of Surrey Financial Services Division



## 2013 General Revenue Fund Assessment and Taxation by Property Class

Source: City of Surrey Financial Services Division

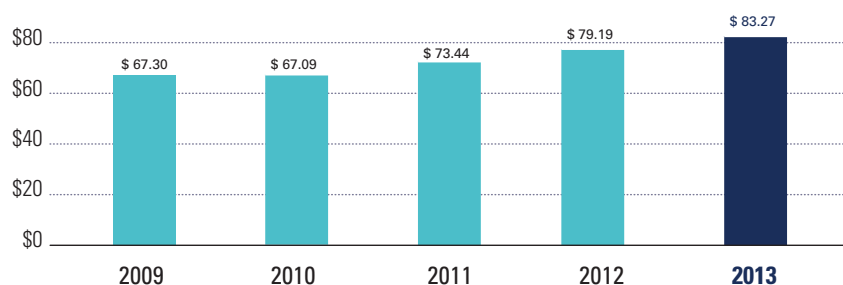


# STATISTICAL REVIEW

## Assessment for General Taxation

(in billions of dollars)

Source: City of Surrey Financial Services Division



## General Assessment and Taxation Statistics

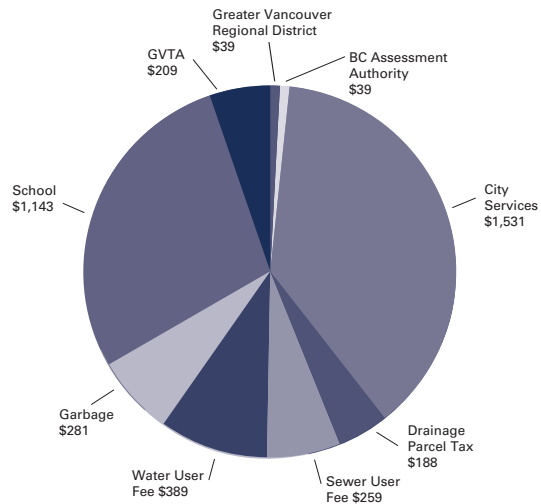
Source: City of Surrey Financial Services Division

|                                                  | 2009          | 2010          | 2011          | 2012          | 2013                 |
|--------------------------------------------------|---------------|---------------|---------------|---------------|----------------------|
| General Assessment: <i>(In thousands)</i>        | \$ 67,298,891 | \$ 67,085,790 | \$ 73,438,438 | \$ 79,194,334 | <b>\$ 83,274,864</b> |
| Total Assessed Properties                        | 132,574       | 135,943       | 138,932       | 141,905       | <b>144,175</b>       |
| Assessment Per Capita                            | \$ 507,633    | \$ 493,485    | \$ 528,593    | \$ 558,080    | <b>\$ 577,596</b>    |
| Percentage Of General Assessment Represented By: |               |               |               |               |                      |
| Residential                                      | 87.5%         | 86.5%         | 87.1%         | 86.8%         | <b>86.7%</b>         |
| Utilities                                        | 0.1%          | 0.1%          | 0.1%          | 0.1%          | <b>0.1%</b>          |
| Major Industrial                                 | 0.1%          | 0.1%          | 0.2%          | 0.1%          | <b>0.1%</b>          |
| Light Industrial                                 | 1.4%          | 1.9%          | 1.7%          | 1.9%          | <b>2.0%</b>          |
| Business / Other                                 | 10.6%         | 11.1%         | 10.7%         | 10.9%         | <b>10.9%</b>         |
| Non-Profit Recreation                            | 0.2%          | 0.2%          | 0.2%          | 0.2%          | <b>0.2%</b>          |
| Farm                                             | 0.1%          | 0.1%          | 0.0%          | 0.0%          | <b>0.0%</b>          |
|                                                  | 100.0%        | 100.0%        | 100.0%        | 100.0%        | <b>100.0%</b>        |
| Taxes Collected: <i>(In thousands)</i>           |               |               |               |               |                      |
| Current Year's Levy                              | \$ 461,250    | \$ 484,271    | \$ 512,345    | \$ 475,988    | <b>\$ 501,476</b>    |
| Current Taxes Collected                          | 444,626       | 466,902       | 499,768       | 462,922       | <b>487,844</b>       |
| Current Taxes Outstanding                        | \$ 16,624     | \$ 17,369     | \$ 12,577     | \$ 13,066     | <b>\$ 13,632</b>     |
| Percentage of Taxes Collected                    | 96.4%         | 96.4%         | 97.5%         | 97.3%         | <b>97.3%</b>         |
| Levy Per Capita                                  | \$ 3,479      | \$ 3,562      | \$ 3,688      | \$ 3,354      | <b>\$ 3,478</b>      |

# STATISTICAL REVIEW

## 2013 Average Residential Tax and Utilities Bill\*

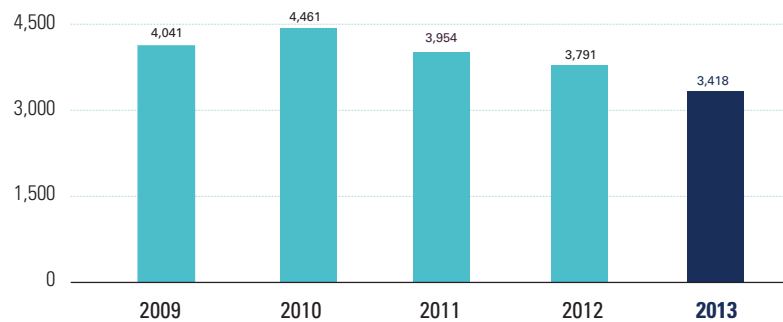
Source: City of Surrey Financial Services Division



\* Based on an Average Residential Dwelling with Assessed Value of \$643,561

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

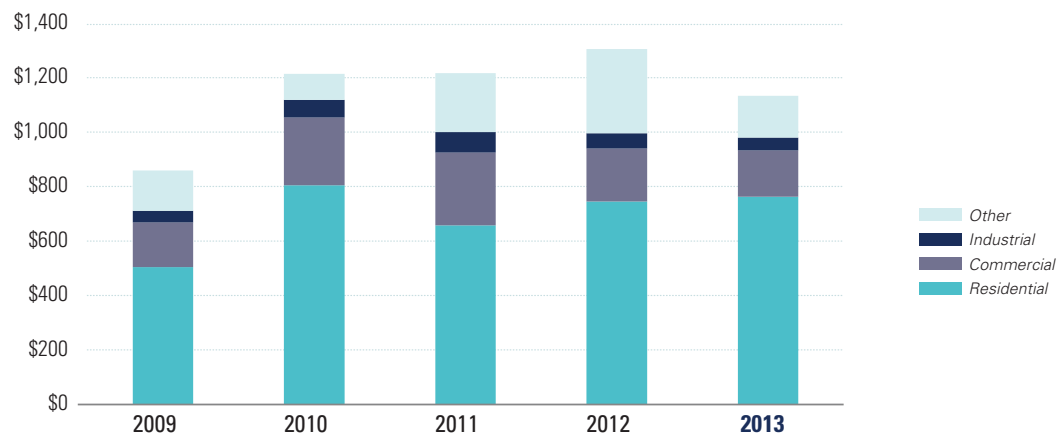
## Building Permits (# of permits issued)



## Construction Value of Building Permits Issued

(in millions of dollars)

Source: City of Surrey Planning & Development Department

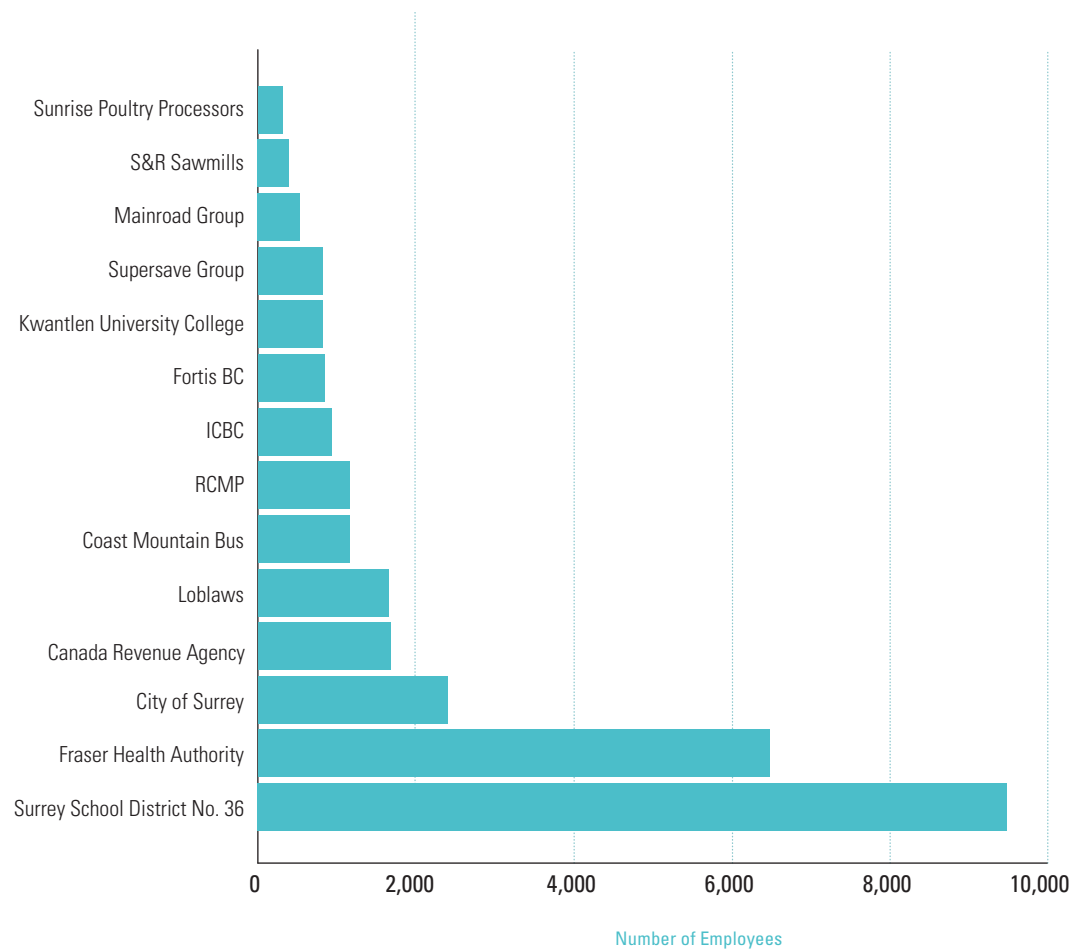


# STATISTICAL REVIEW

## Largest Employers in Surrey

(as of December 31, 2013)

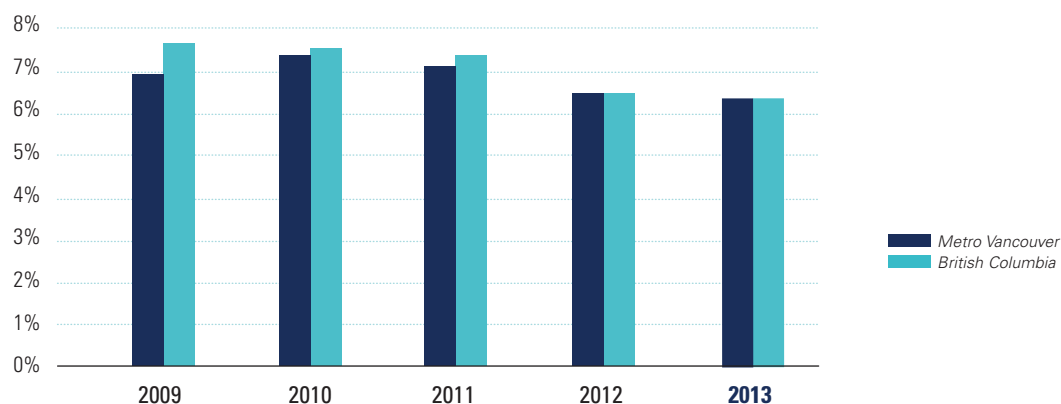
Source: City of Surrey Economic Development Division



# STATISTICAL REVIEW

## Unemployment Rates\*

Source: BC Stats



\* Metro Vancouver includes Anmore, Belcarra, Bowen Island, Burnaby, Coquitlam, Delta, Langley (City and District), 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.

## 2013 Financial Statistics

(in thousands of dollars)

Source: City of Surrey Financial Services Division

|                                            | 2009                | 2010                | 2011                | 2012                | 2013                |
|--------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Contribution to/(from) capital from equity | \$ 128,031          | 282,491             | \$ 200,199          | \$ 274,766          | \$ 368,451          |
| Contribution to/(from) reserves            | (66,580)            | 84,497              | (87,183)            | (124,650)           | (154,488)           |
| Transfer to/(from) appropriated surplus    | -                   | -                   | (1,911)             | (2,449)             | -                   |
| <b>Annual Surplus</b>                      | <b>\$ 194,611</b>   | <b>\$ 197,994</b>   | <b>\$ 111,105</b>   | <b>\$ 147,667</b>   | <b>\$ 213,963</b>   |
| <b>Accumulated Surplus</b>                 | <b>\$ 7,144,713</b> | <b>\$ 7,342,707</b> | <b>\$ 7,402,278</b> | <b>\$ 7,549,945</b> | <b>\$ 7,763,908</b> |
| <b>Net Financial Assets</b>                | <b>\$ 360,494</b>   | <b>\$ 321,861</b>   | <b>\$ 267,705</b>   | <b>\$ 153,437</b>   | <b>\$ 69,645</b>    |

### Definitions:

#### Annual Surplus/ (Deficit)

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

#### 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 its future objectives. Non-financial assets are added to net financial assets (or net debt) to calculate the accumulated surplus or deficit for the accounting period.

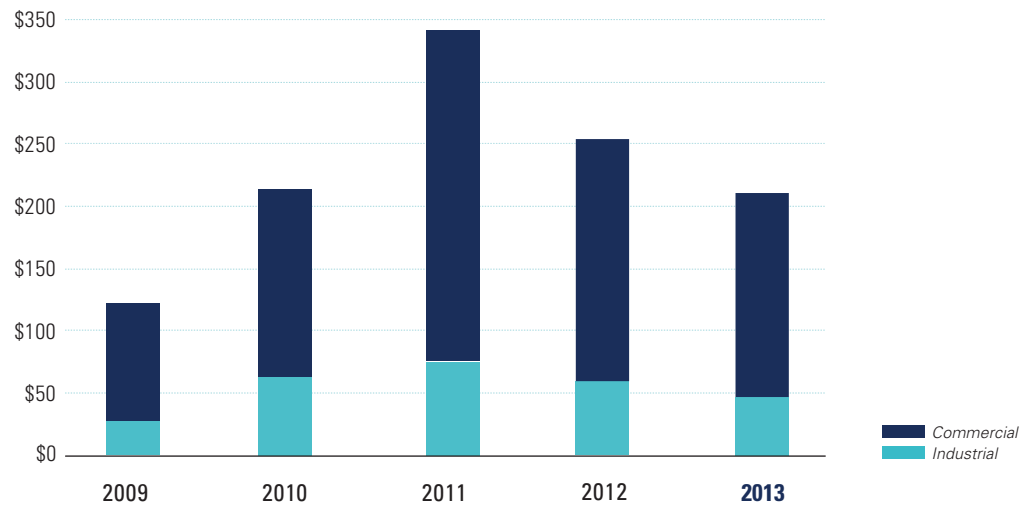
#### Net Financial Assets/ (Net Debt)

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.

# STATISTICAL REVIEW

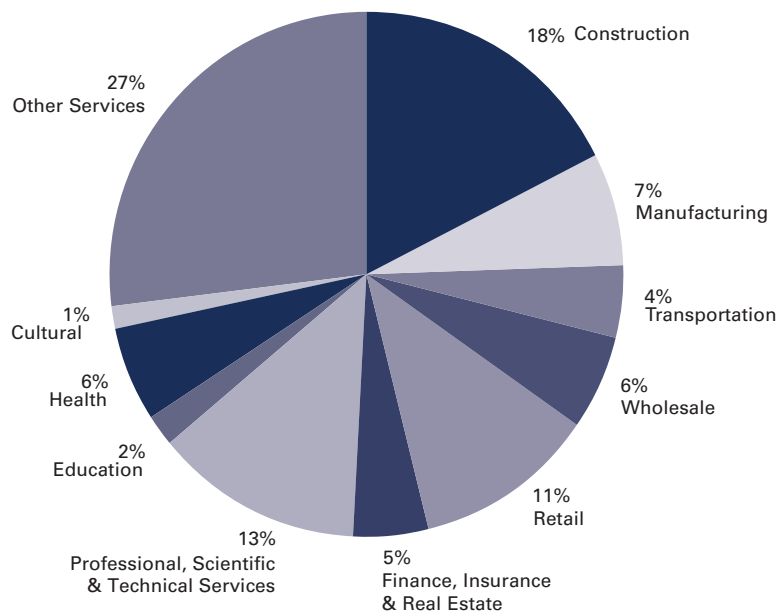
## Commercial & Industrial Development Approved in Surrey (in millions of dollars)

Source: City of Surrey Planning & Development Department



## Business Distribution in Surrey by Sector

Source: City of Surrey Economic Development Office

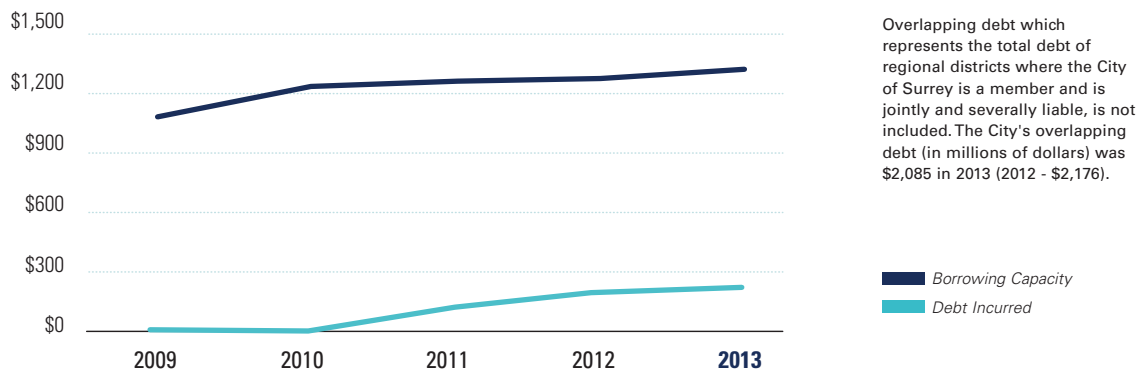


# STATISTICAL REVIEW

## Potential Borrowing Capacity vs Debt Incurred

(in millions of dollars)

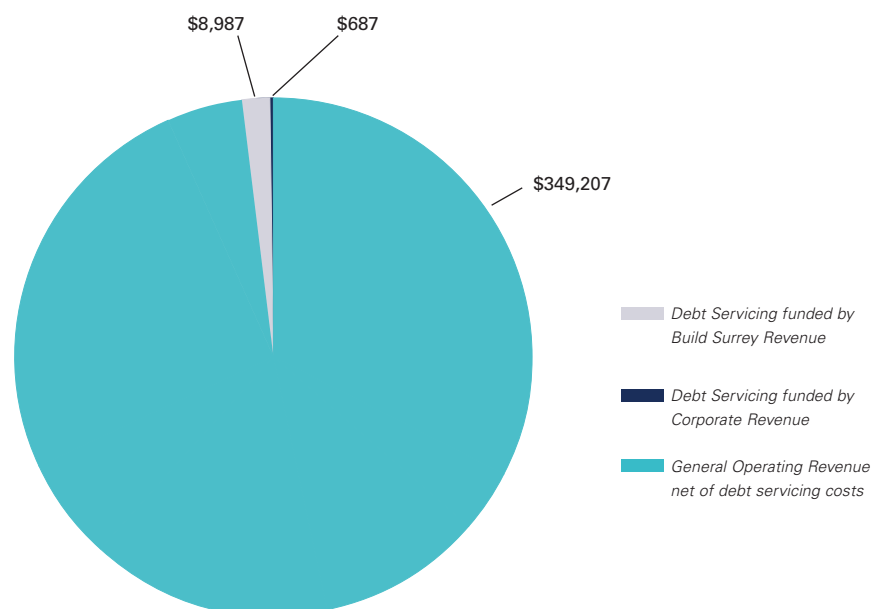
Source: City of Surrey Financial Services Division



## 2013 Debt Servicing Costs compared to General Operating Revenue

(in thousands of dollars)

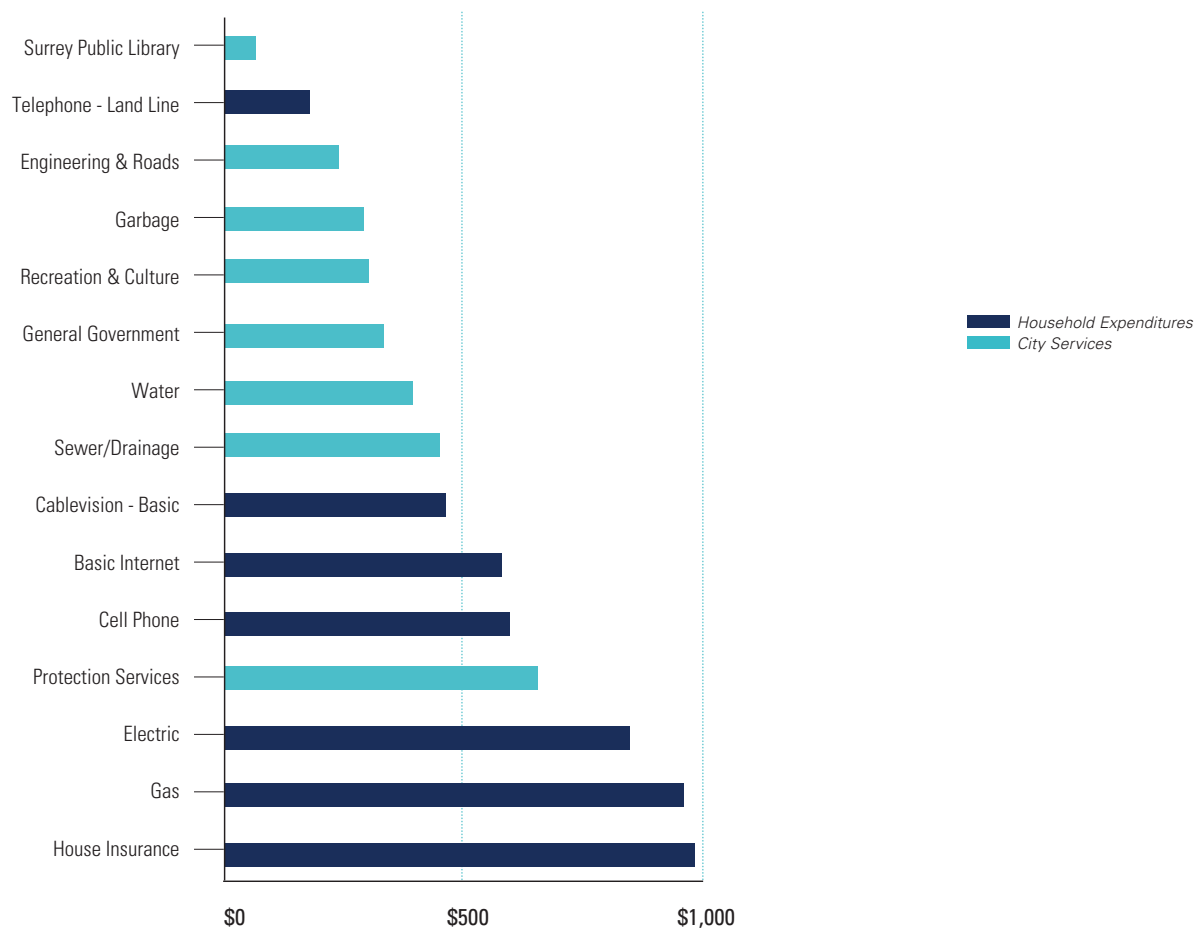
Source: City of Surrey Financial Services Division



# STATISTICAL REVIEW

## 2013 Household Expenditures vs City Services

Source: City of Surrey Financial Services Division



# PERFORMANCE MEASURES

# 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 By-law 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 the City's citizens and businesses;
4. Planning and delivering Parks, Recreation, Culture and Library services through programs and services that encourage participation from citizens of all ages and backgrounds, living in and visiting the City;
5. Providing open and responsive government through public participation and 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 co-operative 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 support the City's overall objectives.**

# PERFORMANCE MEASURES

## CITY MANAGER

| Division                 | Performance Measures                                                                   | 2013                           | Budget 2014   | Budget 2015   | Budget 2016   | Budget 2017    | Budget 2018    |
|--------------------------|----------------------------------------------------------------------------------------|--------------------------------|---------------|---------------|---------------|----------------|----------------|
| LEGAL SERVICES           | Prosecution fine revenue                                                               | \$57,750*<br>[Budget \$30,300] | \$60,000      | \$62,500      | \$65,000      | \$67,500       | \$70,000       |
| LEGISLATIVE SERVICES     | % of Print Shop jobs completed within requested due date                               | 95%<br>[Budget 95%]            | 95%           | 95%           | 95%           | 95%            | 95%            |
|                          | % of Council Minutes published on web by noon day after Council meeting                | 100%<br>[Budget 100%]          | 100%          | 100%          | 100%          | 100%           | 100%           |
| CRIME REDUCTION STRATEGY | % of Crime Reduction Strategy recommendations achieved                                 | 35%<br>[Budget 35%]            | 45%           | 60%           | 80%           | 100%           | 100%           |
|                          | % of Crime Reduction Strategy performance indicators reported annually                 | 100%<br>[Budget 100%]          | 100%          | 100%          | 100%          | 100%           | 100%           |
| SUSTAINABILITY OFFICE    | Successful execution of initiatives within the City's Sustainability Charter           | 35%<br>[Budget 35%]            | 50%           | 65%           | 80%           | 90%            | 100%           |
|                          | Corporate Greenhouse Gas Emissions (based on Corporate Emissions Action Plan target)   | n/a*                           | 4%            | 7%            | 10%           | 13%            | 16%            |
|                          | City wide Greenhouse Gas Emissions (based on Community Energy & Emissions Plan target) | n/a*                           | 3% per capita | 6% per capita | 9% per capita | 12% per capita | 15% per capita |
|                          | % of sustainability performance indicators reported annually                           | 100%<br>[Budget 100%]          | 100%          | 100%          | 100%          | 100%           | 100%           |
| ECONOMIC DEVELOPMENT     | Expansion of Clean Energy sector                                                       | 8<br>[Budget 7]                | 7             | 9             | 9             | 9              | 9              |
|                          | Business visitations                                                                   | 100<br>[Budget 100]            | 115           | 130           | 150           | 158            | 158            |

\*New performance measure in 2013

# PERFORMANCE MEASURES

## ENGINEERING

| Division               | Performance Measures                                                                                                             | 2013                       | Budget 2014 | Budget 2015 | Budget 2016 | Budget 2017 | Budget 2018 |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------|-------------|-------------|-------------|-------------|
| LAND DEVELOPMENT       | % of reduction in average land development processing time on engineering requirement for commercial and industrial applications | N/A*<br>[Budget 10%]       | 10%         | 5%          | 5%          | 5%          | 1%          |
| OPERATIONS             | % of fleet winter ready, complete with snow tires, by end of October                                                             | 75%<br>[Budget 100%]       | 100%        | 100%        | 100%        | 100%        | 100%        |
|                        | % of reduction in missing information of City infrastructure on GIS System                                                       | 25%<br>[Budget 25%]        | 75%         | 85%         | 95%         | 100%        | 100%        |
| REALTY SERVICES        | Expenses as a % of lease/rental revenues                                                                                         | 50%<br>[Budget 49%]        | 48%         | 47%         | 46%         | 45%         | 45%         |
| SURREY DISTRICT ENERGY | Connected floor area (m2)                                                                                                        | 23,850                     | 23,850      | 23,850      | 64,840      | 64,840      | 64,840      |
|                        | Energy saved (MWh) - Compared to BAU                                                                                             | 1,097                      | 2,194       | 6,622       | 11,051      | 15,480      | 19,909      |
|                        | GHG reduction (tonnes CO <sub>2</sub> equivalent) - Compared to BAU                                                              | 239                        | 478         | 1,483       | 2,488       | 3,493       | 4,498       |
| DRAINAGE UTILITY       | % of City covered by an Integrated Stormwater Management Plan (ISMP)                                                             | 41%<br>[Budget 60%]        | 75%         | 85%         | 100%        | 100%        | 100%        |
| SEWER UTILITY          | % of City's video inspected                                                                                                      | 47.4%                      | 50.3%       | 53.1%       | 56.0%       | 58.8%       | 61.6%       |
| SOLID WASTE            | Kitchen Waste Program total # residences to date                                                                                 | 99,700<br>[Budget 100,000] | 100,000     | 102,000     | 103,300     | 104,500     | 106,000     |
|                        | Solid Waste diversion rate from disposal                                                                                         | 70%**                      | 70%**       | 72%**       | 75%**       | 75%**       | 75%         |
| TRANSPORTATION         | Total # of traffic signals coordinated along corridors for efficient traffic flow to date                                        | 29<br>[Budget 33]          | 37          | 40          | 43          | 46          | 49          |
|                        | Total # of new high quality bus shelters installed to date                                                                       | 230<br>[Budget 245]        | 260         | 275         | 290         | 305         | 320         |
|                        | Safe & Active Schools Program - School Travel Planning (total # schools)                                                         | 15<br>[Budget 13]          | 16          | 19          | 21          | 23          | 26          |
|                        | Total # of kilometers of cycling routes (on-street and off-street)                                                               | 470 km<br>[Budget 468 km]  | 480 km      | 492 km      | 504 km      | 516 km      | 528 km      |
| WATER UTILITY          | % of single family homes on water meters                                                                                         | 65%<br>[Budget 63%]        | 67%         | 69%         | 71%         | 73%         | 74%         |
|                        | Average winter residential water consumption (litres per capita per day)                                                         | 282<br>[Budget 294]        | 280         | 278         | 276         | 274         | 272         |

\* Processing time increased due to significant staff shortages.

\*\*Budget restated from previous year to meet, in advance, the Metro Vancouver Regional Waste diversion goal of 70% by 2015.

# PERFORMANCE MEASURES

## FINANCE & TECHNOLOGY

| Division               | Performance Measures                                                  | 2013                       | Budget 2014 | Budget 2015 | Budget 2016 | Budget 2017 | Budget 2018 |
|------------------------|-----------------------------------------------------------------------|----------------------------|-------------|-------------|-------------|-------------|-------------|
| FINANCIAL SERVICES     | # of quarterly reports submitted to Council                           | 3<br>[Budget 3]            | 3           | 3           | 3           | 3           | 3           |
| FINANCIAL PROCESSING   | # of invoices paid by Accounts Payable                                | 75,000*<br>[Budget 72,779] | 74,235      | 75,720      | 77,234      | 78,779      | 80,000      |
|                        | # of invoices created by Accounts Receivable                          | 3,035**<br>[Budget 3,825]  | 3,096       | 3,158       | 3,221       | 3,285       | 3,351       |
|                        | % of staff receiving electronic pay stubs                             | 70%***<br>[Budget 70%]     | 80%         | 90%         | 100%        | 100%        | 100%        |
|                        | % of Homeowner Grants claimed online                                  | 50%<br>[Budget 52%]        | 54%         | 55%         | 56%         | 56%         | 56%         |
| INFORMATION TECHNOLOGY | NEW: % of Core Business Technology Services Availability              | 99%                        | 99%         | 99%         | 99%         | 99%         | 99%         |
| RISK MANAGEMENT        | Average # of days non-litigated liability claim open                  | 101<br>[Budget 159.8]      | 100         | 95          | 90          | 85          | 80          |
| INTERNAL AUDIT         | % of scheduled audits completed as per Corporate Audit Plan           | 100%<br>[Budget 80%]       | 80%         | 80%         | 80%         | 80%         | 90%         |
|                        | % of completed audit reports that result in recommendation for change | 100%<br>[Budget 80%]       | 80%         | 80%         | 80%         | 80%         | 90%         |

\*Accounts payable invoices processed are variable due to timing of receiving invoices as well as the variation of capital projects year over year.

\*\* Accounts receivable invoices created are variable due to variation in cost sharing agreements and activity levels in various city departments.

\*\*\*Increase due to RCMP department now receiving electronic paystubs.

# PERFORMANCE MEASURES

## FIRE

| Division               | Performance Measures                                                                                                        | 2013                      | Budget 2014 | Budget 2015 | Budget 2016 | Budget 2017 | Budget 2018 |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------|-------------|-------------|-------------|-------------|
| PREVENTION             | Meet Council's policy of properties inspected                                                                               | 100%<br>[Budget 100%]     | 100%        | 100%        | 100%        | 100%        | 100%        |
|                        | Meet goal of Homesafe Distribution Campaigns                                                                                | 4<br>[Budget 3]           | N/A*        | N/A*        | N/A*        | N/A*        | N/A*        |
| EMERGENCY PREPAREDNESS | # of exercises conducted with Emergency Operation Control Group                                                             | 2<br>[Budget 3]           | 3           | 3           | 3           | 3           | 3           |
|                        | Increase the number of public contact to Surrey Neighbourhood Emergency Preparedness Program (NEPP)                         | 3,486<br>[Budget 3,100]   | 3,150       | 3,200       | 3,250       | 3,330       | 3,350       |
| OPERATIONS             | Overall # of calls for service                                                                                              | 30,146<br>[Budget 25,500] | 25,500      | 25,500      | 25,500      | 25,500      | 25,500      |
|                        | Response times: first due in unit will arrive in 7 minutes or less to 90% of incidents                                      | 89%<br>[Budget 90%]       | 90%         | 90%         | 90%         | 90%         | 90%         |
|                        | Arrival of Initial Attack Force to structure fires will be in 12 minutes or less 90% of the time (commercial & residential) | 92%<br>[Budget 90%]       | 90%         | 90%         | 90%         | 90%         | 90%         |

\*HomeSafe Program has consistently met all targets and is currently being reviewed for opportunities to expand the role, types of services delivered as well as the methods of delivery. The current performance measures will no longer be applicable once changes to the content and delivery model of the program have been implemented.

# PERFORMANCE MEASURES

## HUMAN RESOURCES

| Division                                           | Performance Measures                                              | 2013                 | Budget 2014          | Budget 2015          | Budget 2016          | Budget 2017          | Budget 2018          |
|----------------------------------------------------|-------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| OCCUPATIONAL HEALTH & SAFETY                       | Incidence frequency rate of lost time claims per 100 person years | 4.3<br>[Budget 4.3]  | 4.2                  | 4.1                  | 4.0                  | 3.9                  | 3.8                  |
|                                                    | # of diversity events held                                        | 10<br>[Budget 10]    | 10                   | 10                   | 10                   | 10                   | 10                   |
| RECRUITMENT, TRAINING & ORGANIZATIONAL DEVELOPMENT | Average # of days to fill a position vacancy                      | Exempt<br>84 days*   | Exempt<br>85 days*   | Exempt<br>82 days*   | Exempt<br>81 days*   | Exempt<br>80 days*   | Exempt<br>79 days*   |
|                                                    |                                                                   | CUPE RFT<br>58 days* | CUPE RFT<br>57 days* | CUPE RFT<br>56 days* | CUPE RFT<br>55 days* | CUPE RFT<br>54 days* | CUPE RFT<br>53 days* |
|                                                    | # of probationary reports completed on time                       | 83%<br>[Budget 85%]  | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  |
| LABOUR RELATIONS & TOTAL COMPENSATION              | % increase in grievances                                          | 0<br>[Budget 0]      | 0                    | 0                    | 0                    | 0                    | 0                    |
|                                                    | # of staff with perfect attendance                                | 510<br>[Budget 450]  | 515**                | 520**                | 525**                | 530**                | 535**                |
| HUMAN RESOURCES INFORMATION SYSTEMS                | # of automated HR processes                                       | 6<br>[Budget 6]      | 6                    | 6                    | 6                    | 6                    | 6                    |
|                                                    | # of paper reducing initiatives                                   | 5<br>[Budget 5]      | 5                    | 5                    | 6                    | 6                    | 6                    |

\*Revised measurement for 2012 and future targets

\*\*City's Attendance Management Support program has positively affected staff attendance - future budgets have been revised

# PERFORMANCE MEASURES

## PARKS, RECREATION & CULTURE

| Division                        | Performance Measures                                                         | 2013                              | Budget 2014 | Budget 2015 | Budget 2016 | Budget 2017 | Budget 2018 |
|---------------------------------|------------------------------------------------------------------------------|-----------------------------------|-------------|-------------|-------------|-------------|-------------|
| PARKS SERVICES                  | Increase street tree inventory                                               | 8.2%<br>[Budget 3%]               | 3%          | 3%          | 3%          | 3%          | 3%          |
|                                 | Increase the length of trail system                                          | 1.8%<br>[Budget 1%]               | 1%          | 1%          | 1%          | 1%          | 1%          |
|                                 | Increase capacity for drop-in use of outdoor facilities                      | 2.7%<br>[Budget 2%]               | 2%          | 2%          | 2%          | 2%          | 2%          |
| COMMUNITY & RECREATION SERVICES | Increase the attendance at community centres                                 | 0.8% <sup>1</sup><br>[Budget 3%]  | 2%          | 2%          | 3%          | 3%          | 3%          |
|                                 | Increase Leisure Access participation                                        | 17.9% <sup>2</sup><br>[Budget 2%] | 2%          | 2%          | 2%          | 2%          | 2%          |
|                                 | Increase volunteer placements                                                | 3.8%<br>[Budget 2%]               | 1%          | 1%          | 1%          | 1%          | 1%          |
| ARTS SERVICES                   | Increase the # of on-line tickets sold through Surrey Arts Centre Box Office | 42% <sup>3</sup><br>[Budget 2%]   | 2%          | 2%          | 2%          | 2%          | 2%          |
|                                 | Increase school programs attendance at the Surrey Arts Gallery               | -3% <sup>4</sup><br>[Budget 0%]   | 1%          | 1%          | 1%          | 1%          | 1%          |
|                                 | Increase overall attendance of the Surrey Children's Festival                | 1%<br>[Budget 1%]                 | 1%          | 1%          | 1%          | 1%          | 1%          |
| HERITAGE SERVICES               | Catalogue and expand web searchable heritage collections                     | 5%<br>[Budget 2%]                 | 3%          | 3%          | 3%          | 3%          | 3%          |
|                                 | Increase participation in heritage extension programs                        | 1% <sup>5</sup><br>[Budget 10%]   | 3%          | 1%          | 1%          | 1%          | 1%          |
|                                 | Increase participation in heritage public programs                           | 8%<br>[Budget 2%]                 | 1%          | 1%          | 1%          | 1%          | 1%          |

1 Decrease due to increased competition in the adult recreation market.

2 Increase in LAP participation is dependent on various economic factors.

3 The positive increase of On-line theatre ticket sales in 2013 was due to introduction of promoting theatre events and on-line ticketing through social media. Also, in 2013 the Surrey Arts Centre was closed on Mondays and patrons had reduced access to the box office and many have resorted to the on-line sales option instead..

4 Gallery school program attendance declined in 2013 when we were unable to continue funding the in-school outreach program.

5 Heritage extension program space availability was reduced in 2013 impacting program growth.

# PERFORMANCE MEASURES

## PLANNING AND DEVELOPMENT

| Division                                | Performance Measures                                                                                                       | 2013                       | Budget 2014 | Budget 2015 | Budget 2016 | Budget 2017 | Budget 2018 |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------|-------------|-------------|-------------|-------------|
| AREA PLANNING & DEVELOPMENT NORTH/SOUTH | Council acceptance of positive planning reports                                                                            | 95%<br>[Budget 85%]        | 85%         | 85%         | 85%         | 85%         | 85%         |
|                                         | Council acceptance of negative planning reports                                                                            | 62%<br>[Budget 50%]        | 50%         | 50%         | 50%         | 50%         | 50%         |
|                                         | Complete planning reports for a minimum of 65% of rezoning and Development Proposal projects received in the calendar year | 88%<br>[Budget 65%]        | 65%         | 65%         | 65%         | 65%         | 65%         |
| COMMUNITY PLANNING                      | # of dwelling units in completed Neighbourhood Concept Plans                                                               | 1,337<br>[Budget 1,500]    | 1,500       | 1,500       | 1,500       | 1,500       | 1,500       |
|                                         | # of policy reports submitted to Council                                                                                   | 34<br>[Budget 40]          | 25*         | 25*         | 25*         | 25*         | 25*         |
|                                         | # of public meetings held                                                                                                  | 12<br>[Budget 5]           | 10**        | 10**        | 10**        | 10**        | 10**        |
| BUILDING                                | # of issued single family dwelling permits                                                                                 | 1,744*<br>[Budget 1,650]   | 900*        | 950*        | 950*        | 900*        | 850*        |
|                                         | Total annual construction value                                                                                            | \$1.05B<br>[Budget 1.1B]   | \$1.1B      | \$1.2B      | \$1.25B     | \$1.25B     | \$1.25B     |
|                                         | # of inspections                                                                                                           | 63,466<br>[Budget 65,500]  | 63,500      | 62,250      | 62,520      | 65,000      | 65,000      |
| CIVIC FACILITIES                        | # of after hours calls                                                                                                     | 119<br>[Budget 130]        | 130         | 125         | 125         | 125         | 125         |
|                                         | # of unscheduled facility closures                                                                                         | 3<br>[Budget 2]            | 2           | 2           | 2           | 2           | 2           |
| ADMINISTRATION & SPECIAL PROJECTS       | # of file set-ups (physical/digital)                                                                                       | 3,415*<br>[Budget 4,000]   | 3,500       | 3,500       | 3,500       | 3,500       | 3,500       |
|                                         | NEW: # of request for historical building data                                                                             | 3,700***<br>[Budget 5,000] | 3,600       | 3,500       | 3,000       | 3,000       | 3,000       |

The performance measure of “# of incoming calls to main switchboard” has been removed as effective January 1, 2014 the main City Hall switchboard is the responsibility of the Finance & Technology Department.

\*Targets have been changed to reflect a shift in the nature of policy/long range planning activities.

\*\*The project number of NCP's requiring public input has been reduced as Surrey's land use densifies and is related to the preceding measure.

\*\*\*Targets have been changed to reflect the reality of market shift from singly family to multi-family construction.

# PERFORMANCE MEASURES

## RCMP

| Priority                           | Performance Measures                                                              | 2013                                                                  | Budget 2014    | Budget 2015    | Budget 2016    | Budget 2017    | Budget 2018  |
|------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------|----------------|----------------|----------------|----------------|--------------|
| CAPACITY BUILDING – OUR PEOPLE     | Mandatory (Member) training compliance rate                                       | NA*                                                                   | 100%           | 100%           | 100%           | 100%           | 100%         |
|                                    | Employee satisfaction                                                             | NA                                                                    | 80%            | NA****         | 80%            | NA****         | 80%          |
| COMMUNITY SAFETY & CRIME REDUCTION | Reduction in rate of crimes against persons                                       | 10.6<br>[Budget 12.6]                                                 | 12.0           | 11.4           | 10.9           | 10.3           | TBD          |
|                                    | Reduction in rate of crimes against property                                      | 56.4<br>[Budget 53.3]                                                 | 50.8           | 48.4           | 46.1           | 43.9           | TBD          |
|                                    | Reduction in collisions causing death or injury (per 1,000 population)            | 0.03 (fatal)<br>1.8 (injury)<br>[Budget 0.029(fatal)<br>2.0 (injury)] | 0.027<br>1.9   | 0.026<br>1.8   | 0.026<br>1.8   | 0.025<br>1.7   | 0.024<br>1.6 |
|                                    | % of response times within 7 min. for Priority 1 and 15 min. for Priority 2 calls | 57% (P1)<br>51% (P2)<br>[Budget 60%<br>P1&P2]                         | 70%<br>P1 & P2 | 75%<br>P1 & P2 | 80%<br>P1 & P2 | 90%<br>P1 & P2 | TBD          |
| COMMUNITY ENGAGEMENT               | Community satisfaction                                                            | NA****                                                                | 80%            | NA****         | 80%            | NA****         | 80%          |
|                                    | # of community meetings (e.g. CCG and IST) held                                   | 90                                                                    | 75             | 75             | 75             | 75             | TBD          |
| COMMUNICATION                      | Employee satisfaction                                                             | NA****                                                                | 80%            | NA****         | 80%            | NA****         | 80%          |
|                                    | Community satisfaction                                                            | NA****                                                                | 80%            | NA****         | 80%            | NA****         | 80%          |
|                                    | Increase in internet traffic (total page views)                                   | 534,115<br>[Budget 537,908]                                           | 564,803        | 593,043        | 622,695        | 653,830        | TBD          |
|                                    | # of news releases                                                                | 247<br>[Budget 250]                                                   | 300            | 300            | 300            | 300            | TBD          |
| STEWARDSHIP                        | Reduction in deficit spending for RCMP contract budget                            | 0%<br>[Budget 3%]                                                     | 2%             | 1%             | 0%             | 0%             | TBD          |
|                                    | Reduction in paper use (as measured by # of boxes)                                | 504<br>[Budget 633]                                                   | 603            | 547            | 574            | 521            | TBD          |
|                                    | Reduction in (office) energy consumption in kWh                                   | 4,188,634<br>[Budget 4,028,901]                                       | 3,837,049      | 3,654,332      | 3,480,316      | 3,314,587      | TBD          |

\*The baseline for compliance with the core mandatory training requirements (IMIM,CBRN, AFQ and Block training) was established in 2013 based on YTD average of the daily compliance rate (from March 6-Dec 31).

\*\*Crime rates expressed as the number of crimes per 1,000 population and calculated based on counts of most serious violation in an incident only. Incidents may involve more than one violation. Violent crime incidents count as a single violation, regardless of the number of victims involved in the incident. Traffic collisions are not calculated based on most serious offence only.

\*\*\*Call response times do not include member-generated (on view) files, only calls received by the Call Centre. Priority 1 calls exceeding 35 minutes and Priority 2 calls exceeding 24 hours were excluded from the calculation.

\*\*\*\*Employee and community surveys to be conducted every two years (i.e., on a biennial basis). An employee survey was conducted in 2013; a community survey is planned for early in 2014. Satisfaction is presented as a weighted average based on a 1-5 scale (very poor to very good), where a weighted score of 3.4 represents a minimum 80% satisfaction rating.

# PERFORMANCE MEASURES

## SURREY LIBRARIES

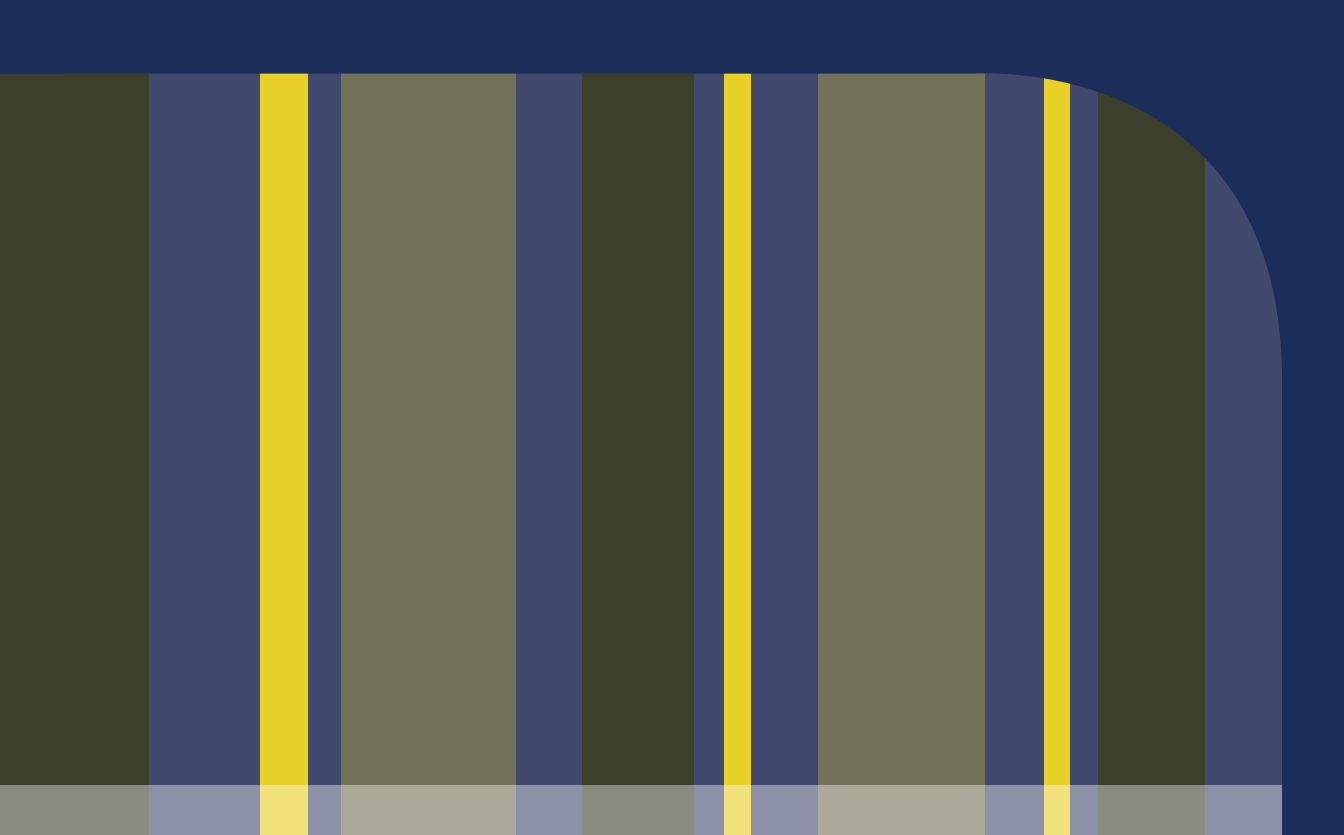
| Division                | Performance Measures                                                 | 2013                       | Budget 2014* | Budget 2015* | Budget 2016* | Budget 2017* | Budget 2018* |
|-------------------------|----------------------------------------------------------------------|----------------------------|--------------|--------------|--------------|--------------|--------------|
| PUBLIC SERVICES         | # of visits made to library locations and library website            | 4.03M**<br>[Budget 4.06M]  | 4.08M        | 4.10M        | 4.12M        | 4.16M        | 4.20M        |
|                         | # of transactions completed using the Library's materials collection | 5.05M***<br>[Budget 5.20M] | 5.10M        | 5.15M        | 5.20M        | 5.25M        | 5.30M        |
|                         | # of enrolments in Summer Reading Club and other literacy programs   | 101,027<br>[Budget 86,000] | 100,000      | 102,000      | 104,000      | 106,000      | 108,000      |
| ADMINISTRATIVE SERVICES | # of online access points available on library premises              | 224**<br>[Budget 210]      | 232          | 234          | 234          | 235          | 236          |
|                         | % of new customers signed up on email notification                   | 54.3%<br>[Budget 52%]      | 55%          | 58%          | 61%          | 64%          | 65%          |

\*Budget figures from 2014 to 2018 have been revised to more accurately reflect current data and trends.

\*\*Ongoing construction around City Centre and Guildford contributed to decrease in visits.

\*\*\*Lower net circulation offset by increased use of internet and digital resources.





# FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013





# TABLE OF CONTENTS

|                                                             |   |
|-------------------------------------------------------------|---|
| REPORT FROM THE GENERAL MANAGER, FINANCE & TECHNOLOGY ..... | 2 |
|-------------------------------------------------------------|---|

|                                           |   |
|-------------------------------------------|---|
| CITY OF SURREY FINANCIAL STATEMENTS ..... | 4 |
|-------------------------------------------|---|

|                                                    |   |
|----------------------------------------------------|---|
| City of Surrey, Independent Auditors' Report ..... | 5 |
|----------------------------------------------------|---|

|                                                    |   |
|----------------------------------------------------|---|
| Consolidated Statement of Financial Position ..... | 6 |
|----------------------------------------------------|---|

|                                            |   |
|--------------------------------------------|---|
| Consolidated Statement of Operations ..... | 7 |
|--------------------------------------------|---|

|                                                                 |   |
|-----------------------------------------------------------------|---|
| Consolidated Statement of Changes in Net Financial Assets ..... | 8 |
|-----------------------------------------------------------------|---|

|                                            |   |
|--------------------------------------------|---|
| Consolidated Statement of Cash Flows ..... | 9 |
|--------------------------------------------|---|

|                                                      |    |
|------------------------------------------------------|----|
| Notes to the Consolidated Financial Statements ..... | 10 |
|------------------------------------------------------|----|

|                                           |    |
|-------------------------------------------|----|
| Supplementary Financial Information ..... | 36 |
|-------------------------------------------|----|

|                                                  |    |
|--------------------------------------------------|----|
| SURREY PUBLIC LIBRARY FINANCIAL STATEMENTS ..... | 54 |
|--------------------------------------------------|----|

|                                                           |    |
|-----------------------------------------------------------|----|
| Surrey Public Library, Independent Auditors' Report ..... | 55 |
|-----------------------------------------------------------|----|

|                                       |    |
|---------------------------------------|----|
| Statement of Financial Position ..... | 56 |
|---------------------------------------|----|

|                               |    |
|-------------------------------|----|
| Statement of Operations ..... | 57 |
|-------------------------------|----|

|                                                           |    |
|-----------------------------------------------------------|----|
| Statement of Changes in Net Financial Assets (Debt) ..... | 58 |
|-----------------------------------------------------------|----|

|                               |    |
|-------------------------------|----|
| Statement of Cash Flows ..... | 59 |
|-------------------------------|----|

|                                         |    |
|-----------------------------------------|----|
| Notes to the Financial Statements ..... | 60 |
|-----------------------------------------|----|

|                                           |    |
|-------------------------------------------|----|
| Supplementary Financial Information ..... | 65 |
|-------------------------------------------|----|

|                             |    |
|-----------------------------|----|
| PERMISSIVE EXEMPTIONS ..... | 68 |
|-----------------------------|----|

# AUDIT COMMITTEE



Councillor Gill, Chair



Councillor Hayne, Member



Councillor Hunt, Member

The primary function of the Audit Committee is to assist the City Council in fulfilling its oversight responsibilities by reviewing the audited annual financial statements and other financial information, and the City's staff conduct within systems of internal controls and auditing processes.



# REPORT *from the* General Manager, Finance & Technology

May 7, 2014

To Mayor Dianne Watts and Members of City Council

It is my pleasure to submit in accordance with the requirements of the Community Charter, the Annual Financial Report for the City of Surrey for the year ended December 31, 2013. This Report includes the consolidated Financial Statements and the Auditor's Report.

The preparation of the consolidated financial statements is the responsibility of City Council and the management of the City of Surrey. 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 Canadian Institute of Chartered Accountants (CICA). In addition to the City of Surrey, the reporting entity comprises all organizations, boards and enterprises financially accountable to the City of Surrey, including the Surrey Public Library, the Surrey Homelessness and Housing Society and the Surrey City Development Corporation.

The public accounting firm KPMG LLP, which was appointed by City Council as the external auditor, has given the City an unqualified audit opinion on the City's Consolidated Financial Statements, stating 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, 2013 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. KPMG LLP has also stated that the City maintains a system of internal accounting controls designed to provide reasonable assurance for safeguarding the City's assets and the reliability of financial records and documents.

## FINANCIAL OVERVIEW

### 2013 in Review

The construction of new facilities under the 'Build Surrey' Program continued to bolster development throughout the City during the year. The City Centre has attracted significant development interest over 2013 and is expected to continue to be a significant location for development activity and new businesses in the coming years. The shift in construction of single family dwellings to multi-family dwellings has continued in 2013 as Surrey remains a relatively affordable market in the Region. Surrey's growth in 2013 continues to increase in comparison to 2011 and 2012.

The City's revenues totaled \$788.5 million in 2013, which is an increase in comparison to revenues of \$702.6 million that were collected in 2012. This increase was attributable primarily to additional property taxes, additional utility fees and increased capital contributions from developers for infrastructure-related projects.

The City's expenses totaled \$574.5 million in 2013, which was an increase in comparison to expenses of \$554.9 million in 2012. This increase was attributable to employee contract settlements, an increase in the amounts that were paid under the RCMP contract for police services and increases in fiscal services as a result of the external borrowing that the City has undertaken in 2011, 2012 and 2013.

### Investments

The City's investment policy, which complies with Community Charter requirements, outlines how City funds are invested to achieve reasonable returns and with investment security while meeting the City's cash flow requirements. The average portfolio balance related to the City's investments during 2013 was \$670.6 million, which earned \$19.9 million in interest in 2013, of which \$2.7 million was allocated to deferred development cost charges. The average rate of return during 2013 on the City's investment portfolio was 2.71%.

### Reserve Funds

The City's statutory reserve funds amount to \$45.2 million at the end of 2013 compared to a balance of \$67.6 million at the end of 2012. This decrease is mainly due to the funding requirements of the projects being constructed under the Build Surrey Program. The deferred development cost charge balance at the end of 2013 was \$219.0 million, which is an increase over the balance of \$216.3 million at the end of 2012. This is a reflection of the City's steady development activity. These funds will be used to fund capital projects that are listed in the City's Five-Year (2014-2018) Financial Plan.

### Financial Position

The balance in cash and investments has increased to \$674.1 million at the end of 2013 from \$663.6 million at the end of 2012. This increase is primarily the result of external borrowing received for Build Surrey projects that have yet to be completed. The City continues to maintain a strong financial position.

## THE FUTURE

The City will continue to grow and transform the way it conducts business. The implementation of a new financial system was partially completed in 2013 and ongoing improvements and enhancement will continue on into 2014 and 2015. The City will continue to expand its infrastructure under the Build Surrey Program to accommodate the demands of growth. In this regard, two new aquatic centers are under construction and are expected to be completed in 2014 and 2015. In addition, planning is underway for the construction by means of a public/private partnership of the largest Organics Biofuel Facility in Canada and advance design work will begin for a recreation facility in Clayton. These are just a few of the multitude of activities with which City staff is involved in addition to the on-going day-to-day delivery of municipal services to a City that has reached a population of over 500,000 residents.

Surrey is projected to welcome an average of 10,000 residents each year over the next two decades. Staff will continue to work efficiently and effectively in delivering high quality services, continue to pursue new revenue opportunities and implement innovative ideas and solutions that will position the City for continued success. Despite the pressures of growth, Surrey continues to provide its property owners with low property tax rates in comparison to the region and larger cities across Canada.

Staff is staying abreast with financial statement changes that are being considered by the Public Sector Accounting Board (PSAB) with a view to ensuring that the City implements changes efficiently. Staff is currently studying the impact of proposed PSAB changes in relation to accounting for the liability related to Contaminated Sites, Related Party Transactions and Financial Instruments and Foreign Currency Translation. The changes related to these standards will be implemented in 2014 and 2015. Other areas of potential change include possible changes to revenue recognition, asset disclosure and asset retirement obligation. Staff will monitor potential impacts of these areas as they evolve.

Under the direction of City Council, the City of Surrey is well positioned to continue to deliver high quality services for its residents and businesses in support of a continued high quality of life. The City's tag line, "The Future Lives Here", aptly characterizes the growing, exciting, youthful city that Surrey has become.

Respectfully submitted,



Vivienne Wilke, CGA  
General Manager, Finance & Technology

CITY OF SURREY



**KPMG LLP**  
**Chartered Accountants**  
Metrotower II  
Suite 2400 - 4720 Kingsway  
Burnaby BC V5H 4N2  
Canada

Telephone (604) 527-3600  
Fax (604) 527-3636  
Internet [www.kpmg.ca](http://www.kpmg.ca)

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council

We have audited the accompanying consolidated financial statements of the City of Surrey, which comprise the consolidated statement of financial position as at December 31, 2013 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Surrey as at December 31, 2013, and 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.

### *Other Matters*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in schedules 1 through 12 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Chartered Accountants

May 12, 2014

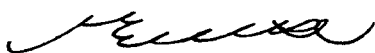
Burnaby, Canada

# City of Surrey

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                                                   | 2013                | 2012                |
|---------------------------------------------------|---------------------|---------------------|
| <b>FINANCIAL ASSETS</b>                           |                     |                     |
| Cash and cash equivalents                         | \$ 70,402           | \$ 82,051           |
| Accounts receivable (note 2)                      | 139,246             | 140,748             |
| Properties held-for-sale (note 3)                 | 15,237              | 14,788              |
| Investments (note 4)                              | 674,126             | 663,551             |
|                                                   | <b>899,011</b>      | <b>901,138</b>      |
| <b>LIABILITIES</b>                                |                     |                     |
| Accounts payable and accrued liabilities (note 5) | 160,594             | 153,855             |
| Deposits and prepayments (note 6)                 | 153,878             | 154,026             |
| Deferred revenue (note 7)                         | 50,307              | 48,044              |
| Deferred development cost charges (note 8)        | 219,008             | 216,298             |
| Debt (note 9)                                     | 245,579             | 175,478             |
|                                                   | <b>829,366</b>      | <b>747,701</b>      |
| <b>NET FINANCIAL ASSETS</b>                       | <b>69,645</b>       | <b>153,437</b>      |
| <b>NON-FINANCIAL ASSETS</b>                       |                     |                     |
| Tangible capital assets (note 11)                 | 7,689,954           | 7,392,537           |
| Inventories of supplies                           | 1,010               | 1,030               |
| Prepaid expenses                                  | 3,299               | 2,941               |
|                                                   | <b>7,694,263</b>    | <b>7,396,508</b>    |
| <b>ACCUMULATED SURPLUS (note 12)</b>              | <b>\$ 7,763,908</b> | <b>\$ 7,549,945</b> |
| Commitments and contingencies (note 13)           |                     |                     |



Vivienne Wilke, CGA  
General Manager  
Finance & Technology Department



Dianne L. Watts  
Mayor, City of Surrey

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

# City of Surrey

## CONSOLIDATED STATEMENT OF OPERATIONS

*For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]*

|                                                   | 2013<br>Budget | 2013                | 2012           |
|---------------------------------------------------|----------------|---------------------|----------------|
| <b>REVENUES</b>                                   |                |                     |                |
| Taxation revenue <i>(note 15)</i>                 | \$ 295,185     | \$ <b>293,292</b>   | \$ 274,001     |
| Sales of goods and services                       | 185,563        | <b>179,802</b>      | 171,352        |
| Development cost charges <i>(note 8)</i>          | 134,533        | <b>68,383</b>       | 36,405         |
| Developer contributions                           | 190,601        | <b>121,283</b>      | 103,399        |
| Investment income                                 | 18,155         | <b>19,867</b>       | 19,410         |
| Transfers from other governments <i>(note 21)</i> | 33,565         | <b>52,502</b>       | 55,424         |
| Other                                             | 44,928         | <b>53,394</b>       | 42,599         |
| <b>TOTAL REVENUES</b>                             | <b>902,530</b> | <b>788,523</b>      | <b>702,590</b> |
| <b>EXPENSES</b>                                   |                |                     |                |
| Police services                                   | 119,954        | <b>116,146</b>      | 113,211        |
| Parks, recreation and culture                     | 73,589         | <b>79,552</b>       | 72,781         |
| General government                                | 79,520         | <b>59,691</b>       | 52,497         |
| Water                                             | 67,227         | <b>63,216</b>       | 61,810         |
| Fire services                                     | 54,906         | <b>53,969</b>       | 52,681         |
| Sewer                                             | 54,144         | <b>49,638</b>       | 49,574         |
| Engineering                                       | 5,244          | <b>8,970</b>        | 6,182          |
| Drainage                                          | 32,065         | <b>28,812</b>       | 28,798         |
| Solid waste                                       | 23,800         | <b>26,727</b>       | 27,590         |
| Roads & traffic safety                            | 62,207         | <b>50,598</b>       | 51,636         |
| Planning and development                          | 23,387         | <b>22,651</b>       | 22,363         |
| Library services                                  | 14,258         | <b>14,590</b>       | 15,800         |
| <b>TOTAL EXPENSES</b>                             | <b>610,301</b> | <b>574,560</b>      | <b>554,923</b> |
| <b>ANNUAL SURPLUS</b>                             | <b>292,229</b> | <b>213,963</b>      | <b>147,667</b> |
| Accumulated Surplus, beginning of year            | 7,549,945      | <b>7,549,945</b>    | 7,402,278      |
| Accumulated Surplus, end of year                  | \$ 7,842,174   | \$ <b>7,763,908</b> | \$ 7,549,945   |

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

## CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

As at December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                                                    | 2013<br>Budget | 2013              | 2012       |
|----------------------------------------------------|----------------|-------------------|------------|
| <b>ANNUAL SURPLUS</b>                              | \$ 292,229     | <b>\$ 213,963</b> | \$ 147,667 |
| Acquisition of tangible capital assets             | (539,058)      | <b>(423,764)</b>  | (393,958)  |
| Amortization of tangible capital assets            | 104,241        | <b>94,198</b>     | 93,324     |
| Loss (gain) on disposal of tangible capital assets | -              | <b>(3,568)</b>    | 2,311      |
| Proceeds on disposal of tangible capital assets    | -              | <b>9,904</b>      | 4,231      |
|                                                    | (142,588)      | <b>(109,267)</b>  | (146,425)  |
| Acquisition of inventories of supplies             | -              | <b>(1,010)</b>    | (1,030)    |
| Consumption of inventories of supplies             | -              | <b>1,030</b>      | 1,012      |
| Acquisition of prepaid expenses                    | -              | <b>(3,299)</b>    | (2,941)    |
| Use of prepaid expenses                            | -              | <b>2,941</b>      | 1,725      |
| Transfer to properties held-for-sale               | -              | <b>25,813</b>     | 33,391     |
|                                                    | -              | <b>25,475</b>     | 32,157     |
| <b>CHANGE IN NET FINANCIAL ASSETS</b>              | (142,588)      | <b>(83,792)</b>   | (114,268)  |
| Net financial assets, beginning of year            | 153,437        | <b>153,437</b>    | 267,705    |
| <b>Net financial assets, end of year</b>           | \$ 10,849      | <b>\$ 69,645</b>  | \$ 153,437 |

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

# City of Surrey

## CONSOLIDATED STATEMENT OF CASH FLOWS

*For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]*

|                                                                        | 2013             | 2012             |
|------------------------------------------------------------------------|------------------|------------------|
| Cash provided by (used in):                                            |                  |                  |
| <b>OPERATING TRANSACTIONS</b>                                          |                  |                  |
| Annual Surplus                                                         | \$ 213,963       | \$ 147,667       |
| Non-cash charges to operations:                                        |                  |                  |
| Amortization expense                                                   | 94,198           | 93,324           |
| Loss on disposal of tangible capital assets                            | 3,171            | 5,294            |
| Developer contributions of tangible capital assets <i>(note 11(b))</i> | (90,854)         | (70,859)         |
| Change in non-cash operating working capital:                          |                  |                  |
| Accounts receivable                                                    | 1,502            | (4,903)          |
| Inventories of supplies                                                | 20               | (18)             |
| Prepaid expenses                                                       | (358)            | (1,216)          |
| Accounts payable and accrued liabilities                               | 6,739            | 26,592           |
| Deposits and prepayments                                               | (148)            | 12,748           |
| Deferred revenue                                                       | 2,263            | 4,262            |
| Deferred development cost charges                                      | 2,710            | 32,409           |
| <b>Net change in cash from operating transactions</b>                  | <b>233,206</b>   | <b>245,300</b>   |
| <b>FUNDING TRANSACTIONS</b>                                            |                  |                  |
| Proceeds from issuance of debt                                         | 67,335           | 45,000           |
| Repayment of debt                                                      | (3,579)          | (2,400)          |
| Proceeds from issuance of loan payable                                 | 7,302            | 3,256            |
| Repayment on loan payable                                              | (957)            | (59)             |
| <b>Cash provided (used) by financing transactions</b>                  | <b>70,101</b>    | <b>45,797</b>    |
| <b>CAPITAL TRANSACTIONS</b>                                            |                  |                  |
| Cash used to acquire tangible capital assets                           | (332,910)        | (293,418)        |
| Acquisition of properties held-for-sale                                | (719)            | (80)             |
| Disposal of properties held-for-sale                                   | 26,083           | 27,394           |
| Proceeds on disposal of tangible capital assets                        | 3,165            | 1,248            |
| <b>Cash provided (used) by financing transactions</b>                  | <b>(304,381)</b> | <b>(264,856)</b> |
| <b>INVESTING TRANSACTIONS</b>                                          |                  |                  |
| Decrease (increase) in investments                                     | (10,575)         | 12,198           |
| <b>Cash provided (used) by investing transactions</b>                  | <b>(10,575)</b>  | <b>12,198</b>    |
| Increase (decrease) in cash and cash equivalents                       | (11,649)         | 38,439           |
| Cash and cash equivalents, beginning of year                           | 82,051           | 43,612           |
| <b>Cash and cash equivalents, end of year</b>                          | <b>\$ 70,402</b> | <b>\$ 82,051</b> |
| Supplementary cash flow information:                                   |                  |                  |
| <b>NON-CASH TRANSACTIONS:</b>                                          |                  |                  |
| Transfer of lands to reduce amounts owing to joint venture partners    | \$ -             | \$ 1,255         |
| Exchange of land                                                       | 6,739            | 2,983            |
| Acquisition of tangible capital assets financed by external mortgages  | -                | 29,681           |
|                                                                        | <b>\$ 6,739</b>  | <b>\$ 33,919</b> |

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

*For the year ended December 31, 2013  
[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, water, sewer and drainage services.

### 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City are prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

#### **a) Basis of consolidation**

The consolidated financial statements are comprised of the City's Operating, Capital and Reserve Funds plus the Surrey Public Library (the "Library"), Surrey City Development Corporation ("SCDC") and Surrey Homelessness and Housing Society ("SHHS"). The Library, SHHS and SCDC are consolidated as they are considered to be controlled by the City, by virtue of their Board being appointed by the City. Inter-fund transactions, fund balances and activities are eliminated on consolidation.

##### **i) Operating Funds**

These funds include the General, Solid Waste, Roads & Traffic Safety, Water, Sewer and Drainage Operating Funds as well as the Surrey Public Library. They are used to record the operating costs of the services provided by the City.

##### **ii) Capital Funds**

These funds include the General, Solid Waste, Roads & Traffic Safety, Water, Sewer and Drainage Capital Funds and Surrey Public Library Capital. They are used to record the acquisition costs of tangible capital assets and any related debt outstanding. All the capital funds are combined on the financial statements.

##### **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.

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### a) Basis of consolidation (continued)

#### iv) Surrey City Development Corporation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of Surrey City Development Corporation ("SCDC"). All inter-departmental and inter-entity accounts and transactions between SCDC and the City are eliminated upon consolidation. SCDC has the following government partnerships, which are accounted for as follows:

##### i) Surrey City Investment Corporation ("SCIC") - (100% owned and fully consolidated)

SCIC has a 50% ownership in nine holding companies that are proportionately consolidated.

SCIC has a 29.4% ownership in the following entities (proportionately consolidated) referred to as the "Surrey Centre Limited Partnerships":

- Surrey Centre Office Limited Partnership
- Surrey Centre Hotel Limited Partnership
- Surrey Centre Residential Partnership

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

##### iii) The Croydon Drive Development Limited Liability Partnership ("Croydon") - (50% owned and proportionately consolidated)

#### v) Surrey Homelessness and Housing Society

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of Surrey Homelessness and Housing Society ("SHHS"). All inter-departmental and inter-entity accounts and transactions between SHHS and the City are eliminated upon consolidation.

The City provided seed money to the Surrey Homelessness and Housing Society and oversees their operations.

#### vi) Trust Funds

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB 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 17.

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### **b) Revenue recognition**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

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.

Revenue recognition on sale 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. Lease revenues are recognized on a straight-line basis over the term of the lease. Consulting revenue is needed at the time when services are provided.

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

### **c) Deferred revenue**

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

### **d) Investment income**

Investment income is reported as revenue in the period earned.

### **e) 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 as the obligation is incurred.

### **f) Properties held-for-sale**

Properties held for sale include real estate properties which are ready and available to be sold and for which there is an available market. They are valued at the lower of cost or expected net realizable value. No amortization is recorded for properties held-for-sale. Properties held-for-sale are presented in note 3.

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### **g) Investments**

Investments consist of demand deposits, 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 a straight line basis.

### **h) Employee future benefits**

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

Sick leave 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 after the event occurs. The expense is recognized in the year the event occurs.

### **i) Budget data**

The budget data presented in these consolidated financial statements was included in the City of Surrey 2013 – 2017 Consolidated Financial Plan and was adopted through By-law #17819 on December 17, 2012.

### **j) 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 extending beyond the current year 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 all amounts that are directly attributable to acquisition, construction, development or betterment of the 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:

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### j) Non-financial assets (continued)

##### i) Tangible capital assets (continued)

| ASSET                      | USEFUL LIFE - YEARS |
|----------------------------|---------------------|
| Land improvements          | 12 - 60             |
| Buildings and improvements | 10 - 50             |
| Infrastructure             | 10 - 100            |
| Machinery and equipment    | 5 - 40              |

Annual amortization is charged commencing on the date the asset is acquired or available for use. Work-in-progress amounts are not amortized until the asset is put into service.

##### ii) Interest capitalization

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

##### iii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue. These assets include some land, road infrastructure, water and wastewater infrastructure, machinery and equipment assets.

##### iv) Intangible assets

Intangible assets, including works of art and historic assets are not recorded as assets in these financial statements.

##### v) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to ownership of the property are accounted for as capital leases and the related asset and obligation are recorded on the statement of financial position. All other leases are accounted for as operating leases and the related lease payments are expensed as incurred.

##### vi) Inventories of supplies

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

#### k) 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 life for amortization, provisions for accrued liabilities, contingencies and in performing actuarial valuations of employee future benefits.

Actual results could differ from these estimates.

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 1) 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 (note 1(a)) as well as presented financial information in segmented format (note 20).

### 2. ACCOUNTS RECEIVABLE

|                                 | 2013              | 2012              |
|---------------------------------|-------------------|-------------------|
| General accounts receivable     | \$ 47,257         | \$ 55,472         |
| Development cost charges        | 44,733            | 39,092            |
| Property taxes                  | 20,868            | 20,137            |
| Utility rates                   | 12,142            | 11,330            |
| Due from joint venture partners | 6,913             | 8,681             |
| Due from other authorities      | 4,908             | 3,984             |
| Debenture debt guarantee        | 2,274             | 1,511             |
| Tax sale properties             | 151               | 541               |
|                                 | <b>\$ 139,246</b> | <b>\$ 140,748</b> |

### 3. PROPERTIES HELD-FOR-SALE

|                                       | 2013             | 2012             |
|---------------------------------------|------------------|------------------|
| Opening balance                       | \$ 14,788        | \$ 8,711         |
| Transfer from tangible capital assets | 25,813           | 33,391           |
| Disposal on sale                      | (26,083)         | (27,394)         |
| Additions                             | 719              | 80               |
|                                       | <b>\$ 15,237</b> | <b>\$ 14,788</b> |

### 4. INVESTMENTS

|                                       | 2013              | 2012              |
|---------------------------------------|-------------------|-------------------|
| Investments maturing within one year  | \$ 388,953        | \$ 334,620        |
| Investments maturing within two years | 88,760            | 66,969            |
| Investments maturing within ten years | 195,713           | 261,962           |
| Investment in partnership             | 700               | -                 |
|                                       | <b>\$ 674,126</b> | <b>\$ 663,551</b> |

Average portfolio yield 2.70% (2012 – 3.05%). All investments can be liquidated on demand, but may have associated penalties on liquidation.

During 2013, SCDC invested \$700,000 for a 20% ownership of Bosa Properties (Bright A.1) Limited Partnership ("Bosa"). SCDC does not share control of Bosa and accordingly, this has been accounted for as a portfolio investment, carried at cost.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013  
 [tabular amounts in thousands of dollars]

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

|                                     | 2013              | 2012              |
|-------------------------------------|-------------------|-------------------|
| Trade accounts payable              | \$ 58,127         | \$ 71,662         |
| Due to Federal Government           | 26,392            | 25,024            |
| Employee future benefits (note 10)  | 23,881            | 21,968            |
| Due to joint venture partners       | 4,940             | 4,940             |
| Contractors' holdbacks              | 28,536            | 15,877            |
| Due to Regional Districts           | 9,115             | 6,834             |
| Due to Province of British Columbia | 5,673             | 4,562             |
| Due to other government entities    | 1,915             | 1,575             |
| Interest on debt                    | 2,015             | 1,413             |
|                                     | <b>\$ 160,594</b> | <b>\$ 153,855</b> |

## 6. DEPOSITS AND PREPAYMENTS

|                                       | 2013              | 2012              |
|---------------------------------------|-------------------|-------------------|
| <b>Deposits</b>                       |                   |                   |
| Future works                          | \$ 34,903         | \$ 33,064         |
| Planning and permits                  | 39,774            | 35,255            |
| Engineering                           | 28,442            | 29,168            |
| Capital deposits                      | 3,742             | 11,443            |
| Pavement cuts                         | 4,127             | 4,504             |
| Boulevard trees                       | 2,690             | 2,689             |
| Latecomer                             | 680               | 928               |
| Tenant deposits                       | 542               | 1,146             |
| Other deposits                        | 3,119             | 1,906             |
| Developer works agreement             | 640               | 505               |
| Amenities                             | 263               | 284               |
| <b>Total Deposits</b>                 | <b>\$ 118,922</b> | <b>\$ 120,892</b> |
| <b>Prepayments</b>                    |                   |                   |
| Taxes                                 | \$ 32,192         | \$ 30,313         |
| Utilities                             | 1,950             | 1,622             |
| Tax sale private purchase payment     | 813               | 1,187             |
| Other prepayments                     | 1                 | 12                |
| <b>Total Prepayments</b>              | <b>34,956</b>     | <b>33,134</b>     |
| <b>Total Deposits and Prepayments</b> | <b>\$ 153,878</b> | <b>\$ 154,026</b> |

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 7. DEFERRED REVENUE

|                                                | 2013             | 2012             |
|------------------------------------------------|------------------|------------------|
| Neighbourhood Concept Plans                    | \$ 23,545        | \$ 21,426        |
| Development/Building Permits                   | 16,379           | 16,006           |
| Deferred gains on land sales to joint ventures | 4,765            | 4,765            |
| Deferred lease revenue                         | 3,963            | 4,054            |
| Other                                          | 1,655            | 1,793            |
|                                                | <b>\$ 50,307</b> | <b>\$ 48,044</b> |

### 8. DEFERRED DEVELOPMENT COST CHARGES

Development Cost Charges (DCC's) are collected to pay for 95% of the general capital costs due to development and 90% of utility capital costs on specified projects. In accordance with the Local Government Act, these funds must be deposited into a separate reserve fund. DCC's are deferred and recognized as revenue when the related costs are incurred.

|                                                 | 2013              | 2012              |
|-------------------------------------------------|-------------------|-------------------|
| Deferred DCC's:                                 |                   |                   |
| Arterial roads                                  | \$ 49,389         | \$ 54,088         |
| Parkland                                        | 53,714            | 49,467            |
| Drainage/storm water detention                  | 37,497            | 36,743            |
| Sanitary sewer                                  | 22,751            | 22,595            |
| Collector roads                                 | 13,912            | 13,904            |
| Water                                           | 13,722            | 12,885            |
| Area specific                                   | 24,815            | 24,151            |
| Park development                                | 3,208             | 2,465             |
|                                                 | <b>\$ 219,008</b> | <b>\$ 216,298</b> |
| <b>Deferred DCC's, beginning of year</b>        | <b>\$ 216,298</b> | <b>\$ 183,889</b> |
| DCC's levied for the year                       | 68,438            | 65,808            |
| Investment income                               | 2,655             | 3,006             |
| Total DCC's deferred                            | 71,093            | 68,814            |
| Revenue recognized for General Capital Fund     | (53,054)          | (31,482)          |
| Revenue recognized for Water Capital            | (3,823)           | (2,913)           |
| Revenue recognized for Sewer & Drainage Capital | (11,506)          | (2,010)           |
| Total DCC's recognized as revenue               | (68,383)          | (36,405)          |
| Net increase for the year                       | 2,710             | 32,409            |
| <b>Deferred DCC's, end of year</b>              | <b>\$ 219,008</b> | <b>\$ 216,298</b> |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]

## 9. DEBT

|                | 2013              | 2012              |
|----------------|-------------------|-------------------|
| Debenture debt | \$ 206,356        | \$ 142,600        |
| Loans payable  | 39,223            | 32,878            |
|                | <b>\$ 245,579</b> | <b>\$ 175,478</b> |

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 repayments and actuarial adjustments to date are as follows:

|                      | Gross debt | Repayments and actuarial adjustments | Net debt 2013 | Net debt 2012 |
|----------------------|------------|--------------------------------------|---------------|---------------|
| General Capital Fund | \$ 212,335 | \$ 5,979                             | \$ 206,356    | \$ 142,600    |

In addition, loans payable by Surrey City Development Corporation are as follows:

|                                                                                                                                                                                                                                                    | 2013             | 2012             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Demand loan, Grove Limited Partnership, in the form of bankers' acceptances bearing a stamping fee of 2.25% plus interest at the monthly bankers' acceptance rate, secured by the underlying property and repayable on the sale of the development | <b>\$ 3,496</b>  | \$ 3,014         |
| Croydon Drive Development LLP Loan payable, RBC, bearing interest at RBP plus 0.75% per annum, secured by the underlying property and repayable on the earlier of the receipt of commercial financing and September 30, 2014                       | <b>2,395</b>     | -                |
| Murray Latta loan payable, Bank of Montreal, 7-year term maturing May 1, 2020, payable in monthly payments of \$22,942, including interest calculated at a rate of 3.86% per annum, secured by a mortgage on the commercial property               | <b>4,363</b>     | -                |
| Boundary Park loan payable, Citizen's Bank of Canada, 10-year term maturing January 1, 2023, payable in monthly payments of \$77,625, including interest calculated at a rate of 4.05% per annum, secured by a mortgage on the commercial property | <b>14,361</b>    | 14,681           |
| Cedar Hills loan payable, Citizen's Bank of Canada, 10-year term maturing November 1, 2022, 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  | <b>14,608</b>    | 14,941           |
| Line of credit, Grove Limited Partnership, through TD Canada Trust, bearing interest at prime plus 0.75% per annum                                                                                                                                 | -                | 242              |
|                                                                                                                                                                                                                                                    | <b>\$ 39,223</b> | <b>\$ 32,878</b> |

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 9. DEBT (CONTINUED)

Current borrowing includes:

| MFA Issue | Issue Date         | Term (yrs.) | Maturity           | Interest Rate | * Refinancing Date |
|-----------|--------------------|-------------|--------------------|---------------|--------------------|
| 116       | April 4, 2011      | 25          | April 4, 2036      | 4.20%         | April 4, 2021      |
| 121       | October 4, 2012    | 25          | October 4, 2037    | 2.90%         | October 4, 2022    |
| 126       | September 26, 2013 | 30          | September 26, 2043 | 3.85%         | September 26, 2023 |

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

Repayments and mortgage payments on net outstanding debenture debt and loans payable over the next five years and thereafter are as follows:

|                     | Repayments and<br>actuarial adjustments | Mortgage<br>payments | Total      |
|---------------------|-----------------------------------------|----------------------|------------|
| 2014                | \$ 4,922                                | \$ 848               | \$ 5,770   |
| 2015                | 5,118                                   | 882                  | 6,000      |
| 2016                | 5,323                                   | 917                  | 6,240      |
| 2017                | 5,536                                   | 954                  | 6,490      |
| 2018                | 5,757                                   | 993                  | 6,750      |
| 2019 and thereafter | 179,700                                 | 28,738               | 208,438    |
| Payable on demand   | -                                       | 5,891                | 5,891      |
| Total               | \$ 206,356                              | \$ 39,223            | \$ 245,579 |

Interest charges on debt are as follows:

|                                 | 2013     | 2012     |
|---------------------------------|----------|----------|
| Cash for interest payments      | \$ 4,454 | \$ 3,398 |
| Interest accrued at December 31 | 1,327    | 1,413    |
| Less: Capitalized Interest      | (276)    | (115)    |
| Total interest expense          | \$ 5,505 | \$ 4,696 |

For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]

## 10. 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 and accidental death, 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, and is included in accounts payable and accrued liabilities.

|                                   | 2013      | 2012      |
|-----------------------------------|-----------|-----------|
| <b>Accrued benefit liability:</b> |           |           |
| Balance, beginning of year        | \$ 21,968 | \$ 19,839 |
| Current service cost              | 1,688     | 1,834     |
| Interest cost                     | 941       | 975       |
| Amortization of actuarial loss    | 630       | 633       |
| Benefits paid                     | (1,346)   | (1,313)   |
| Balance, end of year              | \$ 23,881 | \$ 21,968 |

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2013. The difference between the actuarially determined accrued benefit obligation of \$21.1 million and the accrued benefit liability of \$23.9 million as at December 31, 2013 is an unamortized actuarial gain of \$2.8 million. The actuarial gain is amortized over a period equal to the employees' average remaining service lifetime of 11 years.

|                                           | 2013      | 2012      |
|-------------------------------------------|-----------|-----------|
| <b>Actuarial benefit obligation:</b>      |           |           |
| Accrued benefit liability, end of year    | \$ 23,881 | \$ 21,968 |
| Unamortized actuarial loss (gain)         | (2,753)   | 4,867     |
| Actuarial benefit obligation, end of year | \$ 21,128 | \$ 26,835 |

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

|                                                 | 2013  | 2012          |
|-------------------------------------------------|-------|---------------|
| Discount rate                                   | 4.00% | 3.50%         |
| Expected future inflation rate                  | 2.50% | 2.00% - 2.50% |
| Expected wage and salary range increases        | 0.50% | 0.50%         |
| Employee average remaining service life (years) | 11.0  | 9.0           |

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 11. TANGIBLE CAPITAL ASSETS

| <b>Cost</b>                | Balance at<br>December 31, 2012 | Additions         | Disposals / WIP<br>Allocations | <b>Balance at<br/>December 31, 2013</b> |
|----------------------------|---------------------------------|-------------------|--------------------------------|-----------------------------------------|
| Land and land improvements | \$ 1,667,268                    | \$ 40,024         | \$ 3,193                       | <b>\$ 1,704,099</b>                     |
| Buildings                  | 332,310                         | 20,543            | 99                             | <b>352,754</b>                          |
| Infrastructure             | 3,944,114                       | 68,009            | 2,827                          | <b>4,009,296</b>                        |
| Machinery and equipment    | 172,373                         | 14,954            | 5,735                          | <b>181,592</b>                          |
| Land under road            | 2,482,973                       | 64,968            | -                              | <b>2,547,941</b>                        |
| Work-in-Progress           | 328,917                         | 424,368           | 237,971                        | <b>515,314</b>                          |
| <b>Total</b>               | <b>\$ 8,927,955</b>             | <b>\$ 632,866</b> | <b>\$ 249,825</b>              | <b>\$ 9,310,996</b>                     |

| <b>Accumulated Amortization</b> | Balance at<br>December 31, 2012 | Amortization     | Accumulated<br>Amortization on<br>Disposals | <b>Balance at<br/>December 31, 2013</b> |
|---------------------------------|---------------------------------|------------------|---------------------------------------------|-----------------------------------------|
| Land and land improvements      | \$ 64,918                       | \$ 4,042         | \$ 1,121                                    | <b>\$ 67,839</b>                        |
| Buildings                       | 158,539                         | 10,389           | 99                                          | <b>168,829</b>                          |
| Infrastructure                  | 1,227,459                       | 64,627           | 1,667                                       | <b>1,290,419</b>                        |
| Machinery and equipment         | 84,502                          | 15,140           | 5,687                                       | <b>93,955</b>                           |
| <b>Total</b>                    | <b>\$ 1,535,418</b>             | <b>\$ 94,198</b> | <b>\$ 8,574</b>                             | <b>\$ 1,621,042</b>                     |

| <b>Net Book Value by category</b> | December 31, 2012   | December 31, 2013   |
|-----------------------------------|---------------------|---------------------|
| Land and land improvements        | \$ 1,602,350        | \$ 1,636,260        |
| Buildings                         | 173,771             | 183,925             |
| Infrastructure                    | 2,716,655           | 2,718,877           |
| Machinery and equipment           | 87,871              | 87,637              |
| Land under road                   | 2,482,973           | 2,547,941           |
| Work-in-Progress                  | 328,917             | 515,314             |
| <b>Total</b>                      | <b>\$ 7,392,537</b> | <b>\$ 7,689,954</b> |

For the year ended December 31, 2013  
 [tabular amounts in thousands of dollars]

## 11. TANGIBLE CAPITAL ASSETS (CONTINUED)

| Net Book Value by fund        | December 31, 2012 | December 31, 2013 |
|-------------------------------|-------------------|-------------------|
| General capital               | \$ 1,939,747      | \$ 2,069,836      |
| Transportation capital        | 3,185,652         | 3,339,184         |
| Water capital                 | 572,749           | 583,796           |
| Sewer capital                 | 528,415           | 535,864           |
| Drainage capital              | 1,054,395         | 1,054,335         |
| Library capital               | 5,940             | 5,835             |
| Surrey City Development Corp. | 105,639           | 101,104           |
| Total                         | \$ 7,392,537      | \$ 7,689,954      |

### a) Work-in-progress

Work-in-progress is comprised of costs related to projects currently under planning, development or construction that will result in a finished asset at a future date. Such costs are capitalized until such time as the property is ready for use or sale.

Work-in-progress having a value of \$515.3 million (2012 - \$328.9 million) has not been amortized. Amortization of these assets will commence when each specific asset is put into service.

### b) Contributed Tangible Capital Assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$90.9 million (2012 - \$70.9 million) comprised of roads infrastructure in the amount of \$69.3 million (2012 - \$49.9 million), water and wastewater infrastructure in the amount of \$13.4 million (2012 - \$13.4 million) and land in the amount of \$8.2 million (2012 - \$7.6 million), including improvements.

### c) Tangible Capital Assets Disclosed at Nominal Values

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

### d) Intangible Assets

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

### e) Write-down of Tangible Capital Assets

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services. Any impairment is accounted for as an expense in the consolidated statement of operations. No impairments were identified or recorded during the year ended December 31, 2013 and 2012.

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 12. ACCUMULATED SURPLUS

Accumulated surplus consists of individual fund surplus and reserves. Operating surplus for the City is as follows:

|                                                                   | 2013                | 2012                |
|-------------------------------------------------------------------|---------------------|---------------------|
| <b>Accumulated Surplus per Statement of Financial Position</b>    | <b>\$ 7,763,908</b> | <b>\$ 7,549,945</b> |
| Less:                                                             |                     |                     |
| Tangible capital assets                                           | 7,689,954           | 7,392,537           |
| Unexpended borrowing                                              | (158,199)           | (86,044)            |
|                                                                   | <b>7,531,755</b>    | <b>7,306,493</b>    |
| <b>Reserves set aside by Council</b>                              |                     |                     |
| Equipment and building replacement                                | 34,836              | 36,653              |
| Capital legacy                                                    | 23,998              | 12,757              |
| Local improvement financing                                       | 14,654              | 14,273              |
| Municipal land                                                    | (1,378)             | (8,205)             |
| Environmental stewardship                                         | 6,558               | 6,580               |
| Park land acquisition                                             | 5,186               | 2,984               |
| Water claims                                                      | 1,299               | 1,280               |
| Parking space                                                     | 1,244               | 1,226               |
| Affordable housing                                                | 33                  | 18                  |
|                                                                   | <b>86,430</b>       | <b>67,566</b>       |
| <b>Restricted Reserves</b>                                        |                     |                     |
| Infrastructure replacement                                        | 49,376              | 46,154              |
| Self-insurance                                                    | 16,138              | 14,755              |
| Revenue stabilization                                             | 12,661              | 12,661              |
| Operating emergencies                                             | 7,042               | 7,042               |
| Environmental emergencies                                         | 2,852               | 5,928               |
| Prepaid expenses                                                  | 3,299               | 2,941               |
| Inventories of supplies                                           | 1,010               | 1,030               |
| Committed funds                                                   | 128,562             | 128,180             |
|                                                                   | <b>220,940</b>      | <b>218,691</b>      |
| <b>Other Entities</b>                                             |                     |                     |
| Surrey City Development Corporation (net of interfund borrowings) | (90,106)            | (56,523)            |
| Surrey Homelessness and Housing Society                           | 8,380               | 8,692               |
|                                                                   | <b>(81,726)</b>     | <b>(47,831)</b>     |
| <b>Total Restricted Funds</b>                                     | <b>7,757,399</b>    | <b>7,544,919</b>    |
| <b>Unappropriated Surplus</b>                                     | <b>\$ 6,509</b>     | <b>\$ 5,026</b>     |

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 13. 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 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 has a contingent liability with respect to debentures of the Greater Vancouver Water District, Greater Vancouver Sewerage and Drainage District and Greater Vancouver Regional District, to the extent provided in their respective Enabling Acts, Acts of Incorporation and Amending Acts. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.
- c)** The City is a shareholder of the Emergency Communications for Southwest British Columbia Incorporated (E-Comm) whose services provided include: regional 9-1-1 call centre for the Greater Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The City holds 2 Class "A" shares and 1 Class "B" share (of a total of 28 Class "A" and 23 Class "B" shares issued and outstanding as at December 31, 2013). As a Class "A" shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date. As a Class "B" shareholder, the City is obligated to share in funding of the ongoing operating costs. In accordance with the members' agreement, upon withdrawal from E-Comm, class A shareholders shall be obligated to pay to the withdrawal date as requested by E-Comm their share of the class A shareholders' obligation to any long-term capital obligations, including any lease obligations. This includes any lease obligations or repayments thereof committed to by E-Comm up to the withdrawal date.
- d)** The City entered into an agreement with the YMCA of Greater Vancouver for the joint development of a facility in Surrey. The City contributed \$5.5 million towards the completion of the project, which was matched by the YMCA. The City has also provided a guarantee through an \$8.0 million pledge agreement in connection with a non-recourse first collateral mortgage expiring October 15, 2014, in favour of the Royal Bank of Canada that is registered against the land and facility, which can be renewed annually. The City does not expect to make any payments on the guarantee and no amounts have been accrued in the financial statements.
- e)** The City insures itself through a combination of insurance policies and self-insurance. The City has a funded self-insurance appropriation (note 12). Based on estimates, this appropriation reasonably provides for all outstanding claims.

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

f) There are several lawsuits pending in which the City is involved. 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 estimated have been accrued based on the best estimate of management.

#### g) Debt Reserve Fund Demand Note

The City has a contingent liability with respect to the Municipal Finance Authority of BC's (MFA) Debt Reserve Fund Demand Notes. This contingent liability is a condition of the borrowings undertaken by the City through:

- MFA Debenture Issue No. 116 April 4, 2011;
- MFA Debenture Issue No. 121 October 4, 2012; and
- MFA Debenture Issue No. 126 September 26, 2013.

For each debenture issue, The City was required to contribute to the MFA Debt Reserve Fund through a demand note. The demand note will only be recorded as an asset and liability if a local government, under the joint and several agreement of the regional district, defaults on their loan obligation. Upon this action of default, the MFA may call the outstanding demand notes of the deficient regional district at which point the demand notes then become an asset and a liability of the associated members. Once the defaulting local government repays in full the defaulted position, the MFA will refund all called demand notes. It is generally unlikely that the funds will be demanded by the MFA.

Demand note amounts are as follows:

| Issue | LA    | SI       | Rgn SI | Purpose | Term | DRF<br>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                |
| Total |       |          |        |         |      | \$ 3,957           |

#### h) Policing services

The City entered into a contract with the Provincial Government which provides for the Royal Canadian Mounted Police ("RCMP") to continue to deliver policing services for the City through to March 31, 2032.

RCMP members and the federal government are currently in legal proceedings regarding pay raises for 2009 and 2010 that were retracted for RCMP members. As the final outcome of the legal action and the potential financial impact to the City is not determinable, the City has not recorded any provision for this matter in the financial statements as at December 31, 2013.

For the year ended December 31, 2013  
*[tabular amounts in thousands of dollars]*

#### 14. 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 overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits are based on a formula. The Plan has about 179,000 active members, approximately 71,000 retired members.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The City paid \$14.5 million (2012 - \$13.8 million) for employer contributions while employees contributed \$12.0 million (2012 - \$11.3 million) to the Plan in Fiscal 2013.

#### 15. TAXATION REVENUE

|                                             | 2013              | 2012              |
|---------------------------------------------|-------------------|-------------------|
| <b>Tax collected:</b>                       |                   |                   |
| Property taxes                              | \$ 248,683        | \$ 235,146        |
| Collections for other authorities           | 268,633           | 253,144           |
| Sewer frontage taxes                        | 29,116            | 25,390            |
| Grants-in-lieu of taxes                     | 15,219            | 13,240            |
| Other                                       | 249               | 225               |
|                                             | <b>561,900</b>    | 527,145           |
| <b>Less transfers to other authorities:</b> |                   |                   |
| Province of BC - School Taxes               | 203,664           | 192,665           |
| Greater Vancouver Regional District         | 6,180             | 10,891            |
| BC Assessment Authority                     | 6,593             | 6,201             |
| Greater Vancouver Transportation Authority  | 41,413            | 39,760            |
| Other                                       | 10,758            | 3,627             |
|                                             | <b>268,608</b>    | 253,144           |
| <b>Taxation revenue</b>                     | <b>\$ 293,292</b> | <b>\$ 274,001</b> |

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]

### 16. SIGNIFICANT TAXPAYERS

The City is not reliant upon the revenue from any specific large property taxpayers or businesses. Tax revenues received from the seven largest properties amount to less than three percent of the City's annual gross taxation revenues.

### 17. TRUST FUNDS

These funds account for assets, which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the City's Consolidated Financial Statements. Amounts administered by the City as trust funds are as follows:

|                                 |                        |                              | 2013     | 2012     |
|---------------------------------|------------------------|------------------------------|----------|----------|
| Assets                          |                        |                              |          |          |
| Cash and short term investments |                        |                              | \$ 3,067 | \$ 2,957 |
|                                 |                        |                              |          |          |
| Equity                          | Employee Benefits Fund | Cemetery Perpetual Care Fund | 2013     | 2012     |
| Balance, beginning of year      | \$ 656                 | \$ 2,301                     | \$ 2,957 | \$ 2,818 |
| Employment insurance rebate     | 85                     | -                            | 85       | 90       |
| Contributions                   | -                      | 116                          | 116      | 88       |
| Interest revenue                | 10                     | -                            | 10       | 56       |
| Benefits purchased              | (35)                   | -                            | (35)     | (29)     |
| Refunded to employees           | (66)                   | -                            | (66)     | (66)     |
| Balance, end of year            | \$ 650                 | \$ 2,417                     | \$ 3,067 | \$ 2,957 |

### 18. SURREY HOMELESSNESS AND HOUSING SOCIETY

On June 22, 2007, the City of Surrey incorporated the Surrey Homelessness and Housing Society. The purposes of the Society are to raise funds for financing programs and projects that address homelessness in Surrey; conduct and provide financial assistance to homelessness housing initiatives; manage the disbursements of grants for projects and programs that address homelessness in Surrey and act to raise funds for these purposes. As the majority of members in the Society consist of City officials, the City is considered to have control over the Society's functions and the Society's financial information is fully consolidated within the City's financial statements.

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]

### 19. SURREY CITY DEVELOPMENT CORPORATION

On April 24, 2007 the City of Surrey incorporated a Development Corporation with broad powers to advance the commercial, industrial, institutional and residential development of the City. The City is the sole shareholder of the Development Corporation and has provided financing to sustain operations and the development. The Corporation's financial information is fully consolidated within the City's financial statements.

As at December 31, 2013, the Surrey City Development Corporation ("SCDC") has entered into Government Partnerships as follows:

#### a) The Grove Limited Partnership

The Grove Limited Partnership ("Grove") is a partnership between SCDC and Townline Grove Limited Partnership ("Townline") for the development of 141 three-level townhomes located in the East Clayton area of Surrey. SCDC mutually contributed a beneficial interest in lands valued at \$2,844,000 and cash consideration of \$1,341,597, for a 50% interest in the Grove. The proportionate amounts included in the consolidated financial statements at December 31, 2013 are as follows:

|                         |    |         |
|-------------------------|----|---------|
| Assets                  | \$ | 351     |
| Liabilities             |    | (3,925) |
| Tangible capital assets |    | 7,711   |
| Prepays                 |    | 56      |
| Accumulated surplus     | \$ | 4,193   |

#### b) Croydon Drive Limited Partnership

Croydon Drive Limited Partnership ("Croydon") is a partnership between SCDC and Back Lot Holdings LLP for the development of two office buildings. The SCDC is an equal partner in Croydon and has and will provide equal capital contributions to fund the operations of Croydon in the form of land, financial and intellectual capital. Croydon's financial results are proportionately consolidated with SCDC based upon the 50% share of total contributions. The proportionate amounts included in the financial statements at December 31, 2013 are as follows:

|                         |    |         |
|-------------------------|----|---------|
| Assets                  | \$ | 382     |
| Liabilities             |    | (3,979) |
| Tangible capital assets |    | 4,204   |
| Prepays                 |    | 1       |
| Accumulated surplus     | \$ | 608     |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]

## 19. SURREY CITY DEVELOPMENT CORPORATION (CONTINUED)

**c) Surrey Centre Partnerships**

Surrey Centre Partnerships ("Surrey Centre") are various partnerships with Century Group and Delta West Developments Inc., through SCDC's wholly-owned subsidiary, Surrey City Investment Corporation ("SCIC"), for the development of a tower which will include retail, residential and office spaces. SCDC mutually agreed to contribute assets totalling \$13.6 million in exchange for partnership units, resulting in an ownership interest on 29.4%. The liability of SCDC is limited to the cash and land which it will contribute to the SCP through SCIC. The proportionate amounts included in the financial statements at December 31, 2013 are as follows:

|                         |    |         |
|-------------------------|----|---------|
| Assets                  | \$ | 6,759   |
| Liabilities:            |    |         |
| Payable to partners     |    | (4,940) |
| Deferred gain           |    | (3,542) |
| Accounts payable        |    | (297)   |
|                         |    | (8,779) |
| Tangible capital assets |    | 2,982   |
| Accumulated surplus     | \$ | 962     |

## 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 Fire and Police Services; Parks, Recreation and Culture Services; General Government Services; Engineering Services; Solid Waste Management Services; Planning and Development Services; Water, Sewer and Drainage 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.

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 Department includes enforcing laws, preventing crime, and maintaining peace, order and security.

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

## 20. SEGMENTED INFORMATION (CONTINUED)

### **Parks, Recreation and Culture Services – Parks, Recreation and Culture Department**

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 & Councillor's Department, City Manager's Department, Finance & Technology Department, Human Resources 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 the provision of consulting services, land development activities, property acquisition/disposal and asset management 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.

### **Water Services – Water Department**

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.

### **Sewer Services – Sewer Department**

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.

### **Engineering Services – Engineering Department**

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

## 20. SEGMENTED INFORMATION (CONTINUED)

### **Drainage Services – Drainage Department**

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

### **Solid Waste Management Services**

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

### **Roads and Traffic Safety Services**

The Roads & Traffic Safety Utility provides effective managed transportation systems that serves the mobility needs of individuals and businesses and is safe, secure and supports the economic vitality of the City, and protects and enhances the environment.

### **Planning and Development Services – Planning and Development Department**

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 nine Library branches located throughout the City.

For the year ended December 31, 2013, with comparative figures for 2012 (in thousands of dollars)

|                                               |                 |                               |                    |          |               |           |  |             |           |                        |                        |                          | CONSOLIDATED     |            |              |
|-----------------------------------------------|-----------------|-------------------------------|--------------------|----------|---------------|-----------|--|-------------|-----------|------------------------|------------------------|--------------------------|------------------|------------|--------------|
| NOTE                                          | Police Services | Parks, Recreation and Culture | General Government | Water    | Fire Services | Sewer     |  | Engineering | Drainage  | Solid Waste Management | Roads & Traffic Safety | Planning and Development | Library Services | 2013       | 2012         |
| 20 SEGMENTED INFORMATION                      |                 |                               |                    |          |               |           |  |             |           |                        |                        |                          |                  |            |              |
| REVENUES                                      |                 |                               |                    |          |               |           |  |             |           |                        |                        |                          |                  |            |              |
| Taxation, grants-in-lieu, assessments         | \$ -            | \$ -                          | \$ 519,373         | \$ 117   | \$ -          | \$ 7,781  |  | \$ 4        | \$ 21,456 | \$ -                   | \$ 13,169              | \$ -                     | \$ -             | \$ 561,900 | \$ 527,145   |
| Collections for other authorities             | -               | -                             | (268,608)          | -        | -             | -         |  | -           | -         | -                      | -                      | -                        | -                | (268,608)  | (253,144)    |
| Taxation revenue                              | -               | -                             | 250,765            | 117      | -             | 7,781     |  | 4           | 21,456    | -                      | 13,169                 | -                        | -                | 293,292    | 274,000      |
| Sales of goods and services                   | 1,000           | 20,919                        | 15,758             | 61,204   | 1,619         | 40,209    |  | 4,417       | -         | 31,844                 | 355                    | 2,291                    | 186              | 179,802    | 171,352      |
| Development cost charges                      | -               | -                             | 68,383             | -        | -             | -         |  | -           | -         | -                      | -                      | -                        | -                | 68,383     | 36,405       |
| Developer contributions                       | -               | 130                           | 16,355             | 3,720    | -             | 4,808     |  | 8           | 6,213     | -                      | 90,029                 | -                        | 20               | 121,283    | 103,399      |
| Investment income                             | -               | 35                            | 17,372             | 1,357    | -             | 902       |  | -           | 201       | -                      | -                      | -                        | -                | 19,867     | 19,410       |
| Transfers from other governments              | 4,418           | 504                           | 4,549              | -        | -             | -         |  | -           | 238       | -                      | 41,423                 | 385                      | 985              | 52,502     | 55,424       |
| Other                                         | 50              | 932                           | 33,332             | 808      | (23)          | 407       |  | (552)       | (1,009)   | 200                    | 3,298                  | 15,418                   | 533              | 53,394     | 42,599       |
| EXPENSES                                      |                 |                               |                    |          |               |           |  |             |           |                        |                        |                          |                  |            |              |
|                                               | 5,468           | 22,520                        | 406,514            | 67,206   | 1,596         | 54,107    |  | 3,877       | 27,099    | 32,044                 | 148,274                | 18,094                   | 1,724            | 788,523    | 702,590      |
| Salaries and benefits                         | 19,448          | 42,776                        | 31,060             | -        | 48,331        | -         |  | 32,050      | -         | -                      | 4,725                  | 17,743                   | 12,191           | 208,324    | 192,699      |
| Consulting and professional services          | 35              | 2,929                         | 3,661              | 356      | 395           | 302       |  | 412         | 1,738     | 2,270                  | 2,550                  | 536                      | 75               | 15,259     | 18,494       |
| RCMP contracted services                      | 93,583          | -                             | -                  | -        | -             | -         |  | -           | -         | -                      | -                      | -                        | -                | 93,583     | 92,173       |
| Telephone and communications                  | 310             | 287                           | 1,142              | 8        | 764           | 16        |  | 160         | 21        | 5                      | 140                    | 53                       | 38               | 2,944      | 2,454        |
| Regional district utility charges             | -               | -                             | -                  | 40,841   | -             | 30,004    |  | -           | -         | -                      | -                      | -                        | -                | 70,845     | 69,047       |
| Utilities                                     | 384             | 2,726                         | 47                 | 455      | 333           | 1,304     |  | 498         | 7         | -                      | 3,526                  | 448                      | 316              | 10,044     | 9,499        |
| Garbage collection and disposal               | 16              | 242                           | 30                 | 1        | 25            | -         |  | 14          | 1         | 17,980                 | 4                      | 11                       | 12               | 18,336     | 19,535       |
| Maintenance and small equipment               | 41              | 7,296                         | 2,748              | 47       | 210           | 22        |  | 390         | 549       | 2                      | 340                    | 1,821                    | 228              | 13,694     | 12,934       |
| Insurance and claims                          | -               | 5                             | 1,899              | -        | 10            | 149       |  | -           | -         | -                      | -                      | -                        | -                | 2,063      | 1,516        |
| Leases and rentals                            | 794             | 783                           | 357                | 32       | -             | 92        |  | 169         | 514       | 190                    | 511                    | 4                        | 50               | 3,496      | 3,328        |
| Supplies and materials                        | 274             | 6,072                         | 2,539              | 1,074    | 1,674         | 1,233     |  | 5,310       | 605       | 1,482                  | 926                    | 1,394                    | 428              | 23,011     | 24,343       |
| Advertising and media                         | 4               | 518                           | 211                | 2        | 11            | -         |  | 35          | 3         | 122                    | 18                     | 30                       | 899              | 1,853      | 2,425        |
| Grants and sponsorships                       | -               | 212                           | 1,721              | -        | -             | -         |  | -           | -         | -                      | 4                      | -                        | -                | 1,937      | 2,415        |
| Contract payments                             | -               | 2,180                         | 1,397              | 3,195    | 9             | 2,252     |  | 783         | 1,722     | 696                    | 7,720                  | 349                      | 52               | 20,355     | 19,616       |
| Other                                         | 650             | 2,090                         | 2,559              | 10       | 672           | 20        |  | 291         | 10        | 32                     | 196                    | 745                      | 722              | 7,997      | 4,887        |
| Cost recoveries, net                          | (507)           | (1,784)                       | (6,422)            | 8,800    | (406)         | 3,570     |  | (34,297)    | 5,308     | 3,948                  | 3,518                  | (487)                    | (2,475)          | (21,234)   | (19,871)     |
| Interest on debt                              | -               | -                             | 5,505              | -        | -             | -         |  | -           | -         | -                      | -                      | -                        | -                | 5,505      | 4,696        |
| Other interests and fiscal services           | -               | 300                           | 2,021              | 11       | -             | 13        |  | -           | -         | -                      | -                      | -                        | 5                | 2,350      | 1,409        |
| Amortization expense                          | 1,114           | 12,920                        | 9,216              | 8,384    | 1,941         | 10,661    |  | 3,155       | 18,334    | -                      | 26,420                 | 4                        | 2,049            | 94,198     | 93,324       |
|                                               | 116,146         | 79,552                        | 59,691             | 63,216   | 53,969        | 49,638    |  | 8,970       | 28,812    | 26,727                 | 50,598                 | 22,651                   | 14,590           | 574,560    | 554,923      |
| Excess (deficiency) of revenues over expenses | (110,678)       | (57,032)                      | 346,823            | 3,990    | (52,373)      | 4,469     |  | (5,093)     | (1,713)   | 5,317                  | 97,676                 | (4,557)                  | (12,866)         | 213,963    | 147,667      |
| Transfer from (to) operating funds            | -               | -                             | (70,361)           | 10,901   | -             | 9,457     |  | (770)       | 3,661     | (2,556)                | 36,961                 | 1                        | 12,706           | -          | -            |
| Transfer from (to) reserve funds              | (2,260)         | (201)                         | (40,949)           | 2,655    | (1,377)       | 4,743     |  | (2,324)     | 5,024     | (846)                  | 35,666                 | (131)                    | -                | -          | -            |
| Transfer from (to) capital funds              | -               | 338                           | 35,831             | (10,438) | -             | (8,311)   |  | 455         | (5,815)   | (545)                  | (11,561)               | 46                       | -                | -          | -            |
| Annual surplus (deficit)                      | \$ (112,938)    | \$ (56,895)                   | \$ 271,344         | \$ 7,108 | \$ (53,750)   | \$ 10,358 |  | \$ (7,732)  | \$ 1,157  | \$ 1,370               | \$ 158,742             | \$ (4,641)               | \$ (160)         | \$ 213,963 | \$ \$147,667 |

For the year ended December 31, 2013, with comparative figures for 2012 (in thousands of dollars)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]

## 21. TRANSFERS FROM OTHER GOVERNMENTS

The Government transfers reported on the Statement of Operations are:

|                                                       | 2013             | 2012             |
|-------------------------------------------------------|------------------|------------------|
| <b>Revenue</b>                                        |                  |                  |
| <b>B.C. provincial government grants:</b>             |                  |                  |
| Roads                                                 | \$ 10,567        | \$ 13,122        |
| Traffic fine revenue sharing                          | 4,065            | 8,323            |
| Casino revenue sharing                                | 3,599            | 3,052            |
| Library operating                                     | 900              | 871              |
| Welcoming communities program                         | 384              | -                |
| Sewer replacement                                     | 238              | 2,925            |
| Child care and seniors                                | 182              | 226              |
| Victim services                                       | 167              | 172              |
| Arts                                                  | 104              | 50               |
| Dept. Municipal Affairs – City Centre Library         | 68               | -                |
| BC one card                                           | 66               | 34               |
| ICBC – crime reduction                                | 25               | -                |
| Resource sharing                                      | 19               | 8                |
| Union of BC Municipalities                            | -                | 17               |
| <b>Subtotal B.C. provincial government grants</b>     | <b>20,384</b>    | <b>28,800</b>    |
| <b>Federal government grants:</b>                     |                  |                  |
| Roads                                                 | 20,660           | 12,440           |
| Building & facility improvements                      | 858              | -                |
| Parks development                                     | 137              | 84               |
| Keep of prisoners                                     | 186              | 209              |
| Summer students                                       | 13               | 10               |
| Child care                                            | 68               | 62               |
| Newton gym                                            | -                | 34               |
| <b>Subtotal federal government grants</b>             | <b>21,922</b>    | <b>12,839</b>    |
| <b>TransLink:</b>                                     |                  |                  |
| Arterial widening & intersection improvements         | 3,533            | 5,125            |
| Arterial paving                                       | 1,396            | 3,508            |
| Arterial bridges                                      | 4,617            | 4,776            |
| Traffic signals, signs & markings                     | 66               | 166              |
| Bicycle street network & other transit projects       | 584              | 210              |
| <b>Subtotal TransLink grants</b>                      | <b>10,196</b>    | <b>13,785</b>    |
| <b>Total transfers from other government revenues</b> | <b>\$ 52,502</b> | <b>\$ 55,424</b> |

# City of Surrey

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

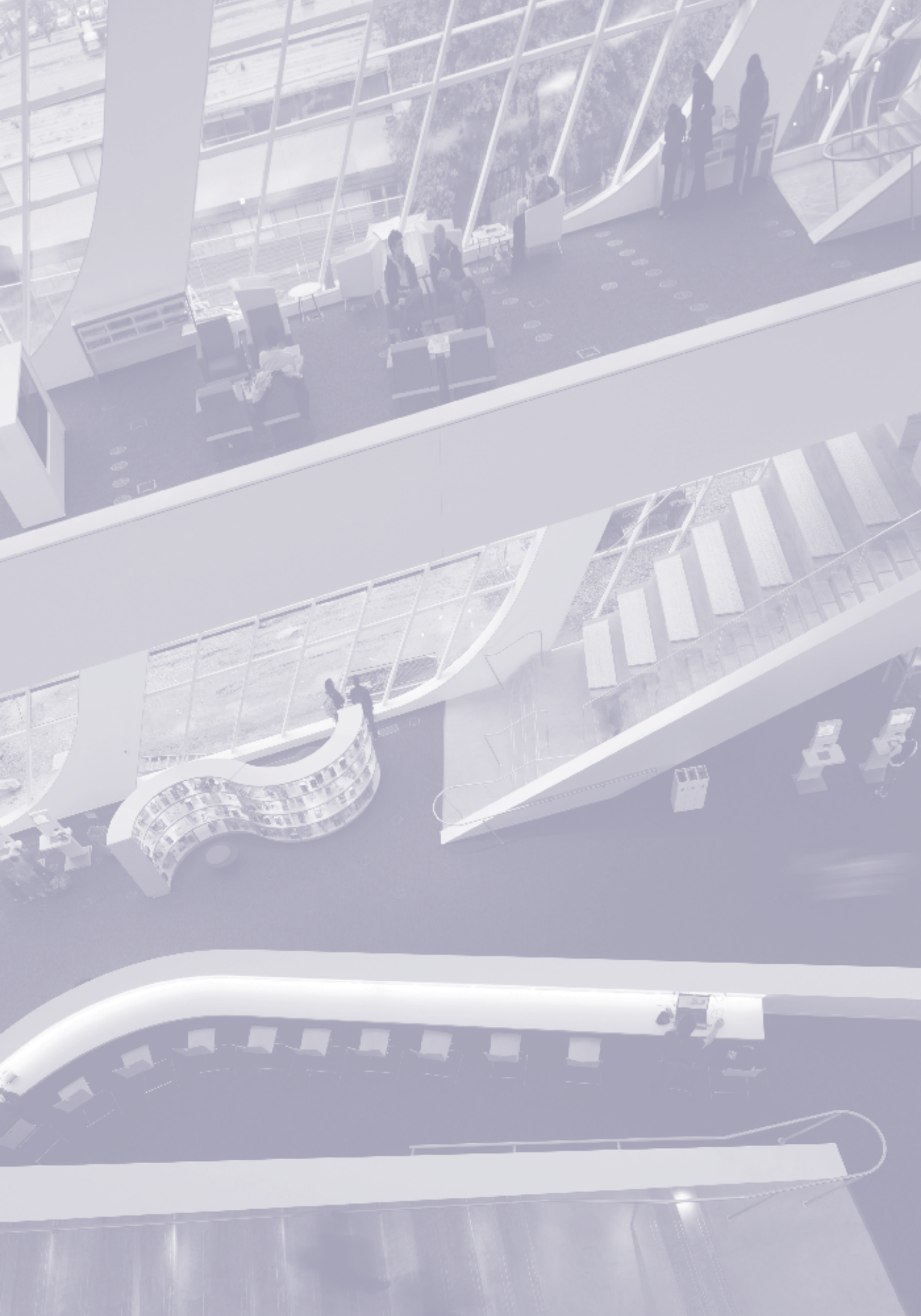
*For the year ended December 31, 2013  
[tabular amounts in thousands of dollars]*

### 22. BUDGET DATA

The budget data presented in these consolidated financial statements was included in the City of Surrey 2013 – 2017 Consolidated Financial Plan and was adopted through By-law #17819 on December 17, 2012. The following table reconciles the approved budget to the budget figures reported in these consolidated financial statements.

|                                                   | Budget Amount     |
|---------------------------------------------------|-------------------|
| <b>Revenues:</b>                                  |                   |
| Approved consolidated budget                      | \$ 938,205        |
| <b>Less:</b>                                      |                   |
| Borrowing proceeds                                | (35,675)          |
| <b>Total Revenues</b>                             | <b>902,530</b>    |
| <b>Expenses:</b>                                  |                   |
| Approved consolidated budget                      | 1,178,759         |
| Transfers between funds                           | (240,554)         |
|                                                   | 938,205           |
| <b>Less:</b>                                      |                   |
| Capital expenditures                              | (568,458)         |
| <b>Add:</b>                                       |                   |
| Transfers between funds                           | 240,554           |
| <b>Total Expenses</b>                             | <b>610,301</b>    |
| <b>Annual surplus per statement of operations</b> | <b>\$ 292,229</b> |





As at December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                                                 | OPERATING FUNDS |             |                        |           |           |           |                  |  | CAPITAL FUNDS         |                  | OTHER ENTITIES |          |               | CONSOLIDATED |              |              |
|-------------------------------------------------|-----------------|-------------|------------------------|-----------|-----------|-----------|------------------|--|-----------------------|------------------|----------------|----------|---------------|--------------|--------------|--------------|
|                                                 | General         | Solid Waste | Roads & Traffic Safety | Water     | Sewer     | Drainage  | Library Services |  | General and Utilities | Library Services | SCDC           | SHHS     | Reserve Funds | Adjustments  | 2013         | 2012         |
| FINANCIAL ASSETS                                |                 |             |                        |           |           |           |                  |  |                       |                  |                |          |               |              |              |              |
| Cash and cash equivalents                       | \$ 60,977       | \$ -        | \$ -                   | \$ -      | \$ -      | \$ -      | \$ -             |  | \$ -                  | \$ -             | \$ 931         | \$ 8,494 | \$ -          | \$ -         | \$ 70,402    | \$ 82,051    |
| Accounts receivable (note 2)                    | 147,205         | -           | -                      | -         | -         | -         | -                |  | 156                   | -                | 8,646          | -        | 53,881        | (70,642)     | 139,246      | 140,748      |
| Properties held-for-sale (note 3)               | -               | -           | -                      | -         | -         | -         | -                |  | -                     | -                | 15,237         | -        | -             | -            | 15,237       | 14,788       |
| Investments (note 4)                            | 684,081         | -           | -                      | -         | -         | -         | -                |  | -                     | -                | 700            | -        | -             | (10,655)     | 674,126      | 663,551      |
| Due from other funds                            | -               | -           | 32,246                 | 86,673    | 63,094    | 14,630    | 1,609            |  | 48,001                | -                | -              | -        | 283,720       | (529,973)    | -            | -            |
|                                                 | 892,263         | -           | 32,246                 | 86,673    | 63,094    | 14,630    | 1,609            |  | 48,157                | -                | 25,514         | 8,494    | 337,601       | (611,270)    | 899,011      | 901,138      |
| LIABILITIES                                     |                 |             |                        |           |           |           |                  |  |                       |                  |                |          |               |              |              |              |
| Accounts payable & accrued liabilities (note 5) | 158,880         | -           | -                      | 40        | -         | -         | 1,621            |  | -                     | -                | 78,263         | 113      | -             | (78,323)     | 160,594      | 153,855      |
| Deposits and prepayments (note 6)               | 151,182         | -           | -                      | 891       | 815       | -         | -                |  | -                     | -                | 542            | -        | 839           | (391)        | 153,878      | 154,026      |
| Due to other funds                              | 519,393         | 12,187      | 92                     | -         | -         | -         | -                |  | -                     | -                | -              | 1        | 1,378         | (533,051)    | -            | -            |
| Deferred revenue (note 7)                       | 22,181          | -           | -                      | -         | -         | -         | 94               |  | -                     | -                | 4,765          | -        | 23,545        | (278)        | 50,307       | 48,044       |
| Deferred development cost charges (note 8)      | -               | -           | -                      | -         | -         | -         | -                |  | -                     | -                | -              | -        | 225,408       | (6,400)      | 219,008      | 216,298      |
| Debt (note 9)                                   | -               | -           | -                      | -         | -         | -         | -                |  | 206,356               | -                | 39,223         | -        | -             | -            | 245,579      | 175,478      |
|                                                 | 851,636         | 12,187      | 92                     | 931       | 815       | -         | 1,715            |  | 206,356               | -                | 122,793        | 114      | 251,170       | (618,443)    | 829,366      | 747,701      |
| Net Financial Assets (Debt)                     | 40,627          | (12,187)    | 32,154                 | 85,742    | 62,279    | 14,630    | (106)            |  | (158,199)             | -                | (97,279)       | 8,380    | 86,431        | 7,173        | 69,645       | 153,437      |
| NON-FINANCIAL ASSETS                            |                 |             |                        |           |           |           |                  |  |                       |                  |                |          |               |              |              |              |
| Tangible capital assets (note 11)               | -               | -           | -                      | -         | -         | -         | -                |  | 7,590,479             | 5,835            | 110,377        | -        | -             | (16,737)     | 7,689,954    | 7,392,537    |
| Inventories of supplies                         | 537             | -           | -                      | 424       | 49        | -         | -                |  | -                     | -                | -              | -        | -             | -            | 1,010        | 1,030        |
| Prepaid expenses                                | 2,782           | -           | -                      | -         | -         | -         | 35               |  | -                     | -                | 372            | -        | -             | 110          | 3,299        | 2,941        |
|                                                 | 3,319           | -           | -                      | 424       | 49        | -         | 35               |  | 7,590,479             | 5,835            | 110,749        | -        | -             | (16,627)     | 7,694,263    | 7,396,508    |
| Accumulated Surplus (Deficit)                   | \$ 43,946       | \$ (12,187) | \$ 32,154              | \$ 86,166 | \$ 62,328 | \$ 14,630 | \$ (71)          |  | \$ 7,432,280          | \$ 5,835         | \$ 13,470      | \$ 8,380 | \$ 86,431     | \$ (9,454)   | \$ 7,763,908 | \$ 7,549,945 |

For the year ended December 31, 2013, with comparative figures for  
2012[in thousands of dollars]

|                                                  | OPERATING FUNDS |             |                        |           |           |           |                  | CAPITAL FUNDS         |                  | OTHER ENTITIES |          |               | CONSOLIDATED |              |              |
|--------------------------------------------------|-----------------|-------------|------------------------|-----------|-----------|-----------|------------------|-----------------------|------------------|----------------|----------|---------------|--------------|--------------|--------------|
|                                                  | General         | Solid Waste | Roads & Traffic Safety | Water     | Sewer     | Drainage  | Library Services | General and Utilities | Library Services | SCDC           | SHHS     | Reserve Funds | Adjustments  | 2013         | 2012         |
| REVENUES                                         |                 |             |                        |           |           |           |                  |                       |                  |                |          |               |              |              |              |
| Taxation revenue (note 15)                       | \$ 250,768      | \$ -        | \$ 13,169              | \$ 117    | \$ 7,781  | \$ 21,456 | \$ -             | \$ -                  | \$ -             | \$ -           | \$ -     | \$ -          | \$ 1         | \$ 293,292   | \$ 274,001   |
| Sales of goods and services                      | 46,098          | 31,844      | 358                    | 61,204    | 40,209    | -         | 187              | -                     | -                | 359            | -        | 123           | (580)        | 179,802      | 171,352      |
| Development cost charges (note 8)                | -               | -           | -                      | -         | -         | -         | -                | -                     | -                | -              | -        | 68,383        | -            | 68,383       | 36,405       |
| Developer contributions                          | 138             | -           | 37                     | -         | -         | 10        | -                | 113,899               | 20               | -              | -        | 7,179         | -            | 121,283      | 103,399      |
| Investment income                                | 20,663          | -           | -                      | 1,357     | 902       | 201       | -                | 181                   | -                | 3              | 257      | 1,048         | (4,745)      | 19,867       | 19,410       |
| Transfers from other governments (note 21)       | 8,930           | -           | 283                    | -         | -         | -         | 985              | 42,304                | -                | -              | -        | -             | -            | 52,502       | 55,424       |
| Other                                            | 32,284          | 200         | 382                    | 823       | 416       | 71        | 533              | 236                   | -                | 12,765         | 12       | 5,967         | (295)        | 53,394       | 42,599       |
|                                                  | 358,881         | 32,044      | 14,229                 | 63,501    | 49,308    | 21,738    | 1,705            | 156,620               | 20               | 13,127         | 269      | 82,700        | (5,619)      | 788,523      | 702,590      |
| EXPENSES                                         |                 |             |                        |           |           |           |                  |                       |                  |                |          |               |              |              |              |
| Police services                                  | 115,032         | -           | -                      | -         | -         | -         | -                | 1,114                 | -                | -              | -        | -             | -            | 116,146      | 113,211      |
| Parks, recreation and culture                    | 66,632          | -           | -                      | -         | -         | -         | -                | 12,920                | -                | -              | -        | -             | -            | 79,552       | 72,781       |
| General government                               | 49,102          | -           | 22                     | -         | -         | -         | -                | 4,893                 | -                | 11,557         | 510      | 114           | (6,507)      | 59,691       | 52,497       |
| Water                                            | -               | -           | -                      | 54,832    | -         | -         | -                | 8,384                 | -                | -              | -        | -             | -            | 63,216       | 61,810       |
| Fire services                                    | 52,028          | -           | -                      | -         | -         | -         | -                | 1,941                 | -                | -              | -        | -             | -            | 53,969       | 52,681       |
| Sewer                                            | -               | -           | -                      | -         | 38,977    | -         | -                | 10,661                | -                | -              | -        | -             | -            | 49,638       | 49,574       |
| Engineering                                      | 5,815           | -           | -                      | -         | -         | -         | -                | 3,155                 | -                | -              | -        | -             | -            | 8,970        | 6,182        |
| Drainage                                         | -               | -           | -                      | -         | -         | 10,478    | -                | 18,334                | -                | -              | -        | -             | -            | 28,812       | 28,798       |
| Solid waste                                      | -               | 26,727      | -                      | -         | -         | -         | -                | -                     | -                | -              | -        | -             | -            | 26,727       | 27,590       |
| Roads & traffic safety                           | -               | -           | 24,178                 | -         | -         | -         | -                | 26,420                | -                | -              | -        | -             | -            | 50,598       | 51,636       |
| Planning and development                         | 22,647          | -           | -                      | -         | -         | -         | -                | 4                     | -                | -              | -        | -             | -            | 22,651       | 22,363       |
| Library services                                 | -               | -           | -                      | -         | -         | -         | 12,541           | -                     | 2,049            | -              | -        | -             | -            | 14,590       | 15,800       |
|                                                  | 311,256         | 26,727      | 24,200                 | 54,832    | 38,977    | 10,478    | 12,541           | 87,826                | 2,049            | 11,557         | 510      | 114           | (6,507)      | 574,560      | 554,923      |
| Excess (Deficiency) of Revenues over Exp.        | 47,625          | 5,317       | (9,971)                | 8,669     | 10,331    | 11,260    | (10,836)         | 68,794                | (2,029)          | 1,570          | (241)    | 82,586        | 888          | 213,963      | 147,667      |
| Transfer from (to) operating funds               | (32,701)        | (2,556)     | 26,483                 | (332)     | 1,385     | (3,063)   | 10,779           | 42,802                | 1,924            | -              | 2        | 12,567        | 3            | 57,293       | -            |
| Transfer from (to) reserve funds                 | (8,847)         | (846)       | (845)                  | (1,039)   | (734)     | (257)     | -                | 117,480               | -                | (41,191)       | -        | 41,191        | -            | 104,912      | -            |
| Transfer from (to) capital funds                 | (9,060)         | (545)       | (10,477)               | (11,235)  | (8,072)   | (6,723)   | -                | 545                   | -                | 842            | -        | (117,480)     | -            | (162,205)    | -            |
| ANNUAL SURPLUS (DEFICIT)                         | (2,983)         | 1,370       | 5,190                  | (3,937)   | 2,910     | 1,217     | (57)             | 229,621               | (105)            | (38,779)       | (239)    | 18,864        | 891          | 213,963      | 147,667      |
| Accumulated Surplus (Deficit), beginning of year | 46,929          | (13,557)    | 26,964                 | 90,103    | 59,418    | 13,413    | (14)             | 7,202,659             | 5,940            | 52,249         | 8,619    | 67,566        | (10,344)     | 7,549,945    | 7,402,278    |
| Accumulated Surplus (Deficit), end of year       | \$ 43,946       | \$ (12,187) | \$ 32,154              | \$ 86,166 | \$ 62,328 | \$ 14,630 | \$ (71)          | \$ 7,432,280          | \$ 5,835         | \$ 13,470      | \$ 8,380 | \$ 86,430     | \$ (9,453)   | \$ 7,763,908 | \$ 7,549,945 |

# City of Surrey

## Schedule 3 GENERAL OPERATING FUND

For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                                         | 2013<br>Budget | 2013              | 2012       |
|-----------------------------------------|----------------|-------------------|------------|
|                                         |                | (Schedule 2)      |            |
| <b>REVENUES</b>                         |                |                   |            |
| Taxation revenue                        | \$ 251,660     | \$ <b>250,768</b> | \$ 237,818 |
| Sales of goods and services             | 53,424         | <b>46,098</b>     | 41,641     |
| Developer contributions                 | -              | <b>138</b>        | -          |
| Investment income                       | 13,586         | <b>20,663</b>     | 17,587     |
| Transfers from other governments        | 11,236         | <b>8,930</b>      | 12,238     |
| Other                                   | 33,682         | <b>32,284</b>     | 33,241     |
|                                         | 363,588        | <b>358,881</b>    | 342,525    |
| <b>EXPENSES</b>                         |                |                   |            |
| Police services                         | 118,685        | <b>115,032</b>    | 112,016    |
| Parks, recreation and culture           | 60,553         | <b>66,632</b>     | 60,136     |
| General government                      | 57,622         | <b>49,102</b>     | 45,281     |
| Fire services                           | 52,916         | <b>52,028</b>     | 50,817     |
| Engineering                             | 5,244          | <b>5,815</b>      | 3,547      |
| Planning and development                | 23,383         | <b>22,647</b>     | 22,359     |
| Library services                        | 11,993         | -                 | -          |
|                                         | 330,396        | <b>311,256</b>    | 294,156    |
| <b>Excess of Revenues over Expenses</b> | 33,192         | <b>47,625</b>     | 48,369     |
| Transfers to other funds and reserves   | (33,192)       | <b>(50,608)</b>   | (45,506)   |
| <b>ANNUAL SURPLUS (DEFICIT)</b>         | -              | <b>(2,983)</b>    | 2,863      |
| Accumulated Surplus, beginning of year  |                | <b>46,929</b>     | 44,066     |
| Accumulated Surplus, end of year        | \$ -           | \$ <b>43,946</b>  | \$ 46,929  |

The 2013 Tax Levy Budget was used to determine 2013 taxation rates.

City of Surrey  
**SOLID WASTE OPERATING FUND** *Schedule 4*

*For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]*

|                                                  | 2013<br>Budget | <b>2013</b>        | 2012        |
|--------------------------------------------------|----------------|--------------------|-------------|
|                                                  |                | (Schedule 2)       |             |
| <b>REVENUES</b>                                  |                |                    |             |
| Sales of goods and services                      | \$ 32,428      | <b>\$ 31,844</b>   | \$ 31,493   |
| Other                                            | 100            | <b>200</b>         | 105         |
|                                                  | 32,528         | <b>32,044</b>      | 31,598      |
| <b>EXPENSES</b>                                  |                |                    |             |
| Solid waste                                      | 25,435         | <b>26,727</b>      | 27,590      |
|                                                  | 25,435         | <b>26,727</b>      | 27,590      |
| <b>Excess of Revenues over Expenses</b>          | 7,093          | <b>5,317</b>       | 4,008       |
| Transfers to other funds and reserves            | (7,093)        | <b>(3,947)</b>     | (16,799)    |
| <b>ANNUAL SURPLUS (DEFICIT)</b>                  | -              | <b>1,370</b>       | (12,791)    |
| Accumulated Surplus (Deficit), beginning of year | -              | <b>(13,557)</b>    | (766)       |
| Accumulated Surplus (Deficit), end of year       | \$ -           | <b>\$ (12,187)</b> | \$ (13,557) |

*The 2013 Tax Levy Budget was used to determine 2013 taxation rates.*

City of Surrey  
**Schedule 5 ROADS & TRAFFIC SAFETY OPERATING FUND**

For the year ended December 31, 2013, with comparative figures for 2012  
 [in thousands of dollars]

|                                                      | 2013<br>Budget | <b>2013</b>      | 2012      |
|------------------------------------------------------|----------------|------------------|-----------|
| <i>(Schedule 2)</i>                                  |                |                  |           |
| <b>REVENUES</b>                                      |                |                  |           |
| Taxation revenue                                     | \$ 13,348      | <b>\$ 13,169</b> | \$ 10,572 |
| Sales of goods and services                          | 739            | <b>358</b>       | 379       |
| Developer contributions                              | -              | <b>37</b>        | 248       |
| Transfers from other governments                     | -              | <b>283</b>       | 140       |
| Other                                                | -              | <b>382</b>       | 348       |
|                                                      | 14,087         | <b>14,229</b>    | 11,687    |
| <b>EXPENSES</b>                                      |                |                  |           |
| General government                                   | -              | <b>22</b>        | -         |
| Roads & traffic safety                               | 30,582         | <b>24,178</b>    | 25,629    |
|                                                      | 30,582         | <b>24,200</b>    | 25,629    |
| <b>Excess (Deficiency) of Revenues over Expenses</b> | (16,495)       | <b>(9,971)</b>   | (13,942)  |
| Transfers from other funds and reserves              | 16,495         | <b>15,161</b>    | 18,586    |
| <b>ANNUAL SURPLUS</b>                                | -              | <b>5,190</b>     | 4,644     |
| Accumulated Surplus, beginning of year               | -              | <b>26,964</b>    | 22,320    |
| Accumulated Surplus, end of year                     | \$ -           | <b>\$ 32,154</b> | \$ 26,964 |

The 2013 Tax Levy Budget was used to determine 2013 taxation rates.

*For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]*

|                                         | 2013<br>Utility Rates<br>Budget | 2013         | 2012      |
|-----------------------------------------|---------------------------------|--------------|-----------|
|                                         |                                 | (Schedule 2) |           |
| <b>REVENUES</b>                         |                                 |              |           |
| Taxation revenue                        | \$ 83                           | \$ 117       | \$ 89     |
| Sales of goods and services             | 61,023                          | 61,204       | 59,853    |
| Investment income                       | 1,641                           | 1,357        | 1,741     |
| Other                                   | 603                             | 823          | 837       |
|                                         | 63,350                          | 63,501       | 62,520    |
| <b>EXPENSES</b>                         |                                 |              |           |
| Water                                   | 57,845                          | 54,832       | 53,503    |
|                                         | 57,845                          | 54,832       | 53,503    |
| <b>Excess of Revenues over Expenses</b> | 5,505                           | 8,669        | 9,017     |
| Transfers to other funds and reserves   | (5,505)                         | (12,606)     | (5,422)   |
| <b>ANNUAL SURPLUS (DEFICIT)</b>         | -                               | (3,937)      | 3,595     |
| Accumulated Surplus, beginning of year  | -                               | 90,103       | 86,508    |
| Accumulated Surplus, end of year        | \$ -                            | \$ 86,166    | \$ 90,103 |

*The 2013 Tax Levy Budget was used to determine 2013 taxation rates.*

City of Surrey  
Schedule 7 SEWER OPERATING FUND

For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                                              | 2013<br>Utility Rates<br>Budget | 2013             | 2012      |
|----------------------------------------------|---------------------------------|------------------|-----------|
| (Schedule 2)                                 |                                 |                  |           |
| <b>REVENUES</b>                              |                                 |                  |           |
| Taxation revenue                             | \$ 7,694                        | \$ <b>7,781</b>  | \$ 6,185  |
| Sales of goods and services                  | 40,051                          | <b>40,209</b>    | 37,793    |
| Investment income                            | 809                             | <b>902</b>       | 874       |
| Other                                        | 352                             | <b>416</b>       | 384       |
|                                              | 48,906                          | <b>49,308</b>    | 45,236    |
| <b>EXPENSES</b>                              |                                 |                  |           |
| Sewer                                        | 42,523                          | <b>38,977</b>    | 38,626    |
|                                              | 42,523                          | <b>38,977</b>    | 38,626    |
| <b>Excess of Revenues over Expenses</b>      | 6,383                           | <b>10,331</b>    | 6,610     |
| Transfers from (to) other funds and reserves | (6,383)                         | <b>(7,421)</b>   | 9,962     |
| <b>ANNUAL SURPLUS</b>                        | -                               | <b>2,910</b>     | 16,572    |
| Accumulated Surplus, beginning of year       | -                               | <b>59,418</b>    | 42,846    |
| Accumulated Surplus, end of year             | \$ -                            | \$ <b>62,328</b> | \$ 59,418 |

The 2013 Tax Levy Budget was used to determine 2013 taxation rates.

# City of Surrey

## DRAINAGE OPERATING FUND *Schedule 8*

For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                                         | 2013<br>Utility Rates<br>Budget | 2013         | 2012      |
|-----------------------------------------|---------------------------------|--------------|-----------|
|                                         |                                 | (Schedule 2) |           |
| <b>REVENUES</b>                         |                                 |              |           |
| Taxation revenue                        | \$ 22,400                       | \$ 21,456    | \$ 19,337 |
| Developer contributions                 | -                               | 10           | -         |
| Investment income                       | 176                             | 201          | 399       |
| Other                                   | -                               | 71           | 130       |
|                                         | 22,576                          | 21,738       | 19,866    |
| <b>EXPENSES</b>                         |                                 |              |           |
| Drainage                                | 12,279                          | 10,478       | 10,105    |
|                                         | 12,279                          | 10,478       | 10,105    |
| <b>Excess of Revenues over Expenses</b> | 10,297                          | 11,260       | 9,761     |
| Transfers to other funds and reserves   | (10,297)                        | (10,043)     | (16,293)  |
| <b>ANNUAL SURPLUS</b>                   | -                               | 1,217        | (6,532)   |
| Accumulated Surplus, beginning of year  | -                               | 13,413       | 19,945    |
| Accumulated Surplus, end of year        | \$ -                            | \$ 14,630    | \$ 13,413 |

The 2013 Tax Levy Budget was used to determine 2013 taxation rates.

# City of Surrey

## Schedule 9 RESERVE FUNDS

As at December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                            | Equipment<br>and Building<br>Replacement | Tax Sale<br>Land | *** Municipal<br>Land | Park Land<br>Acquisition | *Capital<br>Legacy |
|----------------------------|------------------------------------------|------------------|-----------------------|--------------------------|--------------------|
| Balance, beginning of year | \$ 36,653                                | \$ -             | \$ (8,205)            | \$ 2,984                 | \$ 12,757          |
| DCC's levied for the year  | -                                        | -                | -                     | -                        | -                  |
| Investment income          | 554                                      | -                | 25                    | 44                       | 192                |
| Asset disposals            | 85                                       | -                | 5,865                 | -                        | -                  |
| Other revenue              | 77                                       | -                | 46                    | 4,751                    | -                  |
| Other expenditures         | -                                        | -                | (114)                 | -                        | -                  |
|                            | 716                                      | -                | 5,822                 | 4,795                    | 192                |
| Transfers from (to)        |                                          |                  |                       |                          |                    |
| Operating funds            | (7,650)                                  | -                | (176)                 | -                        | (6,385)            |
| Capital funds              | 10,183                                   | -                | (829)                 | 2,593                    | (4,664)            |
|                            | 2,533                                    | -                | (1,005)               | 2,593                    | (11,049)           |
| Balance, end of year       | \$ 34,836                                | \$ -             | \$ (1,378)            | \$ 5,186                 | \$ 23,998          |

### ADDITIONAL INFORMATION:

#### \* Capital Legacy Reserve Fund (created by Bylaw in 1999):

The City borrows from this Fund to finance capital projects. Principal and interest repayment schedules are based upon reasonable business case plans approved by City Council. The debt costs are provided for annually within the operating budget of each capital project.

|                                                         |           |
|---------------------------------------------------------|-----------|
| Capital Legacy Fund Prior to Borrowing                  | \$ 53,693 |
| Principal Repayable, Art Centre - South Surrey          | (6,259)   |
| Principal Repayable, Guildford Pool Loan                | (20,564)  |
| Principal Repayable, Animal Shelter Loan                | (2,464)   |
| Principal Repayable, Parking Meters Loan                | (395)     |
| Principal Repayable, East Clayton Fitness Facility Loan | (13)      |
| Funds on Hand for Financing Projects                    | \$ 23,998 |

#### \*\* Local Improvement Financing Reserve Fund:

The City borrows from this Fund to finance local improvement projects. The property owners' share, repayable with interest over 10 years, is levied against the benefiting properties. The City's share, repayable with interest over 10 years, is provided for annually within General Operating Fund debt costs.

|                                      |           |
|--------------------------------------|-----------|
| Funds on Hand For Financing Projects | \$ 5,632  |
| Receivable From Property Owners      | 9,022     |
| Equity, December 31, 2012            | \$ 14,654 |

| Environmental Stewardship | **Local Improvement Financing | Water Claims | Affordable Housing | Parking Space | Reserves Subtotal | Deferred Development Cost Charges | Future Commitments |
|---------------------------|-------------------------------|--------------|--------------------|---------------|-------------------|-----------------------------------|--------------------|
| \$ 6,580                  | \$ 14,273                     | \$ 1,280     | \$ 18              | \$ 1,226      | \$ 67,566         | \$ 216,298                        | \$ 228,838         |
| -                         | -                             | -            | -                  | -             | -                 | 68,438                            | -                  |
| 99                        | 97                            | 19           | -                  | 18            | 1,048             | 2,655                             | -                  |
| -                         | -                             | -            | 15                 | -             | 5,965             | -                                 | -                  |
| -                         | -                             | -            | -                  | -             | 4,874             | -                                 | -                  |
| -                         | -                             | -            | -                  | -             | (114)             | -                                 | -                  |
| 99                        | 97                            | 19           | 15                 | 18            | 11,773            | 71,093                            | -                  |
| 121                       | (284)                         | -            | -                  | -             | (14,374)          | -                                 | -                  |
| -                         | -                             | -            | -                  | -             | 7,283             | (68,383)                          | (78,610)           |
| 121                       | (284)                         | -            | -                  | -             | (7,091)           | (68,383)                          | (78,610)           |
| \$ 6,558                  | \$ 14,654                     | \$ 1,299     | \$ 33              | \$ 1,244      | \$ 86,430         | \$ 219,008                        | \$ 150,228         |

\*\*\* **Municipal Land Reserve Fund:**

The City borrows from this Fund to finance specified projects. Principal and interest repayment schedules are based upon reasonable business case plans approved by City Council.

|                                                     |            |
|-----------------------------------------------------|------------|
| Municipal Land Fund Prior to Borrowing              | \$ 24,456  |
| Principal Repayable, City Centre Land Loan          | (12,590)   |
| Principal Repayable, City Centre Social Lands Loan  | (3,570)    |
| Principal Repayable, City Centre Development Loan   | (2,328)    |
| Principal Repayable, University Drive               | (890)      |
| Principal Repayable, City Parkway                   | (1,054)    |
| Principal Repayable, Social Housing Loan            | (1,366)    |
| Principal Repayable, Heritage Railway Loan          | (3,771)    |
| Principal Repayable, Civic Centre Prgm Enhancements | (215)      |
| Principal Repayable, Bridgeview Ind. Land Loan      | (50)       |
| Funds on Hand for Financing Projects                | \$ (1,378) |

City of Surrey  
**Schedule 10 RESERVES, CONTINGENCIES AND SURPLUS**

For the year ended December 31, 2013, with comparative figures for 2012

|                                          | 2013                | 2012                | 2011                | 2010                | 2009                |
|------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>RESERVE FUNDS</b>                     |                     |                     |                     |                     |                     |
| Equipment and building replacement       | \$ 34,836           | \$ 36,653           | \$ 38,157           | \$ 40,268           | \$ 42,556           |
| Municipal land                           | (1,378)             | (8,205)             | 1,665               | 7,626               | 36,754              |
| Park land acquisition                    | 5,186               | 2,984               | 9,040               | 5,027               | 2,080               |
| Capital legacy                           | 23,998              | 12,757              | 28,417              | 30,424              | 32,820              |
| Environmental stewardship                | 6,558               | 6,580               | 6,359               | 6,908               | 6,740               |
| Local improvement financing              | 14,654              | 14,273              | 14,435              | 13,847              | 13,178              |
| Water claims                             | 1,299               | 1,280               | 1,255               | 1,226               | 1,188               |
| Affordable housing                       | 33                  | 18                  | 67                  | 5                   | 122                 |
| Parking space                            | 1,244               | 1,226               | 1,202               | 1,174               | 1,138               |
|                                          | 86,430              | 67,566              | 100,597             | 106,505             | 136,576             |
| Restricted capital reserves              | -                   | -                   | -                   | -                   | -                   |
|                                          | \$ 86,430           | \$ 67,566           | \$ 100,597          | \$ 106,505          | \$ 136,576          |
| <b>UNAPPROPRIATED SURPLUS</b>            |                     |                     |                     |                     |                     |
| General operating fund                   | \$ 7,831            | \$ 6,348            | \$ 8,793            | \$ 12,519           | \$ 12,479           |
| Employee future benefits                 | (6,998)             | (6,998)             | (6,998)             | (6,998)             | (6,998)             |
| Water operating fund                     | 3,000               | 3,000               | 3,000               | 3,000               | 3,000               |
| Sewer operating fund                     | 3,000               | 3,000               | 3,000               | 3,000               | 3,000               |
| Drainage operating fund                  | -                   | -                   | -                   | -                   | -                   |
| Library Services                         | (324)               | (324)               | (324)               | (324)               | (276)               |
|                                          | 6,509               | 5,026               | 7,471               | 11,197              | 11,205              |
| Other Entities:                          |                     |                     |                     |                     |                     |
| Surrey City Development Corp             | (90,106)            | (56,523)            | (18,472)            | (13,229)            | (11,170)            |
| Surrey Homelessness and Housing Society  | 8,380               | 8,692               | 8,720               | 8,847               | 8,784               |
|                                          | \$ (75,217)         | \$ (42,805)         | \$ (2,281)          | \$ 6,815            | \$ 8,819            |
| <b>APPROPRIATED SURPLUS</b>              |                     |                     |                     |                     |                     |
| Operating contingency and emergencies    | \$ 7,042            | \$ 7,042            | \$ 7,042            | \$ 7,042            | \$ 6,762            |
| Environmental emergencies                | 2,852               | 5,928               | 5,771               | 5,206               | 4,782               |
| Revenue stabilization                    | 12,661              | 12,661              | 9,723               | 9,124               | 11,645              |
| Self insurance                           | 16,138              | 14,755              | 14,442              | 18,554              | 23,096              |
| Infrastructure replacement               | 49,376              | 46,154              | 58,018              | 53,830              | 38,901              |
|                                          | \$ 88,069           | \$ 86,540           | \$ 94,996           | \$ 93,756           | \$ 85,186           |
| <b>COMMITTED FUNDS</b>                   |                     |                     |                     |                     |                     |
| General operating                        | \$ 50,786           | \$ 47,921           | \$ 43,784           | \$ 46,575           | \$ 65,727           |
| Inventories of supplies                  | 1,010               | 1,030               | 1,012               | 1,002               | 1,123               |
| Library Services                         | 219                 | 250                 | 608                 | 532                 | 466                 |
| Prepaid expenses                         | 3,299               | 2,941               | 1,725               | 1,495               | 1,940               |
| Sewer operating and capital              | 27,378              | 29,251              | 20,862              | 20,898              | 21,843              |
| Drainage operating and capital           | 14,630              | 13,413              | 11,129              | 13,512              | 10,369              |
| Water operating and capital              | 35,549              | 37,345              | 33,731              | 33,268              | 31,508              |
|                                          | \$ 132,871          | \$ 132,151          | \$ 112,851          | \$ 117,282          | \$ 132,976          |
| <b>TANGIBLE CAPITAL ASSETS (note 11)</b> |                     |                     |                     |                     |                     |
| Unexpended borrowing                     | \$ 7,689,954        | \$ 7,392,537        | \$ 7,131,836        | \$ 6,966,815        | \$ 6,729,622        |
|                                          | (158,199)           | (86,044)            | (35,721)            | -                   | -                   |
| Total Equity in Tangible Capital Assets  | \$ 7,531,755        | \$ 7,306,493        | \$ 7,096,115        | \$ 6,966,815        | \$ 6,729,622        |
| <b>TOTAL ACCUMULATED SURPLUS</b>         | <b>\$ 7,763,908</b> | <b>\$ 7,549,945</b> | <b>\$ 7,402,278</b> | <b>\$ 7,291,173</b> | <b>\$ 7,093,179</b> |

# City of Surrey

## CONSOLIDATED REVENUES *Schedule 11*

*For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]*

|                                            | 2013       | 2012       | 2011       | 2010       | 2009       |
|--------------------------------------------|------------|------------|------------|------------|------------|
| <b>TAXATION REVENUE</b>                    |            |            |            |            |            |
| Property taxes                             | \$ 248,683 | \$ 235,146 | \$ 222,172 | \$ 208,300 | \$ 194,236 |
| Sewer frontage taxes                       | 29,116     | 25,390     | 24,352     | 23,359     | 22,915     |
| Grants-in-lieu of taxes                    | 15,219     | 13,240     | 12,768     | 12,583     | 11,996     |
| Other                                      | 249        | 225        | 234        | 293        | 314        |
| Collections for other authorities:         |            |            |            |            |            |
| Province of BC - School taxes              | 203,664    | 192,665    | 182,591    | 177,047    | 173,699    |
| Greater Vancouver Regional District        | 6,180      | 10,893     | 10,726     | 10,214     | 7,313      |
| BC Assessment Authority                    | 6,593      | 6,201      | 5,918      | 5,777      | 5,596      |
| Greater Vancouver Transportation Authority | 41,413     | 39,760     | 38,714     | 38,129     | 37,057     |
| Other                                      | 10,783     | 3,625      | 3,200      | 3,049      | 2,018      |
|                                            | 561,900    | 527,145    | 500,675    | 478,751    | 455,144    |
| Collections for other authorities          | (268,608)  | (253,144)  | (241,149)  | (234,199)  | (225,683)  |
|                                            | \$ 293,292 | \$ 274,001 | \$ 259,526 | \$ 244,552 | \$ 229,461 |
| <b>SALE OF GOODS AND SERVICES</b>          |            |            |            |            |            |
| Application fees                           | \$ 2,165   | \$ 2,422   | \$ 2,127   | \$ 2,014   | \$ 1,059   |
| Recreation and culture                     | 19,092     | 18,850     | 17,815     | 16,690     | 16,340     |
| Utility rates and fees                     | 133,197    | 129,046    | 121,747    | 121,643    | 102,460    |
| Other                                      | 25,348     | 21,034     | 17,780     | 12,475     | 10,596     |
|                                            | \$ 179,802 | \$ 171,352 | \$ 159,469 | \$ 152,822 | \$ 130,455 |
| <b>DEVELOPMENT COST CHARGES</b>            | \$ 68,383  | \$ 36,405  | \$ 57,045  | \$ 56,899  | \$ 63,856  |
| <b>DEVELOPER CONTRIBUTIONS</b>             | \$ 121,283 | \$ 103,399 | \$ 81,914  | \$ 142,150 | \$ 147,916 |
| <b>INVESTMENT INCOME</b>                   | \$ 19,867  | \$ 19,410  | \$ 20,890  | \$ 21,940  | \$ 23,736  |
| <b>TRANSFERS FROM OTHER GOVERNMENTS</b>    |            |            |            |            |            |
| Provincial government and other            | \$ 30,580  | \$ 42,585  | \$ 29,910  | \$ 32,015  | \$ 17,933  |
| Federal government                         | 21,922     | 12,839     | 4,785      | 13,305     | 1,534      |
|                                            | \$ 52,502  | \$ 55,424  | \$ 34,695  | \$ 45,320  | \$ 19,467  |
| <b>OTHER</b>                               |            |            |            |            |            |
| Licenses and permits                       | \$ 21,280  | \$ 22,415  | \$ 19,978  | \$ 20,204  | \$ 19,661  |
| Leases and rentals                         | 9,844      | 6,447      | 4,942      | 5,105      | 4,800      |
| Penalties and interest on taxes            | 4,819      | 4,352      | 4,184      | 3,873      | 3,929      |
| Miscellaneous                              | 3,378      | 3,286      | 3,898      | 3,669      | 6,743      |
| Asset disposals                            | 14,073     | 6,099      | -          | -          | -          |
|                                            | \$ 53,394  | \$ 42,599  | \$ 33,002  | \$ 32,851  | \$ 35,133  |
| <b>TOTAL REVENUES</b>                      | \$ 788,523 | \$ 702,590 | \$ 646,541 | \$ 696,534 | \$ 650,024 |

# City of Surrey

## Schedule 12 CONSOLIDATED EXPENSES

For the year ended December 31, 2013, with comparative figures for 2012  
[in thousands of dollars]

|                                      | 2013       | 2012       | 2011       | 2010       | 2009       |
|--------------------------------------|------------|------------|------------|------------|------------|
| <b>BY FUNCTION</b>                   |            |            |            |            |            |
| Police services                      | \$ 116,146 | \$ 113,211 | \$ 107,127 | \$ 97,011  | \$ 91,392  |
| Parks, recreation and culture        | 79,552     | 72,781     | 72,198     | 81,134     | 64,720     |
| General government                   | 59,691     | 52,497     | 45,996     | 55,099     | 32,703     |
| Water                                | 63,216     | 61,810     | 60,192     | 45,005     | 51,518     |
| Fire services                        | 53,969     | 52,681     | 52,073     | 48,510     | 46,881     |
| Sewer                                | 49,638     | 49,574     | 50,625     | 46,335     | 48,474     |
| Engineering                          | 8,970      | 6,182      | 7,639      | 23,278     | 26,663     |
| Drainage                             | 28,812     | 28,798     | 30,690     | 28,314     | 20,837     |
| Solid waste                          | 26,727     | 27,590     | 25,582     | 21,821     | 21,020     |
| Roads & traffic safety               | 50,598     | 51,636     | 47,802     | 20,037     | 20,268     |
| Planning and development             | 22,651     | 22,363     | 20,638     | 18,144     | 17,567     |
| Library services                     | 14,590     | 15,800     | 14,874     | 13,852     | 13,370     |
|                                      | \$ 574,560 | \$ 554,923 | \$ 535,436 | \$ 498,540 | \$ 455,413 |
| <b>BY OBJECT</b>                     |            |            |            |            |            |
| Salaries and benefits                | \$ 208,324 | \$ 192,699 | \$ 186,185 | \$ 172,888 | \$ 159,495 |
| Consulting and professional services | 15,259     | 18,494     | 18,211     | 16,016     | 13,174     |
| RCMP contracted services             | 93,583     | 92,173     | 86,193     | 77,869     | 73,552     |
| Telephone and communications         | 2,944      | 2,454      | 2,676      | 3,052      | 3,115      |
| Regional district utility charges    | 70,845     | 69,047     | 63,860     | 59,463     | 57,561     |
| Utilities                            | 10,044     | 9,499      | 9,118      | 8,720      | 8,257      |
| Garbage collection and disposal      | 18,336     | 19,535     | 18,445     | 17,115     | 18,310     |
| Maintenance and small equipment      | 13,694     | 12,934     | 14,893     | 14,016     | 7,616      |
| Insurance and claims                 | 2,063      | 1,516      | 1,992      | 5,349      | 2,286      |
| Leases and rentals                   | 3,496      | 3,328      | 2,528      | 3,503      | 2,935      |
| Supplies and materials               | 23,011     | 24,343     | 23,419     | 21,801     | 25,293     |
| Advertising and media                | 1,853      | 2,425      | 1,570      | 1,925      | 1,366      |
| Grants and sponsorships              | 1,937      | 2,415      | 1,651      | 1,665      | 3,213      |
| Contract payments                    | 20,355     | 19,616     | 28,611     | 18,827     | 20,110     |
| Other                                | 7,997      | 4,887      | (700)      | 19,030     | 269        |
| Cost recoveries, net                 | (21,234)   | (19,871)   | (15,510)   | (24,926)   | (18,591)   |
| Interest on debt (note 9)            | 5,505      | 4,696      | 3,113      | -          | -          |
| Interest, fiscal services and other  | 2,350      | 1,409      | 1,584      | 1,130      | 1,025      |
|                                      | 480,362    | 461,599    | 447,839    | 417,443    | 378,986    |
| Amortization expense                 | 94,198     | 93,324     | 87,597     | 81,097     | 76,427     |
|                                      | \$ 574,560 | \$ 554,923 | \$ 535,436 | \$ 498,540 | \$ 455,413 |







**KPMG LLP**  
**Chartered Accountants**  
Metrotower II  
Suite 2400 - 4720 Kingsway  
Burnaby BC V5H 4N2  
Canada

Telephone (604) 527-3600  
Fax (604) 527-3636  
Internet [www.kpmg.ca](http://www.kpmg.ca)

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees

We have audited the accompanying financial statements of the Surrey Public Library, which comprise the statement of financial position as at December 31, 2013, the statement of operations, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Library's preparation and fair presentation of the financial statements 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 Library's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Surrey Public Library as at December 31, 2013 and its results of operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants

April 10, 2014  
Burnaby, Canada

# Surrey Public Library

## STATEMENT OF FINANCIAL POSITION

As at December 31, 2013, with comparative figures for 2012

|                                             | 2013                | 2012         |
|---------------------------------------------|---------------------|--------------|
| <b>FINANCIAL ASSETS</b>                     |                     |              |
| Due from the City of Surrey <i>(note 2)</i> | \$ 1,609,436        | \$ 1,538,494 |
|                                             | <b>1,609,436</b>    | 1,538,494    |
| <b>FINANCIAL LIABILITIES</b>                |                     |              |
| Employee future benefits <i>(note 3)</i>    | <b>1,620,610</b>    | 1,425,352    |
| Deferred revenue <i>(note 4)</i>            | <b>93,698</b>       | 187,313      |
|                                             | <b>1,714,308</b>    | 1,612,665    |
| <b>NET FINANCIAL ASSETS (DEBT)</b>          | <b>(104,872)</b>    | (74,171)     |
| <b>NON-FINANCIAL ASSETS</b>                 |                     |              |
| Tangible capital assets <i>(note 5)</i>     | <b>5,834,739</b>    | 5,939,602    |
| Prepaid expenses                            | <b>34,665</b>       | 60,027       |
|                                             | <b>5,869,404</b>    | 5,999,629    |
| <b>ACCUMULATED SURPLUS <i>(note 6)</i></b>  | <b>\$ 5,764,532</b> | \$ 5,925,458 |



Melanie Houlden  
Chief Librarian



Linda Stromberg  
Chairperson

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

# Surrey Public Library STATEMENT OF OPERATIONS

For the year ended December 31, 2013, with comparative figures for 2012

|                                            | 2013 Budget   | 2013          | 2012          |
|--------------------------------------------|---------------|---------------|---------------|
|                                            | (note 9)      |               |               |
| REVENUES                                   |               |               |               |
| City of Surrey grant                       | \$ 14,797,000 | \$ 15,331,870 | \$ 14,098,266 |
| Provincial and federal grants (note 7)     | 910,500       | 984,788       | 913,228       |
| Neighbourhood community plan contributions | -             | -             | 538,697       |
| Fines and fees                             | 640,400       | 579,684       | 597,956       |
| Other                                      | 119,100       | 159,341       | 127,202       |
|                                            | 16,467,000    | 17,055,683    | 16,275,349    |
| EXPENSES                                   |               |               |               |
| Salaries and benefits                      | 11,999,000    | 12,190,982    | 10,949,051    |
| Site operations                            | 1,450,331     | 1,497,931     | 1,293,704     |
| Library materials collection               | 509,000       | 740,174       | 664,454       |
| Supplies and materials                     | 223,669       | 264,328       | 337,184       |
| Inter-library services                     | 160,000       | 141,051       | 145,809       |
| Professional services                      | 156,000       | 154,299       | 132,376       |
| Other                                      | 179,000       | 178,794       | 91,792        |
| Amortization                               | 2,265,000     | 2,049,050     | 2,187,429     |
|                                            | 16,942,000    | 17,216,609    | 15,801,799    |
| ANNUAL SURPLUS (DEFICIT)                   |               |               |               |
|                                            | \$ (475,000)  | \$ (160,926)  | \$ 473,550    |
| Accumulated Surplus, beginning of year     |               | 5,925,458     | 5,451,908     |
| Accumulated Surplus, end of year (note 6)  |               | \$ 5,764,532  | \$ 5,925,458  |

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

# Surrey Public Library

## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)

As at December 31, 2013, with comparative figures for 2012

|                                                | 2013<br>Budget  | 2013                | 2012         |
|------------------------------------------------|-----------------|---------------------|--------------|
|                                                | <i>(note 9)</i> |                     |              |
| <b>ANNUAL SURPLUS (DEFICIT)</b>                | \$ (475,000)    | <b>\$ (160,926)</b> | \$ 473,550   |
| Acquisition of tangible capital assets         | (1,790,000)     | <b>(1,944,187)</b>  | (3,002,290)  |
| Amortization of tangible capital assets        | 2,265,000       | <b>2,049,050</b>    | 2,187,429    |
|                                                | -               | <b>(56,063)</b>     | (341,311)    |
| Acquisition of prepaid expenses                | -               | <b>(34,665)</b>     | (60,027)     |
| Use of prepaid expenses                        | -               | <b>60,027</b>       | 43,249       |
|                                                | -               | <b>25,362</b>       | (16,778)     |
| <b>CHANGE IN NET FINANCIAL ASSETS (DEBT)</b>   | \$ -            | <b>\$ (30,701)</b>  | \$ (358,089) |
| Net financial assets (Debt), beginning of year | (74,171)        | <b>(74,171)</b>     | 283,918      |
| <b>Net financial Debt, end of year</b>         | \$ (74,171)     | <b>\$ (104,872)</b> | \$ (74,171)  |

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

For the year ended December 31, 2013, with comparative figures for 2012

|                                                              | 2013         | 2012        |
|--------------------------------------------------------------|--------------|-------------|
| CASH PROVIDED BY (USED IN):                                  |              |             |
| <b>OPERATIONAL ACTIVITY</b>                                  |              |             |
| Annual surplus (Deficit)                                     | \$ (160,926) | \$ 473,550  |
| Items not involving cash                                     |              |             |
| Amortization expense                                         | 2,049,050    | 2,187,429   |
| Employee future benefits expense (note 3)                    | 255,958      | 327,180     |
| Change in non-cash assets and liabilities                    |              |             |
| Decrease (increase) in prepaid expenses                      | 25,362       | (16,778)    |
| Increase (decrease) in deferred revenue                      | (93,615)     | 63,138      |
| Decrease (increase) in due from the City of Surrey           | (70,942)     | 22,171      |
| Employee future benefits paid by the City of Surrey (note 3) | (60,700)     | (54,400)    |
| Net change in cash from operating activities                 | 1,944,187    | 3,002,290   |
| <b>CAPITAL ACTIVITY</b>                                      |              |             |
| Cash used to acquire tangible capital assets                 | (1,944,187)  | (3,002,290) |
| Net change in cash from capital activity                     | (1,944,187)  | (3,002,290) |
| <b>Net change in cash</b>                                    | \$ -         | \$ -        |
| Cash, beginning of year                                      | -            | -           |
| Cash, end of year                                            | \$ -         | \$ -        |

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

As at December 31, 2013, with comparative figures for 2012

The Surrey Public Library, which is funded and supported primarily by the City of Surrey, was established in 1983 pursuant to the Library Act of British Columbia (Part 2) as a Municipal Public Library. The Library Board, on behalf of the residents and taxpayers of the City of Surrey, oversees the management and operation of the Surrey Public Library and further serves as a policy making body for the organization. The Library Board is appointed by the Council of the City of Surrey.

The Library is economically dependent on the City to fund certain services and to provide sufficient operating grants to cover any expenses incurred directly by the Library.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Surrey Public Library are prepared by management in accordance with Canadian Public Sector Accounting Standards as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. These financial statements are included in the Consolidated Financial Statements of the City of Surrey. The significant accounting policies are as follows:

a) Basis of accounting

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. 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.

b) Budget information

The budget data presented in these Financial Statements was approved by the Library Board on September 27, 2012 and included in the City of Surrey 2013 – 2017 Consolidated Financial Plan adopted through City of Surrey By-law #17819 on December 17, 2012.

c) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They may have useful lives extending beyond the current year 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 all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

| ASSET                  | USEFUL LIFE - YEARS |
|------------------------|---------------------|
| Books and publications | 5 years             |
| Equipment              | 5 - 10 years        |

Land and buildings acquired for Library purposes and funded by the City are recorded in the City's financial statements and are not included in these financial statements. The Library uses the land and buildings at no charge.

Amortization commences when the asset is put into use.

Contributions of tangible capital assets received are recorded at their fair value at the date of receipt and recorded as revenue.

*For the year ended December 31, 2013, with comparative figures for 2012*

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### **d) Employee future benefits**

The Library and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to the Surrey Public Library's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

### **e) Government transfers**

Transfers from governments with stipulations are deferred and recognized as revenue in the year in which the stipulations are met. Transfers without stipulations are recognized as revenue when received.

### **f) Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and 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 areas requiring the use of management estimates relate to the determination of accrued employee future benefits and useful lives of tangible capital assets.

Actual results could differ from these estimates. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the year in which they become known.

### **g) Segment disclosure**

The operations of the Surrey Public Library are comprised of a single function. As a result, the expenses of the Library are presented by object in the statement of operations.

### **h) Fines and fees**

The Library recognizes fines and fees as revenue upon receipt.

## 2. DUE FROM THE CITY OF SURREY

All cash transactions of the Surrey Public Library are handled by the City of Surrey, including payroll and accounts payable processing. The amount shown as due from City of Surrey represents the net cash balance held by the City of Surrey owed to the Surrey Public Library.

## 3. EMPLOYEE FUTURE BENEFITS

The Surrey Public Library 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-employment top-ups for dental, life insurance and accidental death and dismemberment insurance.

|                                    | 2013         | 2012         |
|------------------------------------|--------------|--------------|
| <b>ACTUARIAL BENEFIT LIABILITY</b> |              |              |
| Balance, beginning of year         | \$ 1,425,352 | \$ 1,152,572 |
| Interest cost                      | 72,900       | 71,000       |
| Current service cost               | 120,300      | 177,400      |
| Amortization of actuarial loss     | 62,758       | 78,780       |
| Benefits paid                      | (60,700)     | (54,400)     |
| Balance, end of year               | \$ 1,620,610 | \$ 1,425,352 |

As at December 31, 2013, with comparative figures for 2012

### 3. EMPLOYEE FUTURE BENEFITS (CONTINUED)

An actuarial valuation for these benefits was performed to determine the Library's accrued benefit obligation as at December 31, 2013. The difference between the actuarially determined accrued benefit liability of \$1,689,300 and the accrued benefit obligation of \$1,620,610 as at December 31, 2013 is an unamortized actuarial loss of \$68,690. The actuarial loss is amortized over a period equal to the employees' average remaining service lifetime.

|                                         | 2013         | 2012         |
|-----------------------------------------|--------------|--------------|
| <b>ACTUARIAL BENEFIT LIABILITY</b>      |              |              |
| Accrued benefit obligation, end of year | \$ 1,620,610 | \$ 1,425,352 |
| Unamortized actuarial loss              | 68,690       | 609,548      |
| Liability, end of year                  | \$ 1,689,300 | \$ 2,034,900 |

The total expenses recorded in the financial statements in respect of obligations under these plans amounts to \$255,957 (2012 - \$327,180).

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

|                                          | 2013  | 2012  |
|------------------------------------------|-------|-------|
| Discount rate                            | 4.00% | 3.50% |
| Expected future inflation rate           | 2.50% | 2.00% |
| Expected wage and salary inflation       | 2.50% | 2.50% |
| Expected wage and salary range increases | 0.50% | 0.50% |

### 4. DEFERRED REVENUE

|                                                             | 2013       | 2012       |
|-------------------------------------------------------------|------------|------------|
| Balance, beginning of year                                  | \$ 187,313 | \$ 124,175 |
| Amounts received for grants, sponsorships and other         | 136,232    | 152,331    |
| Amounts recognized as Provincial and Federal grants revenue | (229,847)  | (89,193)   |
| Balance, end of year                                        | \$ 93,698  | \$ 187,313 |

*For the year ended December 31, 2013, with comparative figures for 2012*

## 5. TANGIBLE CAPITAL ASSETS

| <b>Cost</b>            | Balance at<br>December 31, 2012 | Additions /<br>Adjustments | Disposals /<br>Write-downs /<br>Allocations | <b>Balance at<br/>December 31, 2013</b> |
|------------------------|---------------------------------|----------------------------|---------------------------------------------|-----------------------------------------|
| Books and publications | \$ 9,719,449                    | \$ 1,788,149               | \$ 2,187,542                                | <b>\$ 9,320,056</b>                     |
| Equipment              | 1,778,905                       | 156,038                    | 1,113                                       | <b>1,933,830</b>                        |
| <b>Total</b>           | <b>\$ 11,498,354</b>            | <b>\$ 1,944,187</b>        | <b>\$ 2,188,655</b>                         | <b>\$ 11,253,886</b>                    |

| <b>Accumulated Amortization</b> | Balance at<br>December 31, 2012<br><i>(note 9)</i> | Amortization        | Accumulated<br>Amortization on<br>Disposals | <b>Balance at<br/>December 31, 2013</b> |
|---------------------------------|----------------------------------------------------|---------------------|---------------------------------------------|-----------------------------------------|
| Books and publications          | \$ 4,863,089                                       | \$ 1,903,846        | \$ 2,187,542                                | <b>\$ 4,579,393</b>                     |
| Equipment                       | 695,663                                            | 145,204             | 1,113                                       | <b>839,754</b>                          |
| <b>Total</b>                    | <b>\$ 5,558,752</b>                                | <b>\$ 2,049,050</b> | <b>\$ 2,188,655</b>                         | <b>\$ 5,419,147</b>                     |

| <b>Net Book Value</b>  | Balance at<br>December 31, 2012 | <b>Balance at<br/>December 31, 2013</b> |
|------------------------|---------------------------------|-----------------------------------------|
| Books and publications | \$ 4,856,360                    | <b>\$ 4,740,663</b>                     |
| Equipment              | 1,083,242                       | <b>1,094,076</b>                        |
| <b>Total</b>           | <b>\$ 5,939,602</b>             | <b>\$ 5,834,739</b>                     |

## 6. ACCUMULATED SURPLUS

|                                     | <b>2013</b>         | 2012         |
|-------------------------------------|---------------------|--------------|
| Tangible capital assets             | <b>\$ 5,834,739</b> | \$ 5,939,602 |
| Appropriated for materials on order | <b>253,980</b>      | 310,043      |
| Unappropriated surplus              | <b>173,338</b>      | 173,338      |
| Unfunded employee future benefits   | <b>(497,525)</b>    | (497,525)    |
|                                     | <b>\$ 5,764,532</b> | \$ 5,925,458 |

As at December 31, 2013, with comparative figures for 2012

## 7. GOVERNMENT TRANSFERS

The Library recognizes the transfer of government funding as expenses or revenues in the period that the events giving rise to the transfer occurred. The Government transfers reported on the Statement of Operations are:

|                                   | 2013              | 2012       |
|-----------------------------------|-------------------|------------|
| <b>Revenue:</b>                   |                   |            |
| Provincial grants:                |                   |            |
| Operating                         | \$ 932,608        | \$ 871,247 |
| BC One Card                       | 33,507            | 34,228     |
| Resource Sharing                  | 18,673            | 7,753      |
| <b>Subtotal Provincial grants</b> | <b>984,788</b>    | 913,228    |
| <b>Total revenues</b>             | <b>\$ 984,788</b> | \$ 913,228 |

## 8. PENSION PLAN

The Library 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 overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 179,000 active members, approximately 71,000 retired members.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Library paid \$759,000 (2012 - \$706,000) for employer contributions while employees contributed \$681,000 (2012 - \$629,000) to the Plan in fiscal 2013.

## 9. BUDGET FIGURES

The budget data presented in these financial statements is based on the 2013-2017 Financial Plan of the City of Surrey. A reconciliation of budgeted results to reported results is as follows:

|                                        | 2013 Budget  |
|----------------------------------------|--------------|
| Budgeted operating surplus as approved | \$ -         |
| Less: Amortization                     | (2,265,000)  |
| Add: Capital acquisitions              | 1,790,000    |
| Budgeted deficit as presented          | \$ (475,000) |



Surrey Public Library  
Schedule 1 STATEMENT OF FINANCIAL POSITION BY FUND

As at December 31, 2013, with comparative figures for 2012

|                                      | Operating<br>Fund  | Capital<br>Fund     | 2013                | 2012                |
|--------------------------------------|--------------------|---------------------|---------------------|---------------------|
| <b>FINANCIAL ASSETS</b>              |                    |                     |                     |                     |
| Due from the City of Surrey (note 2) | \$ 1,609,436       | \$ -                | <b>\$ 1,609,436</b> | \$ 1,538,494        |
|                                      | 1,609,436          | -                   | <b>1,609,436</b>    | 1,538,494           |
| <b>LIABILITIES</b>                   |                    |                     |                     |                     |
| Employee future benefits (note 3)    | 1,620,610          | -                   | <b>1,620,610</b>    | 1,425,352           |
| Deferred revenue (note 4)            | 93,698             | -                   | <b>93,698</b>       | 187,313             |
|                                      | 1,714,308          | -                   | <b>1,714,308</b>    | 1,612,665           |
| <b>NET FINANCIAL ASSETS (DEBT)</b>   | <b>(104,872)</b>   | <b>-</b>            | <b>(104,872)</b>    | <b>(74,171)</b>     |
| <b>NON-FINANCIAL ASSETS</b>          |                    |                     |                     |                     |
| Tangible capital assets (note 5)     | -                  | 5,834,739           | <b>5,834,739</b>    | 5,939,602           |
| Prepaid expenses                     | 34,665             | -                   | <b>34,665</b>       | 60,027              |
|                                      | 34,665             | 5,834,739           | <b>5,869,404</b>    | 5,999,629           |
| <b>ACCUMULATED SURPLUS (DEFICIT)</b> | <b>\$ (70,207)</b> | <b>\$ 5,834,739</b> | <b>\$ 5,764,532</b> | <b>\$ 5,925,458</b> |

# Surrey Public Library

## STATEMENT OF OPERATIONS BY FUND *Schedule 2*

*For the year ended December 31, 2013, with comparative figures for 2012*

|                                                  | Operating<br>Fund | Capital<br>Fund | 2013                 | 2012          |
|--------------------------------------------------|-------------------|-----------------|----------------------|---------------|
| <b>REVENUES</b>                                  |                   |                 |                      |               |
| City of Surrey operating grant                   | \$ 13,407,248     | -               | <b>\$ 13,407,248</b> | \$ 11,634,673 |
| City of Surrey capital grant                     | -                 | 1,924,622       | <b>1,924,622</b>     | 2,463,593     |
| Provincial and federal grants <i>(note 7)</i>    | 984,788           | -               | <b>984,788</b>       | 913,228       |
| Neighbourhood community plan contributions       | -                 | -               | -                    | 538,697       |
| Fines and fees                                   | 579,684           | -               | <b>579,684</b>       | 597,956       |
| Other                                            | 139,776           | 19,565          | <b>159,341</b>       | 127,202       |
|                                                  | 15,111,496        | 1,944,187       | <b>17,055,683</b>    | 16,275,349    |
| <b>EXPENSES</b>                                  |                   |                 |                      |               |
| Salaries and benefits                            | 12,190,982        | -               | <b>12,190,982</b>    | 10,949,051    |
| Site operations                                  | 1,497,931         | -               | <b>1,497,931</b>     | 1,293,704     |
| Library materials collection                     | 740,174           | -               | <b>740,174</b>       | 664,454       |
| Supplies and materials                           | 264,328           | -               | <b>264,328</b>       | 337,184       |
| Inter-library services                           | 141,051           | -               | <b>141,051</b>       | 145,809       |
| Professional services                            | 154,299           | -               | <b>154,299</b>       | 132,376       |
| Other                                            | 178,794           | -               | <b>178,794</b>       | 91,792        |
| Amortization                                     | -                 | 2,049,050       | <b>2,049,050</b>     | 2,187,429     |
|                                                  | 15,167,559        | 2,049,050       | <b>17,216,609</b>    | 15,801,799    |
| <b>ANNUAL SURPLUS (DEFICIT)</b>                  |                   |                 |                      |               |
|                                                  | \$ (56,063)       | \$ (104,863)    | <b>\$ (160,926)</b>  | \$ 473,550    |
| Accumulated Surplus (Deficit), beginning of year | (14,144)          | 5,939,602       | <b>5,925,458</b>     | 5,451,908     |
| Accumulated Surplus (Deficit), end of year       | \$ (70,207)       | \$ 5,834,739    | <b>\$ 5,764,532</b>  | \$ 5,925,458  |





# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

| LEGAL DESCRIPTION                         | ADDRESS           | ORGANIZATION                            | EXEMPT<br>GENERAL<br>TAXES |
|-------------------------------------------|-------------------|-----------------------------------------|----------------------------|
| LT 1 BLK 5N SEC 20 RGE 2W PL 1587 NWD     | 10668 125B ST     | Creighton House                         | \$ 1,484.00                |
| LT 3 BLK 5N SEC 36 RGE 3W PL BCP42131 NWD | 11927 96A AVE     | Arthur Hedley House                     | \$ 948.00                  |
| LT 17 BLK 15 SEC 7 TWP 1 PL 2834 NWD      | 12645 14B AVE     | John Horner House                       | \$ 1,339.00                |
| LT C BLK 12 SEC 7 TWP 1 PL 2834 NWD       | 1577 128 ST       | Ocean Park Community Association        | \$ 4,647.00                |
| LT 11 SEC 12 TWP 1 PL 16055 NWD           | 16017 8 AVE       | White Rock Seventh Day Adventist Church | \$ 4,510.00                |
| LT 2 SEC 21 TWP 1 PL BCP21101 NWD         | 14040 32 AVE      | Feedham House                           | \$ 2,043.00                |
| LT 4 SEC 25 TWP 1 PL 26296 NWD            | 16520 40 AVE      | Historic Collishaw Farm                 | \$ 290.00                  |
| LT 24 DL 52 BLK 4 PL 2200 NWD             | 2590 OHARA LANE   | Willard Kitchen Heritage House          | \$ 3,826.00                |
| LT 25 DL 52 BLK 4 PL 2200 NWD             | 2598 OHARA LANE   | Rothwell House                          | \$ 4,599.00                |
| SEC 11 TWP 2 NWD                          | 6306 152 ST       | Sullivan Community Hall                 | \$ 8,007.00                |
| LT 22 SEC 4 TWP 8 PL 58597 NWD            | 5418 184 ST       | Robert Dougal MacKenzie Heritage House  | \$ 1,477.00                |
| LT 1 SEC 7 TWP 8 PL LMP46989 NWD          | 16940 FRIESIAN DR | Richardson Heritage House               | \$ 763.00                  |
| LT 1 SEC 7 TWP 8 PL BCP11903 NWD          | 16811 60 AVE      | Boothroyd Heritage House                | \$ 1,583.00                |
| LT 22 SEC 8 TWP 8 PL 76430 NWD            | 5818 182 ST       | Cecil Heppell House                     | \$ 1,045.00                |
| SEC 31 TWP 8 NWD                          | 9568 168 ST       | Tynehead Community Hall                 | \$ 4,386.00                |
| LT 1 SEC 14 RGE 1 PL LMP19036 NWD         | 16321 108 AVE     | Bethesda Christian Association          | \$ 1,387.00                |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                              |                       |                                                                                  |    |           |
|----------------------------------------------|-----------------------|----------------------------------------------------------------------------------|----|-----------|
| LT 16 SEC 18 RGE 1 PL 15179 NWD              | 14589 108 AVE         | Kla-How-Eya Aboriginal<br>Centre of Surrey<br>Aboriginal                         | \$ | 1,228.00  |
| LT 4 SEC 19 RGE 1 PL 17705 NWD               | 14557 105A AVE        | Howe Sound<br>Rehabilitation Services<br>Society                                 | \$ | 1,524.00  |
|                                              |                       | OPTIONS: Community<br>Services Society                                           | \$ | 1,368.00  |
| LT 7 BLK 1 SEC 34 RGE 1 PL 2583 NWD          | 15659 96 AVE          | Community Living<br>Society                                                      | \$ | 1,218.00  |
|                                              |                       | Elizabeth Fry Society of<br>Greater Vancouver                                    | \$ | 1,451.00  |
| LT F BLK 5N SEC 14 RGE 2W PL 15734<br>NWD    | 13630 GROSVENOR RD    | Canadian Islamic<br>Education Society of BC                                      | \$ | 2,674.00  |
| LT 1 SEC 21 RGE 2 PL NWS1822 NWD             | 12817 104 AVE         | John Howard Society<br>of the Lower Mainland<br>of BC                            | \$ | 812.00    |
| LT 2 SEC 21 RGE 2 PL NWS1822 NWD             | 12819 104 AVE         | John Howard Society<br>of the Lower Mainland<br>of BC                            | \$ | 815.00    |
| LT 3 SEC 22 RGE 2 PL 12614 NWD               | 10630 CITY PKY        | Royal Canadian Legion                                                            | \$ | 1,130.00  |
| LT 49 SEC 22 RGE 2 PL 9117 NWD               | 10734 CITY PKY        | Surrey Food Bank<br>Foundation                                                   | \$ | 8,397.00  |
| LT 153 SEC 22 RGE 2 PL 25098 NWD             | 13525 106 AVE         | Royal Canadian Legion                                                            | \$ | 18,132.00 |
| BLK 5N SEC 35 RGE 2W PL 13113 NWD            | 9803 140 ST           | OPTIONS: Community<br>Services Society                                           | \$ | 1,072.00  |
| LT 1 BLK 5N SEC 35 RGE 2W PL BCP43477<br>NWD | 9650 137A ST          | Whalley & District<br>Senior Citizen Housing<br>Society (Kinsmen Place<br>Lodge) | \$ | 52,358.00 |
| LT 3 SEC 35 RGE 2 PL 14725 NWD               | 9634 KING GEORGE BLVD | Shirly Dean Pavilion<br>(C/O Fraser Health<br>Authority)                         | \$ | 32,903.00 |
| TWP 1 PL 4431 NWD                            | 16323 BEACH RD        | Royal Canadian Legion                                                            | \$ | 6,671.00  |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                  |                       |                                                 |    |           |
|----------------------------------|-----------------------|-------------------------------------------------|----|-----------|
| LT 4 SEC 12 TWP 1 PL 9013 NWD    | 1290 160 ST           | Peace Arch Community Services Society           | \$ | 2,168.00  |
| SEC 14 TWP 1 PL LMP52718 NWD     | 15306 24 AVE          | Semiahmoo Foundation                            | \$ | 7,097.00  |
| SEC 14 TWP 1 PL 8492 NWD         | 2360 153 ST           | Semiahmoo Foundation                            | \$ | 1,152.00  |
| LT A SEC 14 TWP 1 PL 11601 NWD   | 2124 154 ST           | Semiahmoo House Society                         | \$ | 1,567.00  |
| LT A SEC 14 TWP 1 PL 13327 NWD   | 2290 152 ST           | Royal Canadian Legion                           | \$ | 7,699.00  |
| LT 1 SEC 14 TWP 1 PL 20734 NWD   | 1951 KING GEORGE BLVD | Peace Arch Community Services Society           | \$ | 607.00    |
| LT 1 SEC 14 TWP 1 PL 71395 NWD   | 15318 20 AVE          | South Fraser Women's Services Society           | \$ | 4,584.00  |
|                                  |                       | Atira Women's Resource Society                  | \$ | 1,818.00  |
|                                  |                       | Atira Women's Resource Society                  | \$ | 1,558.00  |
| LT 3 SEC 15 TWP 1 PL 83184 NWD   | 2203 148 ST           | BC Amateur Softball Association (Softball City) | \$ | 29,325.00 |
| LT 3 SEC 15 TWP 1 PL 83184 NWD   | 2197 148 ST           | South Surrey Field House Society                | \$ | 8,508.00  |
| LT 1 SEC 16 TWP 1 PL LMS3250 NWD | 32 1653 140 ST        | Westminster House – HRC Care Society            | \$ | 176.00    |
| LT 2 SEC 16 TWP 1 PL LMS3250 NWD | 33 1653 140 ST        | Westminster House – HRC Care Society            | \$ | 177.00    |
| LT 3 SEC 16 TWP 1 PL LMS3250 NWD | 31 1653 140 ST        | Westminster House – HRC Care Society            | \$ | 166.00    |
| LT 4 SEC 16 TWP 1 PL LMS3250 NWD | 30 1653 140 ST        | Westminster House – HRC Care Society            | \$ | 166.00    |
| LT 5 SEC 16 TWP 1 PL LMS3250 NWD | 28 1653 140 ST        | Westminster House – HRC Care Society            | \$ | 147.00    |
| LT 6 SEC 16 TWP 1 PL LMS3250 NWD | 29 1653 140 ST        | Westminster House – HRC Care Society            | \$ | 147.00    |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                   |                |                                         |    |        |
|-----------------------------------|----------------|-----------------------------------------|----|--------|
| LT 8 SEC 16 TWP 1 PL LMS3250 NWD  | 26 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 188.00 |
| LT 9 SEC 16 TWP 1 PL LMS3250 NWD  | 24 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 168.00 |
| LT 10 SEC 16 TWP 1 PL LMS3250 NWD | 25 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 153.00 |
| LT 12 SEC 16 TWP 1 PL LMS3250 NWD | 22 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 165.00 |
| LT 13 SEC 16 TWP 1 PL LMS3250 NWD | 20 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 147.00 |
| LT 14 SEC 16 TWP 1 PL LMS3250 NWD | 21 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 147.00 |
| LT 15 SEC 16 TWP 1 PL LMS3250 NWD | 19 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 187.00 |
| LT 17 SEC 16 TWP 1 PL LMS3250 NWD | 16 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 190.00 |
| LT 18 SEC 16 TWP 1 PL LMS3250 NWD | 17 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 141.00 |
| LT 19 SEC 16 TWP 1 PL LMS3250 NWD | 15 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 155.00 |
| LT 20 SEC 16 TWP 1 PL LMS3250 NWD | 14 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 155.00 |
| LT 21 SEC 16 TWP 1 PL LMS3250 NWD | 12 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 155.00 |
| LT 22 SEC 16 TWP 1 PL LMS3250 NWD | 13 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 157.00 |
| LT 23 SEC 16 TWP 1 PL LMS3250 NWD | 9 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 204.00 |
| LT 26 SEC 16 TWP 1 PL LMS3250 NWD | 7 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 147.00 |
| LT 27 SEC 16 TWP 1 PL LMS3250 NWD | 5 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 166.00 |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                   |                 |                                         |    |          |
|-----------------------------------|-----------------|-----------------------------------------|----|----------|
| LT 29 SEC 16 TWP 1 PL LMS3250 NWD | 4 1653 140 ST   | Westminster House –<br>HRC Care Society | \$ | 146.00   |
| LT 30 SEC 16 TWP 1 PL LMS3250 NWD | 3 1653 140 ST   | Westminster House –<br>HRC Care Society | \$ | 182.00   |
| LT 31 SEC 16 TWP 1 PL LMS3250 NWD | 1 1653 140 ST   | Westminster House –<br>HRC Care Society | \$ | 187.00   |
| LT 44 SEC 16 TWP 1 PL LMS3250 NWD | 107 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 385.00   |
| LT 57 SEC 16 TWP 1 PL LMS3250 NWD | 125 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 302.00   |
| LT 61 SEC 16 TWP 1 PL LMS3250 NWD | 129 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 301.00   |
| LT 62 SEC 16 TWP 1 PL LMS3250 NWD | 131 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 302.00   |
| LT 71 SEC 16 TWP 1 PL LMS3250 NWD | 209 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 403.00   |
| LT 82 SEC 16 TWP 1 PL LMS3250 NWD | 202 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 403.00   |
| LT 83 SEC 16 TWP 1 PL LMS3250 NWD | 200 1653 140 ST | Westminster House –<br>HRC Care Society | \$ | 400.00   |
| LT 85 SEC 16 TWP 1 PL LMS3250 NWD | 34 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 2,840.00 |
| LT 86 SEC 16 TWP 1 PL LMS3250 NWD | 36 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 405.00   |
| LT 88 SEC 16 TWP 1 PL LMS3250 NWD | 38 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 410.00   |
| LT 89 SEC 16 TWP 1 PL LMS3250 NWD | 39 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 405.00   |
| LT 90 SEC 16 TWP 1 PL LMS3250 NWD | 40 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 410.00   |
| LT 91 SEC 16 TWP 1 PL LMS3250 NWD | 41 1653 140 ST  | Westminster House –<br>HRC Care Society | \$ | 410.00   |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                    |                   |                                                                                   |    |           |
|------------------------------------|-------------------|-----------------------------------------------------------------------------------|----|-----------|
| LT 92 SEC 16 TWP 1 PL LMS3250 NWD  | 42 1653 140 ST    | Westminster House –<br>HRC Care Society                                           | \$ | 414.00    |
| LT 93 SEC 16 TWP 1 PL LMS3250 NWD  | 43 1653 140 ST    | Westminster House –<br>HRC Care Society                                           | \$ | 410.00    |
| LT 108 SEC 16 TWP 1 PL LMS3250 NWD | 219 1653 140 ST   | Westminster House –<br>HRC Care Society                                           | \$ | 555.00    |
| LT 109 SEC 16 TWP 1 PL LMS3250 NWD | 221 1653 140 ST   | Westminster House –<br>HRC Care Society                                           | \$ | 532.00    |
| LT 113 SEC 16 TWP 1 PL LMS3250 NWD | 226 1653 140 ST   | Westminster House –<br>HRC Care Society                                           | \$ | 820.00    |
| LT 114 SEC 16 TWP 1 PL LMS3250 NWD | 222 1653 140 ST   | Westminster House –<br>HRC Care Society                                           | \$ | 665.00    |
| LT 115 SEC 16 TWP 1 PL LMS3250 NWD | 220 1653 140 ST   | Westminster House –<br>HRC Care Society                                           | \$ | 712.00    |
| LT 116 SEC 16 TWP 1 PL LMS3250 NWD | 35 1653 140 ST    | Westminster House –<br>HRC Care Society                                           | \$ | 3,665.00  |
| LT 117 SEC 16 TWP 1 PL LMS3250 NWD | 228 1653 140 ST   | Westminster House –<br>HRC Care Society                                           | \$ | 629.00    |
| LT A SEC 19 TWP 1 PL 71424 NWD     | 12698 25 AVE      | Semiahmoo House<br>Society                                                        | \$ | 2,072.00  |
| SEC 19 TWP 1 PL 8545 NWD           | 2643 128 ST       | Royal Canadian Legion                                                             | \$ | 7,967.00  |
| LT 2 SEC 20 TWP 1 PL 73190 NWD     | 12969 CRESCENT RD | Imitating Christ<br>Ministries                                                    | \$ | 12,607.00 |
| LT 1 DL 244 PL 6233 NWD            | 3690 152 ST       | Roman Catholic<br>Archbishop of<br>Vancouver (Rosemary<br>Heights Retreat Centre) | \$ | 20,722.00 |
| LT 4 DL 52 PL 3340 NWD             | 12159 SULLIVAN ST | PLEA Community<br>Services Society of BC                                          | \$ | 3,695.00  |
| LT 18 DL 165 PL 17141 NWD          | 14718 WINTER CR   | Peace Arch Community<br>Services Society                                          | \$ | 2,377.00  |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                    |                      |                                                                  |    |           |
|------------------------------------|----------------------|------------------------------------------------------------------|----|-----------|
| LT E DL 52 PL 3675 NWD             | 2916 MCBRIDE AVE     | Association of the Neighbourhood (Alexandra Neighbourhood House) | \$ | 11,731.00 |
| DL 52 BLK G PL 6706 NWD            | 12210 AGAR ST        | Association of the Neighbourhood (Alexandra Neighbourhood House) | \$ | 3,774.00  |
| LT 493 SEC 17 TWP 2 PL 62718 NWD   | 13582 68 AVE         | OPTIONS: Community Services Society                              | \$ | 1,060.00  |
| LT 4 SEC 18 TWP 2 PL 83719 NWD     | 6999 124 ST          | Satnam Education Society of BC (Preschool & Daycare)             | \$ | 1,241.00  |
| LT 3 SEC 19 TWP 2 PL LMP5880 NWD   | 7566 120A ST         | Progressive Intercultural Community Services Society             | \$ | 922.00    |
| SEC 19 TWP 2 PL 1022 NWD           | 12152 75 AVE         | Strawberry Hill Farmer's Institute                               | \$ | 6,976.00  |
| LT 41 SEC 20 TWP 2 PL NWS3244 NWD  | 211 12837 76 AVE     | BC Genealogical Society                                          | \$ | 2,627.00  |
| LT 8 SEC 20 TWP 2 PL LMS1181 NWD   | 208 7750 128 ST      | The Muslim Youth Centre                                          | \$ | 781.00    |
| LT 9 SEC 20 TWP 2 PL LMS1181 NWD   | 209 7750 128 ST      | The Muslim Youth Centre                                          | \$ | 727.00    |
| LT 204 SEC 20 TWP 2 PL 62200 NWD   | 13520 78 AVE         | OPTIONS: Community Services Society                              | \$ | 5,960.00  |
| LT 3 SEC 20 TWP 2 PL NWS1473 NWD   | 3 13550 77 AVE       | Semiahmoo Foundation                                             | \$ | 2,994.00  |
| LT 5 SEC 20 TWP 2 PL NWS1473 NWD   | 5 13550 77 AVE       | Semiahmoo Foundation                                             | \$ | 2,781.00  |
| LT 6 SEC 20 TWP 2 PL NWS1473 NWD   | 6 13550 77 AVE       | Semiahmoo Foundation                                             | \$ | 2,416.00  |
| LT 27 SEC 27 TWP 2 PL 48043 NWD    | 14756 88 AVE         | Kla-How-Eya Aboriginal Centre of Surrey Aboriginal               | \$ | 967.00    |
| LT 41 SEC 28 TWP 2 PL LMP13196 NWD | 8041 COOPERSHAWK CRT | Community Living Society                                         | \$ | 1,551.00  |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

*(In accordance with Section 98 of the Community Charter)*

|                                   |                  |                                                      |    |           |
|-----------------------------------|------------------|------------------------------------------------------|----|-----------|
| LT 14 SEC 29 TWP 2 PL LMS949 NWD  | 114 12975 84 AVE | Greater Vancouver Youth for Christ                   | \$ | 947.00    |
| LT 15 SEC 29 TWP 2 PL LMS949 NWD  | 115 12975 84 AVE | Greater Vancouver Youth for Christ                   | \$ | 947.00    |
| LT 99 SEC 29 TWP 2 PL LMS4521 NWD | 115 13045 84 AVE | On the Water Rich Media Ministry                     | \$ | 2,946.00  |
| LT 15 SEC 30 TWP 2 PL NWS3424 NWD | 15 12484 82 AVE  | Surrey Crime Prevention Society                      | \$ | 2,104.00  |
| LT 44 SEC 30 TWP 2 PL BCS15 NWD   | 204 12639 80 AVE | Akal Academy Society                                 | \$ | 1,428.00  |
| LT 51 SEC 30 TWP 2 PL BCS15 NWD   | 211 12725 80 AVE | Progressive Intercultural Community Services Society | \$ | 1,341.00  |
| LT 45 SEC 30 TWP 2 PL BCS15 NWD   | 205 12725 80 AVE | Progressive Intercultural Community Services Society | \$ | 330.00    |
| LT 46 SEC 30 TWP 2 PL BCS15 NWD   | 206 12725 80 AVE | Progressive Intercultural Community Services Society | \$ | 333.00    |
| LT 47 SEC 30 TWP 2 PL BCS15 NWD   | 207 12725 80 AVE | Progressive Intercultural Community Services Society | \$ | 366.00    |
| LT 48 SEC 30 TWP 2 PL BCS15 NWD   | 208 12725 80 AVE | Progressive Intercultural Community Services Society | \$ | 377.00    |
| LT 49 SEC 30 TWP 2 PL BCS15 NWD   | 209 12725 80 AVE | Progressive Intercultural Community Services Society | \$ | 611.00    |
| LT B SEC 31 TWP 2 PL 6922 NWD     | 8870 120 ST      | Kennedy Community Hall Association                   | \$ | 8,110.00  |
| LT C SEC 31 TWP 2 PL 16969 NWD    | 12057 88 AVE     | Pakistan Canada Association                          | \$ | 2,252.00  |
| LT 3 SEC 33 TWP 2 PL 52522 NWD    | 9460 140 ST      | The Centre for Child Development of Lower Mainland   | \$ | 11,641.00 |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                      |                   |                                            |    |           |
|--------------------------------------|-------------------|--------------------------------------------|----|-----------|
| LT 14 SEC 35 TWP 2 PL 71026 NWD      | 15293 95 AVE      | Community Living Society                   | \$ | 1,133.00  |
| LT A SEC 35 TWP 2 PL LMP53173 NWD    | 15220 92 AVE      | BC Family Hearing Resource Society         | \$ | 14,288.00 |
| LT 1 SEC 36 TWP 2 PL 73579 NWD       | 16590 96 AVE      | PLEA Community Services Society of BC      | \$ | 1,593.00  |
| LT 23 SEC 5 TWP 8 PL 46717 NWD       | 17949 ROAN PL     | Surrey Association for Community Living    | \$ | 9,770.00  |
| LT G SEC 7 TWP 8 PL 2018 NWD         | 17567 57 AVE      | Royal Canadian Legion                      | \$ | 8,718.00  |
| SEC 8 TWP 8 NWD                      | 5783 176A ST      | BC Landscape Nursery Association           | \$ | 4,275.00  |
| LT 22 BLK 14 SEC 8 TWP 8 PL 2107 NWD | 17677 56A AVE     | Surrey Association for Community Living    | \$ | 766.00    |
| LT 1 SEC 8 TWP 8 PL NWS517 NWD       | 101 17687 56A AVE | Surrey Association for Community Living    | \$ | 413.00    |
| LT 2 SEC 8 TWP 8 PL NWS517 NWD       | 102 17687 56A AVE | Surrey Association for Community Living    | \$ | 411.00    |
| LT 4 SEC 8 TWP 8 PL NWS517 NWD       | 202 17687 56A AVE | Surrey Association for Community Living    | \$ | 931.00    |
| LT 1 SEC 8 TWP 8 PL BCP10244 NWD     | 17890 62 AVE      | Lower Fraser Valley Exhibition Association | \$ | 5,174.00  |
| LT 11 SEC 9 TWP 8 PL LMP18689 NWD    | 18919 62A AVE     | Surrey Association for Community Living    | \$ | 1,634.00  |
| LT 3 SEC 17 TWP 8 PL 3420 NWD        | 7027 184 ST       | Surrey Little Theatre                      | \$ | 3,362.00  |
| LT 2 SEC 20 TWP 8 PL 21485 NWD       | 18365 73 AVE      | Community Living Society                   | \$ | 2,361.00  |
| LT 1 SEC 4 TWP 9 PL LMS2076 NWD      | 101 9706 188 ST   | The BC Wildlife Federation                 | \$ | 2,917.00  |
| LT 16 SEC 7 TWP 9 PL LMP47179 NWD    | 17215 104 AVE     | TLC The Land Conservancy of BC             | \$ | 235.00    |
| LT 4 SEC 7 TWP 9 PL LMP15379 NWD     | 17055 106 AVE     | TLC The Land Conservancy of BC             | \$ | 1,369.00  |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

*(In accordance with Section 98 of the Community Charter)*

|                                                                                                                             |                  |                                                               |    |           |
|-----------------------------------------------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------|----|-----------|
| LT 23 SEC 7 TWP 9 PL 1799 NWD                                                                                               | 17122 106 AVE    | TLC The Land Conservancy of BC                                | \$ | 587.00    |
| LT 24 SEC 7 TWP 9 PL 1799 NWD                                                                                               | 17174 106 AVE    | TLC The Land Conservancy of BC                                | \$ | 587.00    |
| LT 63 BLK 5N SEC 22 RGE 2W PL 9117 NWD                                                                                      | 10689 135A ST    | South Fraser Community Services Society (Surrey HIV/AIDS Ctr) | \$ | 4,305.00  |
| LT 66 BLK 5N SEC 22 RGE 2W PL 9117 NWD                                                                                      | 10667 135A ST    | South Fraser Community Services                               | \$ | 9,506.00  |
| LT A SEC 35 RGE 2 PL 13113 NWD                                                                                              | 9815 140 ST      | OPTIONS: Community Services Society                           | \$ | 26,115.00 |
| LT 3 SEC 13 TWP 1 PL 6519 NWD                                                                                               | 2284 165 ST      | Sunnyside Saddle Club                                         | \$ | 12,219.00 |
| NWD DISTRICT LOT 231&491, EXCEPT PLAN 050AC PTN, .50AC PTN DL 231&491 SECTION 341(2)(B) & (N) SEE 5700-90017-8 (MAIN FOLIO) | 3138 MCBRIDE AVE | Crescent Beach Swimming Club                                  | \$ | 2,105.00  |
| LT A SEC 19 TWP 1 PL LMP38916 NWD                                                                                           | 3136 MCBRIDE AVE | Crescent Beach Swimming Club                                  | \$ | 2,973.00  |
| LT A SEC 19 TWP 1 PL LMP38916 NWD                                                                                           | 3140 MCBRIDE AVE | Surrey Sailing Club                                           | \$ | 2,142.00  |
| SEC 6 TWP 2 PL 8568 NWD                                                                                                     | 5435 123 ST      | Panorama Ridge Riding Club                                    | \$ | 3,249.00  |
| SEC 27 TWP 7 NWD                                                                                                            | 19495 36 AVE     | Lower Mainland German Shepherd Dog Club                       | \$ | 342.00    |
| SEC 5 TWP 8 PL BCP32766 NWD                                                                                                 | 5554 176 ST      | Fraser Valley Heritage Railway Society                        | \$ | 6,487.00  |
| LT A BLK 5 SEC 19 RGE 1W PL LMP48242 NWD                                                                                    | 14568 104A AVE   | Guildford Seniors Village Ventures Ltd.                       | \$ | 16,561.00 |
| LT 1 SEC 15 RGE 2 PL BCP13629 NWD                                                                                           | 13525 HILTON RD  | Hilton Villa Care Centre                                      | \$ | 31,922.00 |
| LT 1 BLK 5N SEC 15 RGE 2 PL BCP24583 NWD                                                                                    | 13453 111A AVE   | Cherington Intercare Inc.                                     | \$ | 13,042.00 |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                           |                            |                              |    |           |
|-------------------------------------------|----------------------------|------------------------------|----|-----------|
| LT 1 BLK 5N SEC 35 RGE 2W PL BCP25702 NWD | 9688 137A ST               | Laurel Place Holdings Ltd.   | \$ | 59,213.00 |
| LT 79 SEC 12 TWP 1 PL LMS2925 NWD         | 3364 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 164.00    |
| LT 80 SEC 12 TWP 1 PL LMS2925 NWD         | 3366 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 124.00    |
| LT 83 SEC 12 TWP 1 PL LMS2925 NWD         | 3372 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 118.00    |
| LT 84 SEC 12 TWP 1 PL LMS2925 NWD         | 3373 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 108.00    |
| LT 87 SEC 12 TWP 1 PL LMS2925 NWD         | 3304 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 118.00    |
| LT 88 SEC 12 TWP 1 PL LMS2925 NWD         | 3306 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 108.00    |
| LT 89 SEC 12 TWP 1 PL LMS2925 NWD         | 3308 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 118.00    |
| LT 90 SEC 12 TWP 1 PL LMS2925 NWD         | 3310 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 108.00    |
| LT 91 SEC 12 TWP 1 PL LMS2925 NWD         | 3312 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 118.00    |
| LT 92 SEC 12 TWP 1 PL LMS2925 NWD         | 3314 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 108.00    |
| LT 95 SEC 12 TWP 1 PL LMS2925 NWD         | 3319 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 124.00    |
| LT 96 SEC 12 TWP 1 PL LMS2925 NWD         | 3320 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 126.00    |
| LT 98 SEC 12 TWP 1 PL LMS2925 NWD         | 3322 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 114.00    |
| LT 99 SEC 12 TWP 1 PL LMS2925 NWD         | 3323 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00    |
| LT 100 SEC 12 TWP 1 PL LMS2925 NWD        | 3324 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00    |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

*(In accordance with Section 98 of the Community Charter)*

|                                    |                            |                              |    |        |
|------------------------------------|----------------------------|------------------------------|----|--------|
| LT 101 SEC 12 TWP 1 PL LMS2925 NWD | 3326 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 110.00 |
| LT 102 SEC 12 TWP 1 PL LMS2925 NWD | 3328 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 110.00 |
| LT 103 SEC 12 TWP 1 PL LMS2925 NWD | 3330 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00 |
| LT 105 SEC 12 TWP 1 PL LMS2925 NWD | 3334 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 110.00 |
| LT 107 SEC 12 TWP 1 PL LMS2925 NWD | 3338 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00 |
| LT 108 SEC 12 TWP 1 PL LMS2925 NWD | 3340 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00 |
| LT 109 SEC 12 TWP 1 PL LMS2925 NWD | 3342 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 110.00 |
| LT 110 SEC 12 TWP 1 PL LMS2925 NWD | 3344 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 113.00 |
| LT 111 SEC 12 TWP 1 PL LMS2925 NWD | 3346 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 108.00 |
| LT 118 SEC 12 TWP 1 PL LMS2925 NWD | 3347 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 179.00 |
| LT 119 SEC 12 TWP 1 PL LMS2925 NWD | 3348 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 112.00 |
| LT 122 SEC 12 TWP 1 PL LMS2925 NWD | 3352 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 114.00 |
| LT 123 SEC 12 TWP 1 PL LMS2925 NWD | 3354 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 115.00 |
| LT 125 SEC 12 TWP 1 PL LMS2925 NWD | 3358 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 116.00 |
| LT 128 SEC 12 TWP 1 PL LMS2925 NWD | 3363 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 132.00 |
| LT 129 SEC 12 TWP 1 PL LMS2925 NWD | 3361 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 111.00 |
| LT 130 SEC 12 TWP 1 PL LMS2925 NWD | 3359 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 111.00 |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                    |                            |                              |    |        |
|------------------------------------|----------------------------|------------------------------|----|--------|
| LT 131 SEC 12 TWP 1 PL LMS2925 NWD | 3357 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 119.00 |
| LT 133 SEC 12 TWP 1 PL LMS2925 NWD | 3353 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00 |
| LT 134 SEC 12 TWP 1 PL LMS2925 NWD | 3351 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 111.00 |
| LT 136 SEC 12 TWP 1 PL LMS2925 NWD | 3343 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 105.00 |
| LT 137 SEC 12 TWP 1 PL LMS2925 NWD | 3341 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 136.00 |
| LT 138 SEC 12 TWP 1 PL LMS2925 NWD | 3339 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 119.00 |
| LT 139 SEC 12 TWP 1 PL LMS2925 NWD | 3337 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 107.00 |
| LT 141 SEC 12 TWP 1 PL LMS2925 NWD | 3333 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 119.00 |
| LT 142 SEC 12 TWP 1 PL LMS2925 NWD | 3331 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 108.00 |
| LT 144 SEC 12 TWP 1 PL LMS2925 NWD | 3327 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 119.00 |
| LT 145 SEC 12 TWP 1 PL LMS2925 NWD | 3325 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 108.00 |
| LT 146 SEC 12 TWP 1 PL LMS2925 NWD | 3317 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 109.00 |
| LT 147 SEC 12 TWP 1 PL LMS2925 NWD | 3315 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00 |
| LT 148 SEC 12 TWP 1 PL LMS2925 NWD | 3313 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 121.00 |
| LT 149 SEC 12 TWP 1 PL LMS2925 NWD | 3311 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 110.00 |
| LT 151 SEC 12 TWP 1 PL LMS2925 NWD | 3307 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc. | \$ | 110.00 |

# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

*(In accordance with Section 98 of the Community Charter)*

|                                    |                            |                                                |    |           |
|------------------------------------|----------------------------|------------------------------------------------|----|-----------|
| LT 152 SEC 12 TWP 1 PL LMS2925 NWD | 3305 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc.                   | \$ | 110.00    |
| LT 154 SEC 12 TWP 1 PL LMS2925 NWD | 3301 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc.                   | \$ | 111.00    |
| LT 155 SEC 12 TWP 1 PL LMS2925 NWD | 3371 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc.                   | \$ | 118.00    |
| LT 157 SEC 12 TWP 1 PL LMS2925 NWD | 3367 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc.                   | \$ | 121.00    |
| LT 158 SEC 12 TWP 1 PL LMS2925 NWD | 3365 1222 KING GEORGE BLVD | CPAC – Crescent Gardens Inc.                   | \$ | 121.00    |
| SEC 14 TWP 1 NWD                   | 15441 16 AVE               | Peace Portal Lodge                             | \$ | 5,749.00  |
| LT 1 SEC 23 TWP 1 PL BCP31682 NWD  | 15955 27 AVE               | Morgan Heights Care Ltd.                       | \$ | 34,452.00 |
| LT 2 SEC 26 TWP 1 PL LMP47440 NWD  | 3288 156A ST               | Morgan Place Holdings                          | \$ | 38,383.00 |
| LT A SEC 26 TWP 1 PL BCP27316 NWD  | 15240 34 AVE               | Rosemary Heights Seniors Village               | \$ | 28,893.00 |
| LT 1 SEC 9 TWP 2 PL BCP51929 NWD   | 13687 62 AVE               | Suncreek Village                               | \$ | 34,775.00 |
| LT A SEC 25 TWP 2 PL BCP7288 NWD   | 16011 83 AVE               | Fleetwood Place Holdings                       | \$ | 27,744.00 |
| LT 1 SEC 26 TWP 2 PL LMP27235 NWD  | 15660 84 AVE               | Evergreen Cottages                             | \$ | 14,239.00 |
| LT 2 SEC 35 TWP 2 PL BCP42040 NWD  | 9067 160 ST                | Elim Housing Society                           | \$ | 27,856.00 |
| LT 1 SEC 10 TWP 8 PL BCP34902 NWD  | 19550 Fraser HWY           | Baltic Properties (Brookside) Ltd.             | \$ | 33,473.00 |
| LT 152 SEC 18 RGE 1 PL 62582 NWD   | 14625 108 AVE              | Christian Life Assembly                        | \$ | 5,373.00  |
| LT 52 SEC 28 RGE 1 PL 58484 NWD    | 15290 103A AVE             | Praise International Church                    | \$ | 1,364.00  |
| LT 53 SEC 28 RGE 1 PL 58484 NWD    | 10304 152A ST              | Praise International Church                    | \$ | 1,351.00  |
| LT 3 SEC 17 RGE 2 PL LMS3109 NWD   | 3 12332 PATTULLO PL        | Celebration Christian Fellowship International | \$ | 65.00     |

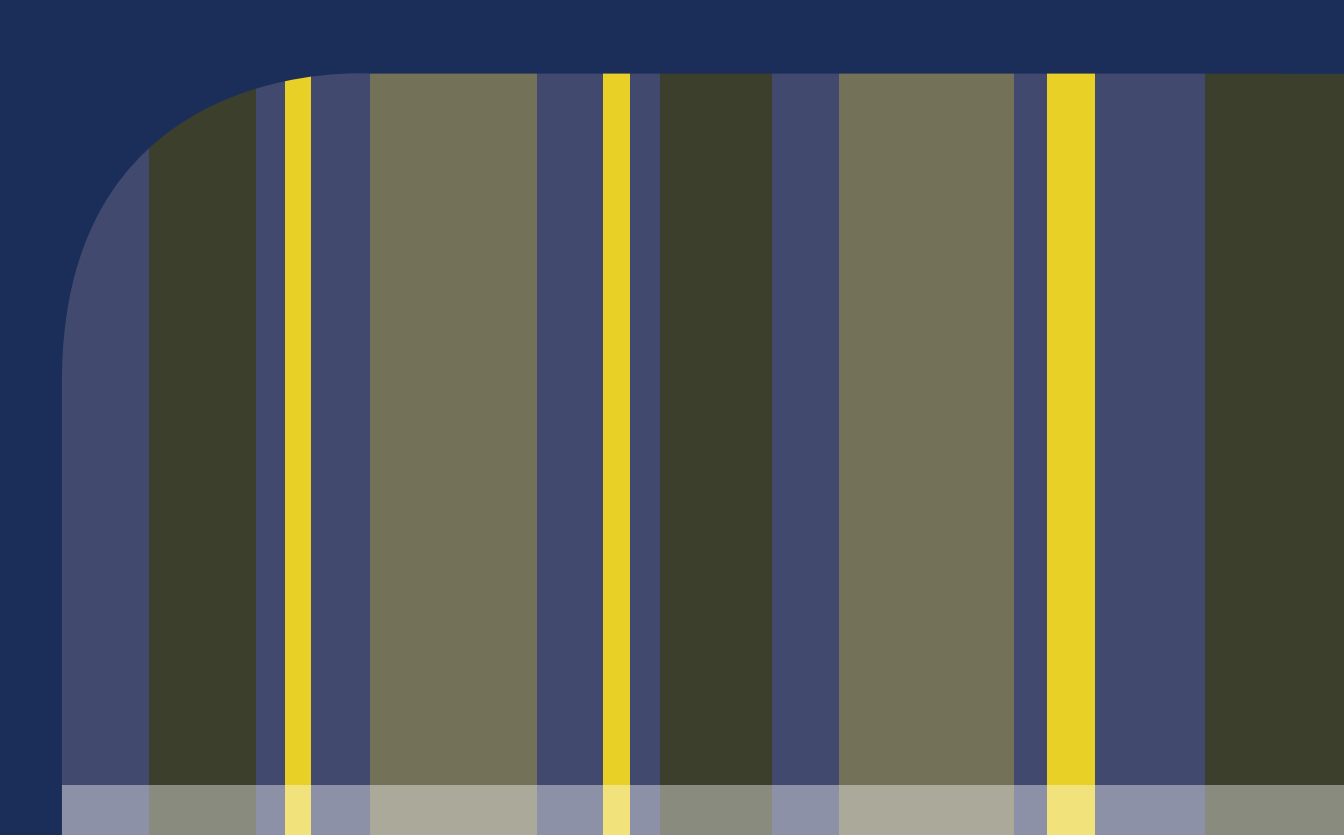
# City of Surrey

## STATEMENT OF 2013 PERMISSIVE EXEMPTIONS

(In accordance with Section 98 of the Community Charter)

|                                         |                          |                                                 |    |            |
|-----------------------------------------|--------------------------|-------------------------------------------------|----|------------|
| LT 4 SEC 17 RGE 2 PL LMS3109 NWD        | 4 12332 PATTULLO PL      | Celebration Christian Fellowship International  | \$ | 246.00     |
| LT 5 SEC 17 RGE 2 PL LMS3109 NWD        | 5 12332 PATTULLO PL      | Celebration Christian Fellowship International  | \$ | 21.00      |
| LT 6 SEC 17 RGE 2 PL LMS3109 NWD        | 6 12332 PATTULLO PL      | Celebration Christian Fellowship International  | \$ | 668.00     |
| LT C BLK 5N SEC 18 RGE 2W PL 69522 NWD  | 11125 124 ST             | Calvary Worship Centre                          | \$ | 14,509.00  |
| LT 18 BLK 5N SEC 22 RGE 2W PL 12614 NWD | 10635 KING GEORGE BLVD   | Nightshift Ministries Society                   | \$ | 816.00     |
| LT 1 SEC 24 RGE 2 PL 16807 NWD          | 14069 104 AVE            | Hahn Seok Buddhist Foundation                   | \$ | 1,177.00   |
| LT 4 SEC 22 TWP 1 PL NWS2669 NWD        | 30 3033 KING GEORGE BLVD | White Rock South Surrey Jewish Community Centre | \$ | 576.00     |
| LT 21 SEC 10 TWP 2 PL LMS2619 NWD       | 215 6333 148 ST          | Lifesource Canada Society                       | \$ | 738.00     |
| LT 22 SEC 10 TWP 2 PL LMS2619 NWD       | 216 6333 148 ST          | Lifesource Canada Society                       | \$ | 709.00     |
| LT 1 SEC 15 TWP 2 PL LMP51687 NWD       | 15177 68 AVE             | Ismaili Jamatkhana Prayer Facility              | \$ | 7,832.00   |
| LT A SEC 20 TWP 2 PL 43080 NWD          | 13369 72 AVE             | Celebration Life Ministries                     | \$ | 1,501.00   |
| LT 203 SEC 20 TWP 2 PL 62200 NWD        | 13570 78 AVE             | Grace Baptist Church                            | \$ | 2,516.00   |
| LT 18 SEC 20 TWP 2 PL NWS3116 NWD       | 18 13478 78 AVE          | Somali Islamic Society of BC                    | \$ | 1,548.00   |
| LT B SEC 29 TWP 2 PL LMP48694 NWD       | 8580 132 ST              | Bear Creek Punjab Cultural Society              | \$ | 1,643.00   |
| LT 13 SEC 17 TWP 8 PL 83263 NWD         | 17802 66 AVE             | Cloverdale Christian Fellowship Society         | \$ | 2,788.00   |
|                                         |                          |                                                 | \$ | 937,694.00 |





Printed on recycled paper, made with 100% post-consumer fibres and processed chlorine free.

Design, layout, production and photos provided by the City of Surrey – Marketing & Communications ©

**Prepared by the City of Surrey Finance & Technology Department**

City of Surrey  
13450 - 104 Avenue  
Surrey, British Columbia V3T 1V8  
Canada

**Visit our web site at [www.surrey.ca](http://www.surrey.ca)**