



FOR THE YEAR ENDED DECEMBER 31, 2023



2023 ANNUAL FINANCIAL REPORT

BRITISH COLUMBIA, CANADA

SURREY.CA



FOR THE YEAR ENDED DECEMBER 31, 2023

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Prepared by the City of Surrey Finance Department

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DEMOGRAPHIC AND ECONOMIC INFORMATION

610,483* Population	\$1,736,132* Average home assessment (detached single family home)
9,382* Annual population change (2023-2022)	\$6,644* Average residential tax and utilities bill (before Provincial Homeowner Grant)
38.4* Median age	6,269* Housing starts
\$158.00 billion [†] Metro Vancouver GDP	160,734* Total households
\$80,500 [♦] Metro Vancouver median income	1,187* Total residential permits issued
1,704 [□] Metro Vancouver labour force ('000)	1,268* Total non-residential permits issued
1,611 [□] Metro Vancouver employment ('000)	\$1,414 million* Residential permit values
5.9% [□] Metro Vancouver unemployment rate	\$473 million* Non-residential permit values

[□] Statistics Canada, Dec 2023 Monthly Labour Force Survey (Vancouver CMA)

[†] Conference Board of Canada, 2023 Metro Vancouver insights

[♦] Statistics Canada, 2021 Census

* City of Surrey

CONSOLIDATED FINANCIAL INFORMATION

Consolidated Statement of Financial Position

As of December 31, 2023, with comparative figures for 2022 (in thousands of dollars)

	2023	2022
FINANCIAL ASSETS ¹	\$ 2,271,805	\$ 1,916,453
LIABILITIES	1,509,517	1,468,652
NET FINANCIAL ASSETS ²	\$ 762,288	\$ 452,801
NON FINANCIAL ASSETS ³	10,260,024	9,945,329
ACCUMULATED SURPLUS ⁴	\$ 11,022,312	\$ 10,398,130

¹ Financial assets: cash resources and liquid assets.

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

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

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

Consolidated Statement of Operations ¹

For the year ended December 31, 2023, with comparative figures for 2022 (in thousands of dollars)

	2023 Budget ²	2023	2022
REVENUES	\$ 1,419,571	\$ 1,650,550	\$ 1,430,784
EXPENSES	1,109,641	1,026,368	945,577
ANNUAL SURPLUS ³	\$ 309,930	\$ 624,182	\$ 485,207
Accumulated Surplus, beginning of year	10,398,130	10,398,130	9,912,923
Accumulated Surplus, end of year	\$ 10,708,060	\$ 11,022,312	\$ 10,398,130

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

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

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

MESSAGE FROM THE MAYOR



On behalf of City Council, it is my pleasure to present the 2023 Annual Financial Report for the City of Surrey. This report highlights major accomplishments and initiatives over the past year along with key financial information.

In Surrey, our growth has been put into overdrive. Not only is Surrey the largest municipality in Metro Vancouver in terms of landmass, but we are also on track to become the most populous in BC. Surrey is projected to reach a population of one million by 2042. This growth rate is staggering.

Our strong and steady interest in commercial and residential investment showcases the economic confidence of the region. In 2023, the value of building permits were nearly \$2 billion in Surrey, which saw the creation of 4,860 new homes to support Surrey's growing community.

The City continues to provide a conducive environment which fosters development of jobs, business investment, entrepreneurship, and innovation within Surrey, creating a competitive City with countless opportunities for success. From optimizing our employment lands to growing small business opportunities, the new 2024 Surrey Economic Strategy is building on what we have now and investing in the future.

I am pleased to report that our Finance Department has received the Canadian Award for Financial Reporting for 27 consecutive years from the Government Finance Officers Association of the United States and Canada. This commitment to diligent financial oversight ensures the security of our assets and investments for current and future generations. Transparency and accountability in our financial procedures guarantee sound financial stewardship and the reliable delivery of city operations and services.

I am honored to serve the residents of this beautiful City that we live and love. Our Council is investing for the future with additional and improved services, with the largest Capital Infrastructure Program in the City's history, adding valuable benefits to the day-to-day lives of those who work, play, invest and live in Surrey. We are prepared to take decisive and innovative actions to ensure that both current and future residents can thrive in our modern, livable, and world-class city. The City has started the process of updating our Official Community Plan that will support Surrey's growth, while keeping a thriving, green and inclusive City. We are developing a plan that supports affordable housing options, improved public transportation, and new recreation amenities.

The ongoing effort of residents, businesses, community leaders, and administration all contribute to Surrey's shared success. Our Council is committed to ensuring a strong financial position while continuing to foster a vibrant, innovative and sustainable City. Thank you for your continued support and trust in our city's financial management. Together, we will build a stronger and more resilient community for generations to come.

Sincerely,

A handwritten signature in black ink that reads "Brenda Locke". The signature is written in a cursive, flowing style.

Brenda Locke
Mayor



CITY COUNCIL & SURREY OFFICERS

Surrey Officers

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

Auditors – BDO LLP

Bankers – Royal Bank of Canada

City Council

BACK

Councillor Mandeep Nagra
Councillor Mike Bose
Councillor Doug Elford
Councillor Gordon Hepner

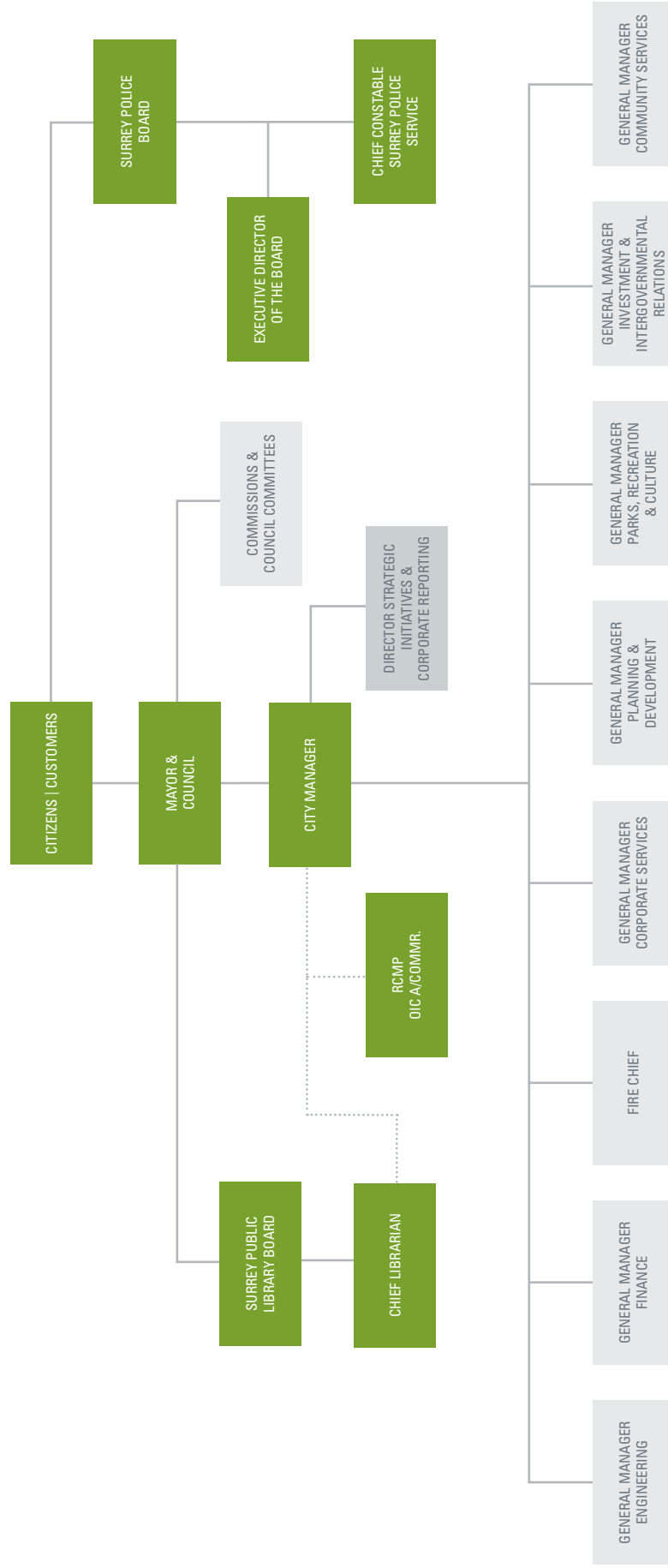
CENTER

Mayor Brenda Locke

FRONT

Councillor Linda Annis
Councillor Harry Bains
Councillor Rob Stutt
Councillor Pardeep Kooner

ORGANIZATIONAL CHART





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, 2022

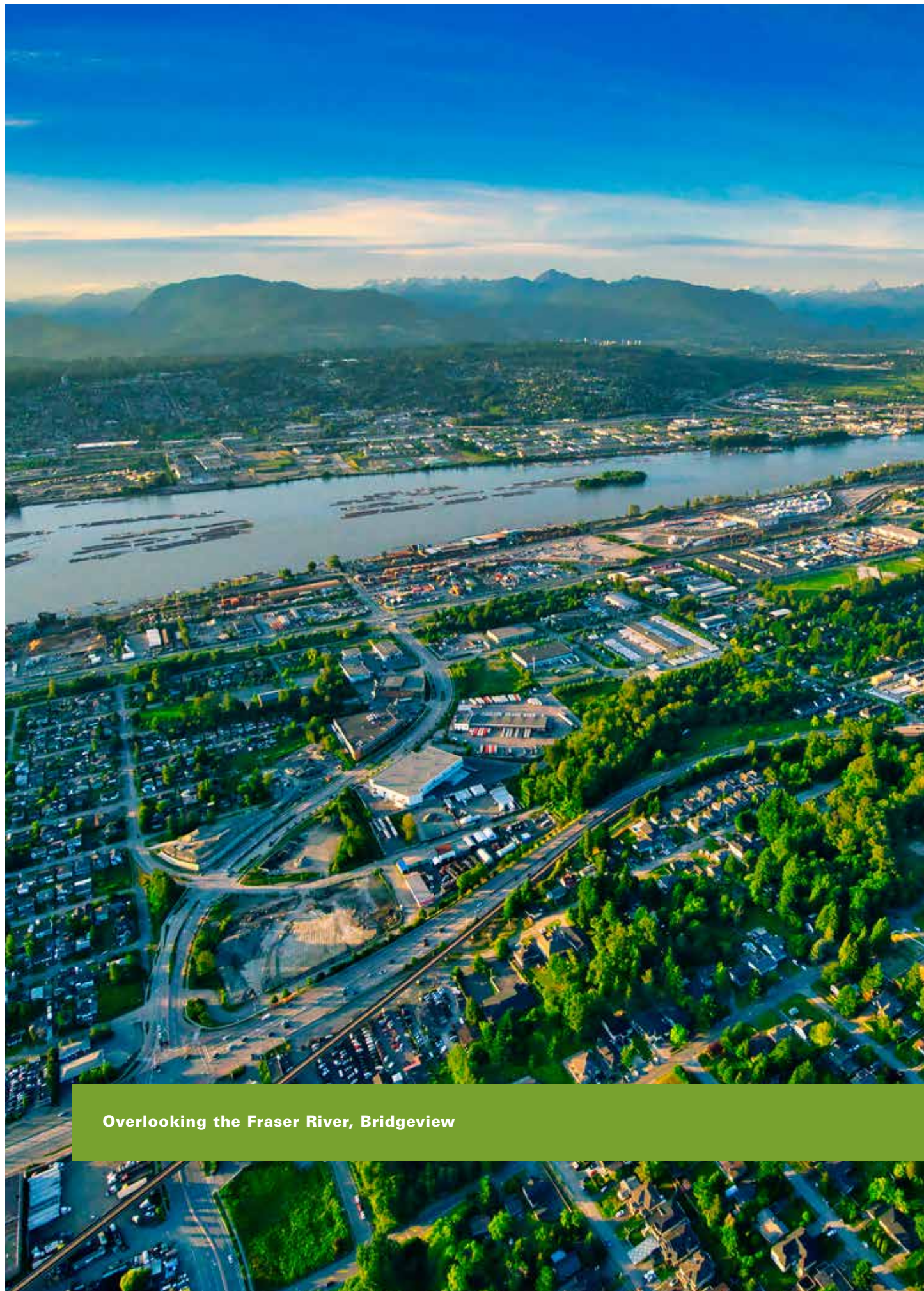
Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Surrey for its annual financial report for the fiscal year ended December 31, 2022. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

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

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



Overlooking the Fraser River, Bridgeview

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

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

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

The following sections present the City's various departments including an overview of the services they provide and their 2023 accomplishments. Following the overview sections are the related performance measures developed by departments to support City goals.

CITY OF SURREY OVERVIEWS

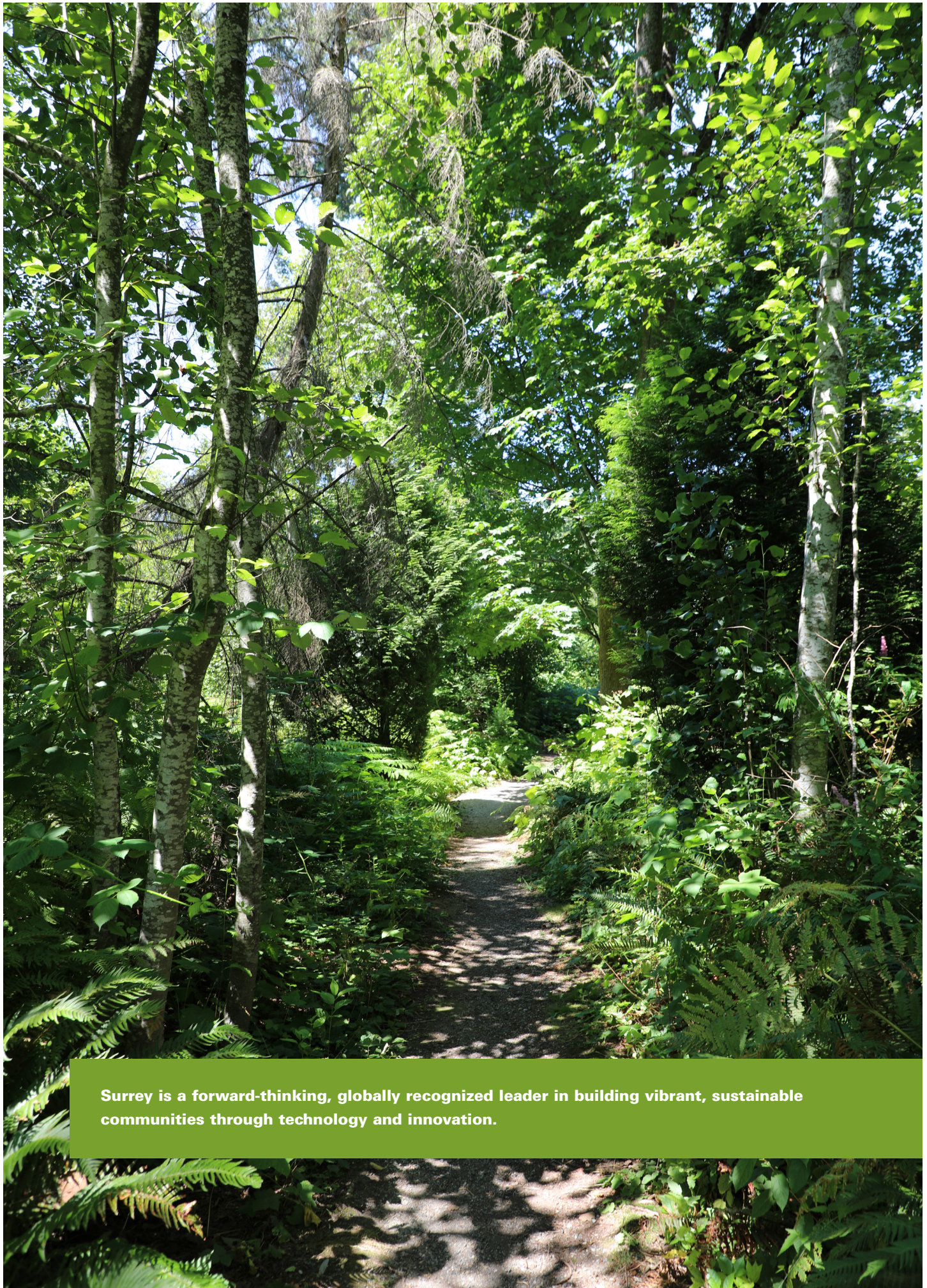
AWARDS

DEPARTMENT	AWARDS
ENGINEERING	Canada's Safest Public Sector/ Non-Profit Employer Award
	Canada's Safest Employer for Young Workers Award
COMMUNITY SERVICES	Union of BC Municipalities Community Excellence Award for the SAFE Program
CORPORATE SERVICES	Clean Air Building Award for Museum
	Clean Air Building Award for Clayton Community Centre
	Clean Air Building Award for Cloverdale Recreation Centre
	Clean Air Building Award for Grandview Heights Aquatic Centre
	Recertified for Canada's Most Admired Corporate Cultures (2021-2023)
	Canada's Greenest Employers 2023
	Canada's Top Employers for Young People 2023
	2023 City of Excellence – BC Municipal Safety Association & BC Common Ground Alliance Education Award
	2023 Certificate of Recognition (WorkSafe BC)
FINANCE	Government Finance Officers Association Distinguished Budget Presentation Award: 2023 – 2027 Financial Plan
	Government Finance Officers Association Distinguished Budget Presentation Award: Special Capital Recognition for 2023-2027 Financial Plan
	Government Finance Officers Association Distinguished Budget Presentation Award: Special Performance Measures Recognition for 2023-2027 Financial Plan
	Government Finance Officers Association Award for Outstanding Achievement in Popular Annual Financial Reporting: 2022 Annual Report Highlights
	Government Finance Officers Association Canadian Award for Financial Reporting: 2022 Annual Report
	"B+" rating from C.D. Howe Institute: 2023 edition of its Annual Municipal Fiscal Accountability report card
INVESTMENT & INTERGOVERNMENTAL RELATIONS	International Economic Development Council Gold Award for Excellence in Economic Development in the Resiliency, Recovery & Mitigation category
	British Columbia Economic Development Association Award recognizing achievement in initiatives that support economic development

CITY OF SURREY OVERVIEWS

AWARDS

DEPARTMENT	AWARDS
PARKS, RECREATION & CULTURE	2023 Communicator Awards of Distinction: Municipal Election Voter Turnout – Integrated Campaign
	2023 Communicator Awards of Distinction: Municipal Election Voter Turnout – Marketing Achievement
	2023 Communicator Awards of Distinction: Municipal Election Voter Turnout – Effectiveness (Social Media)
	2023 Communicator Awards of Distinction: Peer Mentorship Program – Self-promotion (Film & Video)
	2023 Marcom Gold Awards: 2023 Budget Engagement eNews – Advertising/Marketing Email Communication (Engagement)
	2023 Marcom Gold Awards: Recycling Tips from a Surrey Blue Bin – Video/Audio (Informational)
	2023 Marcom Awards, Honourable Mention: Digital Technology Hub – Web Based Website (Informational)
	2023 Marcom Platinum Awards: Our City Neighbourhood Enhancement Campaign – Strategic Communications Campaign (Integrated Marketing)
	2023 Marcom Gold Awards: Humuzza: Surrey Star on the Rise Surrey Slam Jam – Web Based Social Media (Influencer Content)
	BC Recreation and Parks Association Parks Excellence : Edgewood Park
	Arbor Day Foundation and the Food and Agriculture Organization of the United Nations: 2022 Tree City of the World designation
	Greener Greenspaces Recognition – Society of Organic Urban Land Care (Soul): Edgewood Park Pollinator Meadow
	Pollinator Steward Certification – Pollinator Partnerships: Edgewood Park, Godwin Farm Biodiversity Preserve Park & Orchard Grove Park
	BC Tourism & Hospitality Award – Access & Inclusion Award
PLANNING & DEVELOPMENT	2023 Facilities of Merit Winner : Clayton Community Centre
	National Air Filtration Association National Clean Air Award for the Surrey Operations Centre



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

Guiding Documents

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

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

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

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

Our Strategic Goals



INCLUSION

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



ECONOMIC PROSPERITY AND LIVELIHOOD

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



HEALTH AND WELLNESS

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



BUILT ENVIRONMENTS AND NEIGHBOURHOODS

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



ECOSYSTEMS

Healthy, protected and well maintained ecosystems and biodiversity.



INFRASTRUCTURE

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



PUBLIC SAFETY

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



EDUCATION AND CULTURE

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

Strategic Plan & Goals

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



Surrey Excels

Our Corporate Strategy

Our organizational priorities:

- A Vibrant Downtown
- Livable, Equitable, Connected Neighborhoods
- Housing for All
- Exceptional Public Safety
- Service Excellence
- Employer of Choice

Our Values

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

- Community
- Innovation
- Integrity
- Service
- Teamwork

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

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



Surrey Fusion Festival 2023, Holland Park

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

The City Manager's Department worked closely with departments across the organization to deliver key accomplishments in 2023, including selected initiatives where the City Manager's Office played a key role or coordinating role.

2023 ACCOMPLISHMENTS

- The City received over \$33M in funding for community support projects, including a 60-unit supportive housing project in City Centre
- The grand opening of the Totest Aleng: Indigenous Learning House, a unique venue with a dedicated artist studio space and covered pavilion to support Indigenous cultural practices and programming within the Elgin Heritage Park
- The City and the Provincial Ministry of Transportation and Infrastructure completed a new \$22.5M four-lane Nicomekl River crossing improving safety for drivers, cyclists, and pedestrians
- Supported the local trucking industry by initiating development of five City-owned truck parking sites
- The City established the required zoning to advance construction of the Cloverdale Hospital
- Supported the "Our City" campaign to empower the community to take an active role in enhancing neighbourhoods, inspiring over 80 small neighbourhood-led improvement projects
- The City re-established the Public Safety Committee comprised of Council and citizen representatives, supported by City staff, and the Surrey RCMP
- The City committed to funding an additional 25 RCMP officers, 20 Fire Services personnel, and 10 Bylaw Officers in 2023
- Created approximately 9,000 jobs in 2023. This is in addition to the 60 new major investment leads generated by the City with a potential of creating over 2,000 jobs this year
- Initiated development of a new Five-Year Economic Strategy for the City
- Started construction on the Strawberry Hill Community Hall and continued construction of the Cloverdale Sport & Ice Complex
- To facilitate strategic developments in Surrey. The City re-instated the independent Surrey City Development Corporation (SCDC) as an arms-length real estate development company to facilitate transformative projects in Surrey City Centre, Newton, and Campbell Heights
- The City continued to support the Opioid Overdose Second Responder program in partnership with Fraser Health and Health Canada
- The City Manager, Senior Management Team, and Council participated in a workshop to solidify a framework on Mayor & Councils' priorities over the current Council term



Service counter at Surrey Sport & Leisure Complex, Fleetwood

The Community Services Department collaborates with our partners across the City of Surrey to provide comprehensive, responsive programs and services that ensure connection, inclusion, and equity for our diverse communities.

COMMUNITY SAFETY

Community Safety collaborates with community partners to collectively prevent and reduce crime, build safe communities, and promote collaborative community support. Examples include the Surrey Anti-Gang Family Empowerment (SAFE) Program, the Children and Youth At-Risk Table (CHART), the Surrey Mobilization and Resiliency Table (SMART), the Surrey Youth Resiliency Program (SYRP), and the Empower Surrey Parent Workshop community engagement initiative.

HOUSING AND SOCIAL DEVELOPMENT

Housing and Social Development facilitates the development of supportive and affordable non-market housing, prepares housing and homelessness plans, policies and regulations that address the needs of low income and other vulnerable households. In response to current and emerging social issues, Housing and Social Development partners with government, non-profit and other key stakeholders to understand, advocate and seek solutions. Current areas of focus include urban Indigenous peoples, poverty reduction, vulnerable women and girls, and homelessness.

STRATEGIC PLANNING AND RESPONSES

Strategic Planning and Responses leads strategic planning, development and implementation of pilot projects, plans and strategies. This division supports the development of the Community Services department, by developing and managing key strategic initiatives and engaging with internal and external partners and community members in program development.

2023 ACCOMPLISHMENTS

- Facilitated the development of six supportive housing facilities, providing 313 units/beds
- Supported the Surrey Urban Indigenous Leadership Committee by administering funding grants and agreements on their behalf, with key focus areas of housing and homelessness, and community engagement
- Convened an inter-departmental staff process to create a shared definition of equity to address inequities in policies, programs and initiatives
- In partnership with the Surrey Poverty Reduction Coalition, secured a UBCM grant to develop a toolkit and pilot pop-up clinics to address the barriers faced by people with disabilities in accessing disability benefits
- Initiated the process of developing a Social Action Plan and a Homelessness Prevention and Response Plan
- Surpassed 13,000 visits to the SAFE Centre across more than 1,100 separate community safety enhancing functions hosted since May 2019
- Coordinated 15 Empower Surrey Parent Workshops to assist Surrey caregivers in identifying and addressing early warning signs for youth gang involvement
- Coordinated a two-part Indigenous antiracism training for SYRP partners to promote service delivery alignment with truth and reconciliation principles
- Implemented 10 initiatives to provide housing, hygiene, health and meal services to people experiencing homelessness and other vulnerabilities, including 60 supportive housing beds, 16 shelter beds, washroom, shower, and laundry services and meal services for up to 75 per seating daily
- Completed the pilot phase the Street SMART team, a new model of outreach support that pairs Bylaw officers with Community Services Workers using a trauma-informed approach
- Community Services Workers using a trauma-informed approach through daily patrols and daily drop-in services at City Centre Library
- Provided enhanced services for women and children experiencing homelessness in Surrey and in partnership with five civic facilities, delivered enhanced respite services during extreme heat, cold and wildfire events
- Coordinated the Trauma Sensitive Practice conference hosted at the Civic Hotel

A close-up, shallow depth-of-field photograph of a person's hands typing on a laptop keyboard. The hands are positioned in the lower half of the frame, with fingers pressing down on the keys. The laptop is dark-colored, and the keyboard is visible. In the background, out of focus, are horizontal window blinds and a desk lamp. A green banner with white text is overlaid at the bottom of the image.

Implemented cyber security technologies that have improved overall security resilience

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

BYLAW SERVICES

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

HUMAN RESOURCES

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

LEGAL SERVICES

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

INFORMATION TECHNOLOGY

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

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

LEGISLATIVE SERVICES

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

2023 ACCOMPLISHMENTS

- Fostered staff awareness of the diversity of Surrey and strengthened inclusiveness through a variety of initiatives and events, recognizing 34 key cultural events and awareness days
- Delivered a Human Rights & Respectful Workplace eLearning module
- Implemented a comprehensive action plan and obtained the WorkSafeBC Certificate of Recognition that recognizes and rewards safe work practices
- Securely shredded and recycled 65 metric tonnes of paper
- Took in 1,300 animals through SARC, reuniting 345 animals with their owners and assisted in finding new homes for 400 animals in 2023 year
- Targeted enforcement towards unsightly properties throughout the City
- Expanded City-owned fibre optic cabling covering approximately 1,700 metres for the coordinated placement of District Energy conduit
- Updated the Land Management Online Permitting Portal with new features including Plumbing Permits, Electrical Permits, Building Inspection Requests and Cross Connection Control data management services
- Expanded the City's online service capabilities, including launching a new Water Meter Special Read Request service, online ticketing sales services for Historic Stewart Farms, Bear Creek Park Lighting and Santa pictures
- Undertook enforcement through the Illegal Construction Enforcement Team and followed up with subsequent prosecution throughout the city (10 court injunctions)
- Surrey was the first City in Canada to launch an online virtual waiting room for PRC programs and activities online registrations that delivered an improved experience for customers and effectively managed high demand during seasonal peak registration days
- Saw increase of sign-ups for MySurrey Accounts, with 48,062 new users in 2023 (30% increase from 2022) for a total of 190,503 current accounts
- Re-established the Ethics Commissioner Office and Surrey City Development Corporation
- Created bylaw bike patrol working in conjunction with the police to increase visibility in high demand areas
- Oversaw the seizure of over \$365,000 of illegal fireworks through the Fireworks Interdiction Program



Secured land in City Centre to facilitate the future relocation of the City Centre bus exchange

The Engineering Department provides city services in Transportation, Solid Waste, Water, Sewer, Drainage, District Energy, Land Development and the management of real estate assets. The accomplishments and goals in this section are those that relate to the divisions/sections that fall under the General Operating Fund: GIS Services, Land Development, Operations, Realty Services, Survey Services, Sustainability and Design & Construction.

GEOGRAPHIC INFORMATION SYSTEMS (GIS)

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

LAND DEVELOPMENT

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

OPERATIONS

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

REALTY SERVICES

Realty Services manages the acquisitions, dispositions, and development of the City's real estate portfolio. The Land Acquisition Section is responsible for the timely acquisition of land and rights-of-way for capital projects, park purposes and civic use. The Realty Asset Management Section manages the City's real estate inventory including leasing and property sales.

SUSTAINABILITY

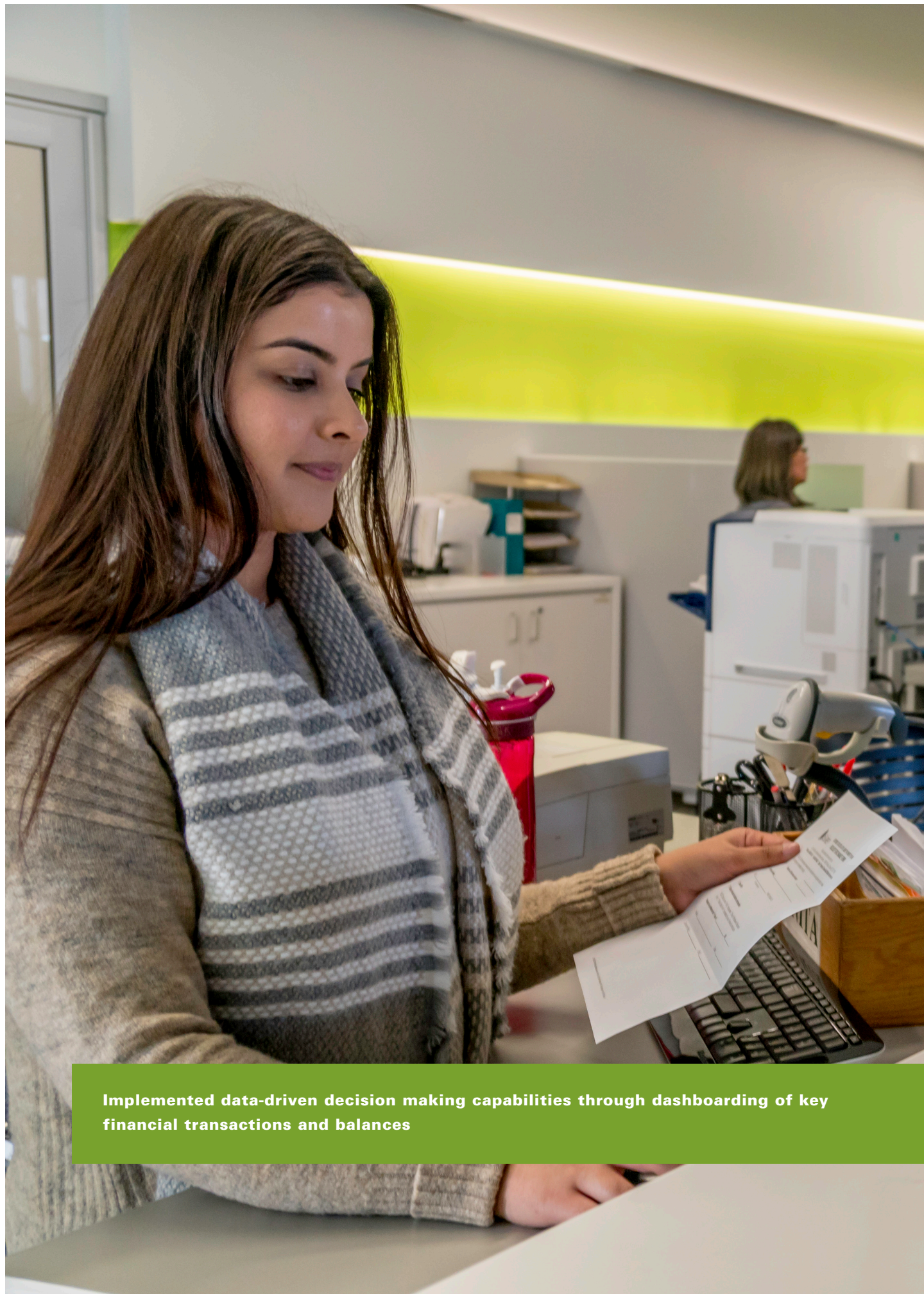
Under the guidance of the Sustainability Charter 2.0, the Sustainability team implements policy and leads key strategic initiatives related to climate mitigation and adaptation. The Climate Change Action Strategy (CCAS) was adopted by Surrey City Council in July 2023, and provides a roadmap to meeting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

PROJECT DELIVERY

The Project Delivery division is responsible for delivering the City's Infrastructure Capital Program for Roads, Water, Sewer, Drainage, and District Energy. This includes developing designs, construction tenders, and construction services. The team provides survey services to all City departments with a primary focus on legal services to support Engineering and Parks Recreation & Culture.

2023 ACCOMPLISHMENTS

- Entered into an amended partnering agreement with Peninsula Estates Housing Society to facilitate the development of a 91-unit affordable rental apartment building in South Surrey
- Entered into a partnering and lease agreement with the Provincial Rental Housing Corporation for the development and operation of a 57-unit long-term supportive housing facility in City Centre
- Acquired land in the Fleetwood area to house a future Station House that will include a pedestrian bridge connecting to the future 152 Street and Fraser Highway SkyTrain Station
- Continued to develop a new digital software tool to account for drainage basin cleaning and maintenance work on 20,000+ drains annually
- Completed \$12.7M in parkland acquisition expenditures, resulting in additional parkland being added to the City's inventory
- Developed Engineering components of the Digital Permitting Expansion Project to improve and accelerate the development approval process
- Filled 34,025 potholes and cleared 7,591 catch basins
- Received Council approval to enter into a License Agreement with Novus Entertainment Inc. and Beanfield Technologies Inc. to install, operate, and maintain telecommunication infrastructure within road allowances to increase broadband access and connectivity across the city
- Upgraded and simplified the City's Crewsheet application to understand asset condition and aid in sustainable asset management



Implemented data-driven decision making capabilities through dashboarding of key financial transactions and balances

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

FINANCIAL SERVICES, INCLUDING BUDGET & ANALYSIS

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

FINANCIAL REPORTING

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

PAYROLL

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

INTERNAL AUDIT AND COMPLIANCE

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

REVENUE SERVICES

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

PROCUREMENT SERVICES & CONTRACT MANAGEMENT

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

RISK MANAGEMENT SERVICES

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

TREASURY OPERATIONS

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

2023 ACCOMPLISHMENTS

- Implemented a new e-procurement tool that will reduce the City's procurement timelines
- Streamlined the business process for the creation of secondary suite penalty invoices to ensure timely delivery of invoices to residents
- Collaborated on multiple payroll software application enhancements resulting in reduced risk of errors and manual data entry
- Collaborated Marketing & Communications to undertake the 2023 and 2024 budget engagement processes and solicit community feedback on budget priorities
- Implemented the adoption of PS3280 (Asset Retirement Obligation) and PS3450 (Financial instruments) to improve transparency and disclosure in the financial statements
- Monitored cashflow and liquidity level to appropriately manage the timing of investment purchases in response to multiple Bank of Canada interest rate increases
- Supported the revitalization of the Surrey Homelessness and Housing Society as they returned to a more robust organizational structure
- Explored data driven decision making capabilities to develop graphical operating and capital budget reports for City departments
- Completed the migration of accounting records and functions back to Surrey City Development Corporation as they begin restarting their operations
- Continued to perform a detailed claims reserve analysis to identify ways to achieve optimum risk reserve balance



Distributed targeted fire risk reduction messaging to over 12,000 homes to reduce fire related deaths and injuries at residential properties

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

ADMINISTRATION

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

COMMUNICATIONS

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

MECHANICAL

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

SUPPORT

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

OPERATIONS

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

2023 ACCOMPLISHMENTS

- Worked with BC Emergency Health Services to seek alternative, more efficient approaches for Fire Services and Ambulance Services involvement in responding to medical emergencies
- Inspected 8,223 business properties and provided 7,734 safety educational inspection pamphlets to businesses to improve fire code compliance and resiliency of businesses
- Published two peer-reviewed research papers illustrating the evidence-based decision making used for strategic planning and emergency activity: Community Fire Risk Reduction: Longitudinal Assessment for HomeSafe Fire Prevention Program in Canada and Cancer in female firefighters: The clinicobiological, psychological, and social perspectives
- Delivered 19 workshops designed to support diversity in the Fire Service, with 171 women accessing the workshops
- Collaborated with Fraser Health, Police and BCEHS to support mitigation of the opioid crisis through real-time overdose tracking and resource deployment, conducting 332 residential overdose follow-up visits and 214 contacts to offer the most appropriate support options
- Initiated strategy to increase availability and appropriate sizing of personal protection equipment assigned to Fire Suppression staff to expand the focus on cancer prevention and safety
- Continued to identify distressed properties using predictive modeling combined with progressive security measures, targeted inspections, and reporting of security breaches by fire crews, resulting in a reduction of structure fires in abandoned homes
- Sent FireSmart messaging to 1,700 residences in proximity to parks with high tree density to encourage proactive efforts to reduce wildland urban interface fire risk
- Continued to evaluate electric vehicle options for new apparatus purchases while communicating responsible idling practices to emergency vehicle operators
- Installed 568 smoke alarms at single- family residences during HomeSafe inspections
- Saw a decrease in the rate of death/injury by 77% per 100,000 residents at residential fires from 10.9 casualties per 100,000 residents in 2006 to 2.47 casualties per 100,000 residents in 2023
- Delivered 887 hours of Emergency Operations Centre training to 85 staff to support the city's response to a large disaster and expedite the recovery process
- Provided 854 hours of emergency preparedness education to the public
- Coordinated 23 Level 1 Emergency Support Service responses for 66 displaced residents at single family dwellings
- Verified functionality of over 11,000 smoke alarms seeing a rate of 68.6% working smoke alarms found at residential fires over the previous rate of 38% in 2010



Surrey City Hall at Surrey Civic Plaza

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

ECONOMIC DEVELOPMENT

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

INTERGOVERNMENTAL RELATIONS

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

2023 ACCOMPLISHMENTS

- Saw major companies land in Surrey including McKesson Canada, Mountain Equipment Company (MEC), and CTK Bio Canada, in addition to the 60 new major investment leads generated by the City with a potential of creating over 2,000 jobs
- Economic Development received a \$105,000 matching grant from the Government of Canada's CanExport Community Investments towards attracting, retaining, and expanding Foreign Direct Investment activities
- Economic Development awarded the Economic Recovery and Resiliency Award from the BC Economic Development Association as well as the Excellence in Economic Development Gold award from the International Economic Development Council for the Supply Chain Resiliency Program
- Educated Canadian trade commissioners in the European Union on the City's value proposition overall
- Commenced redesign of the next generation Innovation Boulevard, which is a partnership with Simon Fraser University and industry to create an ecosystem that catalyzes innovation, addressing both local and global challenges (slated relaunch in 2024)
- Participated in the federal Global Affairs Canada Investment Roadshow through a matching CanExport Community Initiatives grant, in support of foreign investment attraction opportunities in Surrey



Hosted four public tree sale events with 4,000 trees purchased

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

HEALTHY COMMUNITIES

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

RECREATION SERVICES

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

CULTURE

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

CORPORATE MARKETING AND COMMUNICATIONS

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

PARKS

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

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

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

2023 ACCOMPLISHMENTS

- Held 2023 Youth Speak-Up Forum and collected youth input on the topics of: Activating Newton, Surrey's Social Action Plan and, Youth Shaping Tomorrow's City
- Drafted the City's Age Friendly for Seniors Strategy following consultation of both the public and internal/external partners, with formal adoption slated for early 2024
- Drafted the City's Accessibility Plan, with public consultation planned prior to formal adoption in early 2024
- Led public consultation to improve the Recreation Services registration process, resulting in a simplified login, a virtual waiting room, and staggered registration to help stabilize high online volumes and provide a fair and reliable user experience
- Hosted over a dozen exhibitions at Surrey Art Gallery, along with talks, tours, and artmaking opportunities
- Attracted a wide range of visitors at Museum of Surrey through the LEGO exhibit "Everything is Awesome" and "Giants, Dragons and Unicorns" from National Museum of American History
- Completed the Surrey Music Strategy to provide recommendations on how best to develop a growing music economy across all Surrey town centres
- Executed the City's first budget engagement process, with open houses, surveys, and an engagement webpage
- Launched a Digital Technology Hub, a free online platform that offers resources to help older adults more easily connect to services and programs
- Opened 50 new childcare spaces at Kensington Prairie Community Centre and 20 spaces at Elgin Centre
- Reduced paper consumption by 1.45 million sheets through print shop, equating to 27 metric tonnes of CO2 emissions and \$35,000 in costs avoided
- Completed the new stadium at Bear Creek Park, new neighbourhood parks at Whippetree Park and Salmonberry Park, a new multi-sport court at Sunnyside Park, and synthetic turf replacement on Field #9 at South Surrey Athletic Park
- Supported 24 sport tourism events through the Sports Tourism Grant Program, including two International, six national, four regional, and 12 provincial level events
- Secured over \$18M in funding to expand childcare at 11 locations adding a total of 370 new spaces in Surrey by the end of 2025
- Planted more than 24,700 trees in parks and along streets



Completed the construction of Totest Aleng: Indigenous Learning House

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

BUSINESS TRANSFORMATION

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

AREA PLANNING & DEVELOPMENT, NORTH & SOUTH

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

BUILDING

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

CIVIC FACILITIES

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

COMMUNITY PLANNING

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

2023 ACCOMPLISHMENTS

- Secured affordable and supportive housing and shelter facilities through the Canada Mortgage & Housing Corporation Rapid Housing Project, Pacific Community Resources Society Youth Housing, and ongoing work with BC Housing
- Continued to advance SkyTrain related Neighbourhood Concept Plans (NCP), including the Fleetwood and Clayton plans and completed new NCPs for King George - Newton, Guildford Town Centre
- Completed a General Land Use Plan for Scott Road to support anticipated R6 RapidBus services and establish a framework for future NCP work
- Completed replacement of Strawberry Hill Hall
- Held a Plumbing Contractors Forum to discuss new processes and online tools, and to provide tips for success during plumbing field reviews
- Initiated the Official Community Plan update, defining the engagement approach, and undertaking background studies for climate change, housing needs integration, and assessment of all agricultural land
- Enabled online inspection requests for Building Permits and Plumbing Permits, improving information available online for contractors
- Enabled online payment for most Single-Family Building Permits, Multi-Family Building Permits, Tenant Improvements and Commercial Building Permits
- Continued work on the City Centre Plan update, including the introduction of an office strategy to support a Central Business District in City Centre
- Continued work on the South Campbell Heights Plan to increase mixed employment and industrial land supply in Surrey
- Improved the Guaranteed Timeline Initiative for Single-Family Building Permits, Tenant Improvement Permits, and rezoning applications, and added a Single-Family Additions/Renovations to the list of permits
- Continued to support the accelerated delivery of the future Cloverdale hospital and BC Cancer Centre
- Continued to resolve non-permitted construction, streamlining citizen complaints, inquiries, and follow-up by establishing new processes to align activities and responses between divisions
- Determined need for policy guidance, guidelines, and standards for high albedo and green roofs
- Prioritized Surrey School District Building Permit applications to meet the increased student enrolment demands within the City



150th anniversary tour for the RCMP Musical Ride Event held at Stetson Bowl

RCMP

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

SURREY POLICE SERVICE

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

In June 2023, Council voted to reaffirm their decision to retain the RCMP as the POJ. On July 19, 2023, the Minister directed that the transition to the SPS continue. The Minister also appointed a strategic implementation advisor to aid all parties on the transition to the SPS. At that time, the Province has committed to providing the City with \$150.0M to help offset the additional costs associated with the transition to the SPS; however, to date, no funding from the Province has been received.

On April 23, 2024, the Province announced a transition date of November 29, 2024 for SPS to become the POJ. The Supreme Court hearing and decision is still pending.

CITY POLICE SUPPORT SERVICE

"City Police Support Service is responsible for operational communications (emergency 911 and non-emergency call taking and dispatch), records and exhibit management, court services, finance, information technology, crime and business analysis, facilities and fleet management, training and development, communications, and cellblock operations. The division also delivers various community services and programs including front counter services, victim services, youth intervention, restorative justice and crime prevention. This division is related to Community Services Department but has been included under Policing section for Annual Report presentation purposes.

2023 ACCOMPLISHMENTS

- In partnership with the Surrey School District, hosted the 31st annual Surrey RCMP Basketball Classic, one of the biggest basketball tournaments in BC
- Initiated a joint forces project in partnership with Transit Police, conducting enhanced high visibility uniformed patrols in and around the major transit hubs
- Launched 'You Etch It, We Catch It' program during Auto Theft Enforcement Month to address the increase in catalytic converter thefts
- With the launch of the Repeat Violent Offending Intervention Initiative (ReVOII) regional hub by BC Corrections, Surrey RCMP initiated efforts to identify cases involving repeat violent offenders and leverage local stakeholders to intervene at the earliest opportunity
- Launched a clinical counselling pilot to provide mental health supports in the workplace for police support services staff
- Implemented a joint Surrey Bylaw & RCMP Bike Patrol program whereby Bylaw officers work in tandem with Surrey RCMP Bike Patrol members to establish an ongoing presence in community centre areas across Surrey and improve the safety and quality of life in neighborhoods
- Produced a new Surrey Gang Enforcement Team (SGET) Shattering the Image video that will be delivered to students in Surrey schools as part of ongoing efforts to prevent youth involvement in gangs and gang violence
- Developed and implemented a Retail Theft Strategy that focuses on stakeholder engagement with local businesses and targeted enforcement operations
- Held another successful Citizen and Youth Academy which gives Surrey residents, students, and business owners an inside look at policing. During this nine week interactive program, participants received presentations and demonstrations covering a range of topics, including forensics, police dog services and traffic investigations
- Welcomed the iconic RCMP Musical Ride to the City, alongside the annual Surrey RCMP Open House. The Ride's 150th RCMP Anniversary Tour stopped at the Stetson Bowl in Cloverdale for two days as part of their BC tour. The Open House was held at the Stetson Bowl during both days, with the usual attractions of displays, booths and activities that highlight Detachment programs and operations, as well as the RCMP's integrated, provincial and national teams
- Launched a workplace clinical counselling pilot to provide mental health supports to municipal employees at the Detachment
- Implemented HealthIM to improve response to individuals in acute crisis due to mental health challenges. HealthIM is an application police use when attending mental health calls to conduct a risk assessment that assists with making an informed apprehension or a support referral. HealthIM interfaces in real time with Fraser Health professionals to assist in the medical triage and assessment process



In 2023, the Surrey Public Library welcomed 32,985 new library members

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

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

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

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

ADMINISTRATIVE SERVICES

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

PUBLIC SERVICES

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

2023 ACCOMPLISHMENTS

- Conducted Diversity, Equity, and Inclusion initiatives and training
- Supported inclusion through 2SLGBTQIA+ booklists and displays
- Offered library services and literacy skills to Surrey's vulnerable and newcomer populations through outreach programs, reduced barrier access cards, online programming, and Internet only passes
- Served as a cooling and warming centre during extreme weather
- Helped citizens improve digital literacy skills with training in branches and online
- Provided programs to support skill-building, resume writing, and job seeking
- Provided access to online courses from LinkedIn Learning, Learning Express, Kanopy Great Courses, and offered access to Cypress Resume
- Offered core in-person and online programs for all age groups
- Added new online resources including French eBooks and eAudiobooks on Cantook, and a coding resource, CodeCombat
- Added Bee-Bots to the collection, supporting digital literacy
- Updated the Library's strategic plan
- Created a climate action plan and a technology strategy for the Library
- Evaluated spaces at branches to plan for optimum use of service points

PERFORMANCE MEASURES

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

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

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

PERFORMANCE MEASURES

CITY MANAGER

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
CITY MANAGER'S DEPARTMENT	% of departments completing and maintaining a Surrey Excels "Tier 3" Strategy Map (Corporate Sustainability)	100%	100%	100%	100%	100%	100%	100%

COMMUNITY SERVICES

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
COMMUNITY SAFETY	Increase in cases accepted at CHART per year (Public Safety)	208	115	212	216	220	224	228
	% of CHART clients concluded as having experienced a significant reduction in risk for gang involvement (Public Safety)	72%	60%	70%	70%	70%	70%	70%
HOUSING AND SOCIAL DEVELOPMENT	Number of temporary shelter beds replaced by permanent beds (Infrastructure)	N/A*	N/A*	N/A*	60	0	100	50
	Number of new non-market affordable rental housing units opened (Infrastructure)	191	100	219	129	197	69	780
	Increase in cases identified at (CHART) per year (Public Safety)	208	115	212	216	220	224	228
	% of clients concluded as having experienced a significant reduction in risk for gang involvement (Public Safety)	72%	60%	70%	70%	70%	70%	70%
STRATEGIC PLANNING AND RESPONSES	Completion of 10 pandemic response programs by July 2023 then ongoing operation of 4 projects (Safe Sleep, Nourish Surrey, Healthy Living, Street SMART) (Health and Wellness)	8	10	10	4	4	4	0

*As this is a new department, initiatives commence in 2023, with first targets expected in 2025

PERFORMANCE MEASURES

CORPORATE SERVICES

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
BYLAW SERVICES	% of voluntary compliance gained (Public Safety)	75%	75%	75%	75%	75%	75%	75%
INFORMATION TECHNOLOGY	% of eligible transactions completed by citizens using City online services (Infrastructure)	69%	67%	69%	69%	70%	70%	71%
HUMAN RESOURCES	Incidence frequency rate of lost time claims per 100 persons a year (Health & Wellness)	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Average # of days to fill a position vacancy - Exempt (Economic Prosperity)	69	80	79	78	77	77	77
	Average # of days to fill a position vacancy - CUPE (Economic Prosperity)	66	74	73	72	71	71	71
LEGAL SERVICES	Prosecution fine revenue (Public Safety)	\$87,200	\$135,000	\$140,000	\$145,000	\$150,000	\$155,000	\$160,000
LEGISLATIVE SERVICES	% of FOI requests received where the requester was directed to the City's website for the information (Inclusion)	10%	11%	12%	13%	14%	15%	16%
	Number of pages received in the mailroom from Canada Post and scanned to digital format (Ecosystem)	8,460	8,000	8,500	9,000	9,500	10,000	10,500

PERFORMANCE MEASURES

ENGINEERING

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
LAND DEVELOPMENT	% of projects completed within typical seven-month processing time from Project Scoping submission to Servicing Agreement issuance (Economic Prosperity and Livelihoods)	52%	50%	50%	50%	50%	50%	50%
REALTY SERVICES	Expenses as a % of lease/rental revenues (Infrastructure)	37%	31%	45%	45%	45%	45%	45%
OPERATIONS	% reduction in illegal dumping cleanup costs (Built Environments)	7%	5%	10%	15%	20%	20%	20%
	Reduce preventable employee injuries by 90% over 5 years (Health & Wellness)	32%	80%	90%	90%	90%	90%	90%
	% decrease of landfill waste tonnage/household (Ecosystems/Economic Prosperity & Livelihoods)	37%	40%	40%	43%	47%	50%	50%
DRAINAGE UTILITY	Length of Drainage mains renewed or replaced (Infrastructure)	2,017	2,000	2,000	2,000	2,000	2,000	2,000
	Number of Soil Site inspections (Infrastructure)	250	260	250	250	250	250	250
	% of Drainage mains video inspected (Built Environment & Infrastructure)	54%	54%	62%	70%	78%	84%	92%
	% of Drainage manholes inspected (Built Environment & Infrastructure)	49%	49%	56%	64%	72%	80%	88%
	% of Long-Term Monitoring Site finalized and accepted by regulators as complete (Built Environment & Infrastructure)	20%	20%	20%	20%	20%	20%	20%
PARKING AUTHORITY UTILITY	Total # of managed parking spaces—time/user restricted, EV Charging, and pay parking (Infrastructure)	2,240	2,210	2,619	2,664	2,709	2,754	2,789
	Parking revenue (millions) (Economic Prosperity and Livelihood)	\$1.16	\$1.22	\$1.05	\$1.07	\$1.09	\$1.11	\$1.13
	EV charging revenue (thousands) (Economic Prosperity and Livelihood)	\$155	\$132	\$166	\$174	\$181	\$187	\$190
SURREY CITY ENERGY UTILITY	Connected Floor Area (m ²) (Built Environments)	515,634	575,486	856,473	973,025	1,039,470	1,291,281	1,463,718
	Ratio of hours in service to total hours since operating commenced (Built Environments)	100%	100%	100%	100%	100%	100%	100%
TRANSPORTATION	Total # of marked pedestrian crossings (Public Safety)	1,230	1,235	1,250	1,270	1,290	1,310	1,330
	Streetlight energy savings - LED replacement program (KWh) (in millions) (Built Environments)	5.97	4.10	6.82	7.66	8.51	9.35	10.20
	Safer Schools Education and Improvement Program (total #) (Education & Cultural)	36	36	36	39	42	45	48
	Total # of kilometers of cycling routes (on-street and off-street) (Built Environments)	592	595	606	617	628	640	651

Continues on next page.

PERFORMANCE MEASURES

ENGINEERING, CONTINUED

Division	Performance Measures (Sustainability Theme)	Actual		Targets				
		2023	2023	2024	2025	2026	2027	2028
SEWER UTILITY	% of sewer mains video inspected (Built Environment/ Infrastructure)	46%	46%	48%	50%	52%	54%	56%
	% of sewer manholes inspected (Built Environments/Infrastructure)	48%	46%	50%	53%	56%	58%	60%
SOLID WASTE UTILITY	% reduction in illegal dumping cleanup costs (Built Environments & Neighbourhoods)	7%	5%	10%	15%	20%	20%	20%
	Rethink Waste total # of residences to date (Ecosystems)	108,000	108,000	109,000	110,000	111,000	112,000	113,000
	% decrease of landfill waste tonnage/ household (Ecosystems)	37%	40%	40%	43%	47%	50%	50%
	Solid waste diversion rate from disposal (Ecosystems)	64%	72%	72%	74%	76%	78%	80%
WATER UTILITY	% of single family homes on water meters (Built Environments & Neighbourhoods)	80%	82%	82%	84%	85%	87%	88%
	Average winter residential water consumption (litres per capita per day) (Built Environments & Neighbourhoods)	235	238	238	238	237	237	237

FINANCE

Division	Performance Measures (Sustainability Theme)	Actual		Targets				
		2023	2023	2024	2025	2026	2027	2028
INTERNAL AUDIT AND COMPLIANCE	% of completed audit reports that result in recommendations for change (Infrastructure)	100%	90%	90%	90%	90%	90%	90%
BUDGET	# of quarterly reports submitted to Council (Infrastructure)	3	3	3	3	3	3	3
REVENUE SERVICES	# of tax e-bills sent out (Ecosystems)	32,221	28,357	28,924	29,502	30,092	30,694	31,308
	# of utility e-bills sent out (Ecosystems)	44,867	40,868	42,503	44,203	45,971	47,810	49,723
	# of invoices processed by Accounts Payable (Infrastructure)	79,495	75,307	76,813	78,349	79,916	81,515	83,146
	# of electronic invoices received by Accounts Payable (Infrastructure)	54,491	54,074	55,156	56,259	57,384	58,532	59,703
PROCUREMENT SERVICES	# of departmental procurement training sessions conducted (Infrastructure)	4	4	4	4	4	4	4
RISK MANAGEMENT SERVICES	Total cost of risk per capita (Economic Prosperity)	\$6.09	\$6.24	\$6.33	\$6.59	\$6.85	\$7.13	\$7.42
TREASURY OPERATIONS	# of invoices created by Accounts Receivable (Infrastructure)	15,922	15,855	16,240	16,565	16,897	17,234	17,579
	% of staff receiving electronic pay stubs (Infrastructure)	100%	100%	100%	100%	100%	100%	100%

PERFORMANCE MEASURES

FIRE

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
OPERATIONS	Aggregate Officer Performance Score (Public Safety)	92%	70%	70%	70%	70%	70%	70%
	Annualized Proficiency Standard Training (Education & Culture)	382	354	360	375	390	390	390
	# of hydrant maintenance visits (Infrastructure)	9,681	9,702	9,702	9,702	9,702	9,702	9,702
PREVENTION BRANCH	Smoke Alarm verifications (Public Safety)	11,252	6,000	6,000	6,000	6,000	6,000	6,000
	Increase the public contact to Surrey Emergency Business Preparedness Programs (Public Safety)	7,735	7,050	7,200	7,400	7,525	7,650	7,800
	# of inspection pamphlets delivered (Public Safety)	7,734	7,050	7,200	7,400	7,525	7,650	7,800
	# of inspections completed (Public Safety)	8,223	7,600	7,750	7,950	8,100	8,250	8,400

INVESTMENT & INTERGOVERNMENTAL RELATIONS

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
INVESTMENT & INTERGOVERNMENTAL RELATIONS	Number of new businesses that the Economic Development Division has helped attract to Surrey (Economic Prosperity and Livelihood)	10	5	5	5	5	5	5
	Number of businesses engaged as a part of the business visitation (SparkBIZ) Program (Economic Prosperity and Livelihood)	178	165	165	165	165	165	165
	Number of Investment, Innovation, and Business Committee meetings held (Economic Prosperity and Livelihood)	4	4	4	4	4	4	4

PERFORMANCE MEASURES

PARKS, RECREATION & CULTURE

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
PARKS SERVICES	% increase in street tree inventory (Ecosystems)	3%	3%	3%	3%	3%	3%	3%
	% increase in the length of trail system (Ecosystems)	2%	1%	1%	1%	1%	1%	1%
	% increase in capacity for drop-in use of outdoor facilities (Inclusion)	2%	2%	2%	1%	1%	1%	1%
COMMUNITY & RECREATION SERVICES	% increase in the attendance at community centres (Inclusion/Health & Wellness)	7%	1%	1%	1%	1%	2%	2%
	% increase in Leisure Access participation (Inclusion/Health & Wellness)	3%	2%	1%	1%	1%	1%	1%
CULTURE	% increase in the number of online tickets sold through Surrey Civic Theatres Box Office (Infrastructure)	-2%*	2%	1%	1%	1%	1%	1%
	% increase in the Surrey Art Gallery School Programs attendance (Education & Culture)	45%**	45%**	15%	2%	2%	2%	2%
	Catalogue and expand web searchable heritage collections (Education & Culture)	16%***	5%	5%	5%	5%	2%	2%
	% increase in participation in heritage/ museum school programs (Education & Culture)	10%	2%	2%	2%	2%	1%	1%
HEALTHY COMMUNITIES	Number of Volunteer Hours for PRC (Inclusion)	61,753	40,192	62,988	64,248	65,533	66,843	68,180

**Change for the year is due to return of subscriptions for first time since 2019 mostly purchased in-person

** Higher percentage increase is related to post pandemic resumption and renewal and grant funded initiatives

*** High percentage increase is supported through multiple grants

PERFORMANCE MEASURES

PLANNING & DEVELOPMENT

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
AREA PLANNING & DEVELOPMENT NORTH/SOUTH	Number of rezoning applications receiving final approval (Infrastructure)	83	80	80	80	80	80	80
COMMUNITY PLANNING	Residential proximity to Amenities (Infrastructure)	25%	24%	24%	25%	26%	26%	27%
BUILDING	# of issued single family dwelling permits (Built Communities & Neighbourhoods)	557	500	500	500	500	500	500
	Total annual construction value (billions) (Built Communities & Neighbourhoods)	\$1.88	\$1.25	\$1.00	\$1.25	\$1.25	\$1.25	\$1.25
	# of inspections (Built Communities & Neighbourhoods)	54,930	63,000	50,000	50,000	50,000	50,000	50,000
CIVIC FACILITIES	# of after hours calls (Infrastructure)	125	300	300	300	300	300	300
	# of unscheduled facility closures (Infrastructure)	1	2	2	2	2	2	2
BUSINESS TRANSFORMATION	% of permits processed online (Infrastructure)	86%	85%	90%	90%	90%	90%	90%
	Customer Satisfaction Rating of P&D Services (Inclusion)	76%	75%	75%	75%	75%	75%	75%

PERFORMANCE MEASURES

POLICING (RCMP)

Priority	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
CRIME REDUCTION & COMMUNITY SAFETY	Average response time to Priority 1 emergency calls (Public Safety)	6:57 mins	<7 mins	<7 mins	<7 mins	<7 mins	<7 mins	<7 mins
	% reduction in collisions causing death or injury (Public Safety)	9%	5%	5%	5%	5%	5%	5%
	% reduction in the number of residential B&E offences (Public Safety)	22%	2%	2%	2%	2%	2%	2%
	% reduction in the number of business B&E offences (Public Safety)	15%	2%	2%	2%	2%	2%	2%
	% reduction in the number of auto theft offences (Public Safety)	9%	5%	5%	5%	5%	5%	5%
	% reduction in the number of theft from auto offences (Public Safety)	30%	5%	5%	5%	5%	5%	5%
COMMUNITY ENGAGEMENT & MOBILIZATION	Number of news releases (Public Safety/Inclusion)	296	260	260	260	260	260	260
	Number of social media engagements (Public Safety/Inclusion)	7,100,000*	240,000	240,000	240,000	240,000	240,000	240,000
	Number of RCMP volunteer hours (Public Safety/Inclusion)	3,532	3,000	3,000	3,000	3,000	3,000	3,000
	Number of new Block Watch groups formed (Public Safety/Inclusion)	28	40	40	40	40	40	40
ORGANIZATIONAL PERFORMANCE & CONTINUOUS IMPROVEMENT	Number of Emergency Preparedness campaigns (Public Safety)	7	4	4	4	4	4	4
	Number of staff forums with Senior Leadership Team (Inclusion)	8	20	20	20	20	20	20

* Significant increase due to team actively increasing content and engagement under social media pages

SURREY PUBLIC LIBRARY

Division	Performance Measures (Sustainability Theme)	Actual	Targets					
		2023	2023	2024	2025	2026	2027	2028
PUBLIC SERVICES	# of visits made to library locations and library website (millions) (Inclusion/Health & Wellness)	5.14	4.19	5.48	5.69	5.88	6.07	6.26
	# of transactions completed using the Library's materials collection (millions) (Education & Culture)	5.03	4.78	5.18	5.28	5.34	5.40	5.46
	# of enrolments in Summer Reading Club and other literacy programs (Education & Culture)	260,087	188,000	306,700	346,800	384,300	421,100	458,700
ADMINISTRATIVE SERVICES	# of online access points available on library premises (Inclusion)	257	266	259	259	259	259	259
	% of new customers signed up on email notification (Ecosystems)	89%	85%	91%	93%	95%	97%	99%



Surrey Sport & Leisure Complex, Aquatic Centre.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

AUDIT COMMITTEE



Councillor Pardeep Kooner, Chair



Councillor Rob Stutt, Vice-Chair

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

CORPORATE PLANNING PROCESS

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

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

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

FINANCIAL REPORTS

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

FINANCIAL POLICIES

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

Expense Policy

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

Investment Policy

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

Reserve and Surplus Policy

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

Tax Exemption Policy

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

Cash Handling Policy

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

Debt Management Guidelines

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

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

REPORT FROM THE GENERAL MANAGER, FINANCE

MAY 9, 2024

To Mayor Brenda Locke and Members of City Council

It is my pleasure to present the Annual Financial Report for the year ended December 31, 2023. The purpose of this report is to publish the Consolidated Financial Statements and the Independent Auditor's Report for the City of Surrey, pursuant to Section 167 of the Community Charter. The following report provides a financial overview of the year ended along with a brief outlook to the future.

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

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

The public accounting firm of BDO Canada LLP, which was appointed by City Council as independent external auditor, has expressed that, in their professional opinion, the Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the City of Surrey as at December 31, 2023, including its consolidated results of operations, its changes in net consolidated financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

FINANCIAL OVERVIEW

2023 In Review

The year began with Council following through on its priority to seek community input on the City's Financial Plan. Residents, businesses, and other stakeholders were provided the opportunity to express their feedback and influence the City's financial priorities for the 2023-2027 Financial Plan through five in-person open house events at City facilities, an online survey, and an informative budget engagement webpage. The outreach resonated well with the public, resulting in 5,781 web and open house visits and 3,304 online survey respondents representing all Surrey communities.

Building on the success of this inaugural budget engagement initiative, the community was once again invited to participate in the 2024-2028 Financial Plan budget engagement process in Fall 2023. Further targeted engagement was conducted through a series of street team activations both in central business district areas and high traffic commercial locations. Business leaders were invited to participate in focused meetings to learn about business-related budget considerations and provide input. Overall, 50,725 community members were reached and informed of the budget process and responded to engagement efforts through webpage visits, social media interactions, digital billboard advertisements and other various means of communication.

The economic environment continued to evolve during 2023 as the Bank of Canada ("BOC") persisted in its battle against inflation. After the aggressive and swift increases which added 4.00% to the central bank's Target Overnight Rate during 2022, the BOC forged ahead with a further increase of 0.75% in the first half of 2023, bringing its key interest rate to 5.00%. In response, the Prime Rate at Canadian Financial Institutions climbed to 7.20%, the highest level over the past 22 years. As a result of the BOC's efforts, inflation had decelerated by the end of the third quarter of last year, but then stalled over October and November and then ticked back up again in December. Even with a relative improvement in the pace of price growth, on an overall basis, the costs of goods and services procured by the City are still subject to inflationary pressures. The City's investment portfolio has benefitted from interest rate increases through enhanced yields. Investment income increased in 2023 by \$45.2 million as compared to the prior year. However, it must be noted that Investment income revenue is subject to significant volatility and may in fact be considerably lower in future years.

Surrey experienced strong development activity in 2023. Building permits with a construction value of \$1.9 billion were issued during the year. The development community continues to see Surrey as an attractive place to invest. The real estate market remains active with Surrey continuing its appeal as an affordable destination for young families to settle and thrive.

The City provides a welcoming environment for businesses to grow and succeed. Business license revenue increased by 10% in 2023, as compared to the prior year. Throughout 2023, businesses showed their confidence in

Surrey as a destination for commerce by investing in state-of-the-art facility upgrades, establishing Canadian subsidiaries of their foreign operations, relocating their out-of-province offices to Surrey, and expanding their operations to establish national headquarters within the City.

In 2023, Council moved forward with reviving City's subsidiaries. Surrey City Development Corporation ("SCDC") was re-operationalized through the approval of Directors on the Board of SCDC and the appointment of a President and Chief Operating Officer. SCDC acts as a catalyst for positive development that will support and accelerate the City's social, cultural, community, economic and environmental objectives. The Surrey Homelessness and Housing Society ("SHHS") was revitalized through the reinstatement of community board members. SHHS is returning to a more robust organizational structure and undertaking a strategic review of its vision, mission and objectives so that it can once again make a difference in the lives of people who are homeless or at risk of homelessness in Surrey.

On December 12, 2022, Council resolved to retain the RCMP as Surrey's Police of Jurisdiction and forwarded a plan to the British Columbia ("BC") Minister of Public Safety and Solicitor General ("Minister") for endorsement. In July 2023, the Minister directed that the transition to the Surrey Police Service continue and appointed a strategic implementation advisor to aid all parties on the transition to the SPS. In October 2023, the City filed a petition with the Supreme Court of BC for a judicial review of the Minister's order to continue the transition to the SPS.

Financial Position

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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

	2023 Actual	(Restated) 2022 Actual	Change
Financial Assets	\$ 2,271.8	\$ 1,916.5	\$ 355.4
Liabilities	(1,509.5)	(1,463.7)	(45.8)
Net Financial Assets	762.3	452.8	309.5
Tangible Capital Assets	10,249.7	9,935.9	313.8
Inventories of Supplies	1.8	1.9	(0.1)
Prepaid Expenses	8.5	7.5	1.0
Non-Financial Assets	10,260.0	9,945.3	314.7
Accumulated Surplus	\$ 11,022.3	\$ 10,398.1	\$ 624.2

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

In 2023, the City's financial position increased by \$309.5 million resulting in a net financial asset position of \$762.3 million.

The City's non-financial assets increased in 2023 by \$314.7 million, bringing the total to \$10.3 billion. The increase is the net result of capital additions of physical assets in the year, offset by disposals and amortization expense.

The result of these increases in financial position and non-financial assets was accumulated surplus increasing by \$624.2 million in 2023 to \$11.0 billion (2022 – \$10.4 billion). Overall, the City continues to maintain a strong financial position.

CONSOLIDATED STATEMENT OF OPERATIONS

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

	2023 Actual	(Restated) 2022 Actual	Change
Revenues	\$ 1,650.6	\$ 1,430.8	\$ 219.8
Expenses	(1,026.4)	(945.6)	(80.8)
Annual Surplus	\$ 624.2	\$ 485.2	\$ 139.0

The City's revenues in 2023 totaled \$1.7 billion, which is an increase compared to revenues of \$1.4 billion in 2022. The year-over-year growth was attributable to increased Transfers from other governments and Other revenues (\$125.3 million), Taxation revenue (\$67.1 million), Investment income (\$45.2 million), Utility rates and fees (\$27.1 million), Developer contributions, including community amenity contributions & bonus density payments (\$22.0 million), and Sales of goods and services (\$12.1 million). These increases were partially offset by a Loss on disposal of assets (\$18.8 million) and decreased deferred Development cost charge ("DCC") revenue (\$60.1 million).

The increase in Transfers from other governments and Other Revenue is primarily attributable to the receipt of provincial and federal grant funding in 2023, including the Growing Communities Fund ("GCF") (\$89.9 million) and Housing Accelerator Fund ("HAF") (\$23.9 million).

Taxation revenue has also increased due to physical growth of taxable properties, commensurate with Surrey's ongoing population growth. A property tax rate increase implemented in 2023 raised additional revenues to support increased Policing Services requirements, new resources for public safety and city-wide operations, labour and inflationary cost increases, and other various corporate requirements.

Utility rates and fees were increased in 2023 to account for greater regional district water and sewer utility charges along with required funding for the City's infrastructure operating & maintenance costs. Additionally, the Growth in Developer contributions is a reflection of strong development activity throughout the City with additional revenues and contributed assets received from developers during 2023.

REPORT FROM THE GENERAL MANAGER, FINANCE CONTINUED

The City's expenses totaled \$1.0 billion in 2023, which was an increase in comparison to expenses of \$945.6 million in 2022. This year-over-year change was primarily attributable to increases in Police and Fire services, PRC, Roads & Traffic safety and in the cost of Sewer and Solid Waste services. Police Services expenditure increases are related to the policing transition while Fire Services incurred additional expenses due to unbudgeted retroactive salary costs resulting from collective agreement adjustments. PRC expenses increased due to additional salaries and benefits costs resulting from post-pandemic reinstatement of programs and services. Roads and Traffic Safety had higher costs in 2023 due to contract payments for major projects. Sewer services experienced greater regional district utility charges, while Solid Waste services faced higher costs for waste disposal through increased rates and tonnages.

Investments

City staff diligently continue to administer our investment portfolio, generating a very important revenue stream to support City services. The administration of the portfolio adheres to the City's investment policy, which complies with Community Charter requirements. The policy outlines how City funds are to be invested in a manner which will allow for reasonable returns and security while meeting the City's cash flow requirements. The average portfolio balance related to the City's investments during 2023 was \$1.8 billion (\$1.5 billion in 2022). During 2023 the City earned \$85.2 million from Investment income (\$40.0 million in 2022) of which \$2.2 million was earned specifically for DCCs (\$0.8 million in 2022). The average portfolio yield during 2023 on the City's investment portfolio was 4.29% (2.27% in 2022). The higher overall return is a direct result of rapid interest rate increases between March 2022 and July 2023, leading to enhanced yields on investment products, positively impacting our interest income.

Reserve Funds

The City's statutory and discretionary reserves, on a net basis, amounted to \$398.0 million at the end of 2023 compared to a balance of \$263.4 million at the end of 2022. In March 2023, the City received a \$89.9 million GCF grant from the Province of BC for use in the delivery of infrastructure and amenity projects necessary to enable community growth. GCF funding was allocated across multiple capital projects including parks and recreation related amenities, public safety facilities, and childcare facilities. The GCF reserve balance at the end of 2023 was \$64.9 million, which the City will continue to use in funding eligible infrastructure projects. Full utilization of the reserve balance is expected within the provincially mandated five-year expenditure timeframe.

THE FUTURE

With strong and steady population growth, Surrey is on track to overtake Vancouver as the largest city in the region in the very near future. More importantly, this momentum is expected to propel Surrey towards a population of one million residents in less than 20 years. Surrey is laying

the foundation now to capitalize on the opportunities that lay ahead as the City elevates itself towards becoming one of the premier big cities in the nation.

The City of Surrey Economic Strategy 2024 focuses on how the City will become a modern, highly-livable, world-class city, recognized as both an investment destination and innovation centre. To set the stage for Surrey's future million-strong population, the Economic Strategy will endeavour to create one job for every resident worker in the City. This ambitious initiative will prepare Surrey for the opportunities of tomorrow by bolstering economic resilience, enhancing livability, improving investment readiness, and creating quality jobs.

Surrey City Centre is undergoing a bold transformation from a suburban town centre to a new, walkable, high density, transit-oriented downtown for the South of the Fraser area of Metro Vancouver. A market analysis and feasibility study are underway for a new City Centre entertainment facility that could potentially accommodate sporting events, live music and concerts, trade shows and conferences and outdoor special events. This facility will generate meaningful economic activity and increase the vitality of Surrey's downtown, firmly establishing the City as an entertainment destination in the region. This major initiative is an important step towards realizing Council's vision of creating entertainment districts in both City Centre and Cloverdale.

SCDC will play an important role in the evolution of City Centre by developing Centre Block, a 2+ million sq. ft. commercial and institutional project that will significantly advance the development of Surrey's central business district and grow the City's commercial tax base. SCDC's other priority project in City Centre, Gateway, will deliver 1,800 new housing units in six buildings, spurring positive transition in this neighborhood into a vibrant, amenity-rich community.

Focus Newton is an initiative to enhance, beautify and engage with the Newton community. In 2024, the Focus Newton Action Plan will identify short and medium-term beautification and enhancement objectives that will rejuvenate, beautify, and enhance the Newton community and improve daily life for residents and businesses. Building on the early success of this initiative, the program will be expanded to include Focus Cloverdale.

The Canada Mortgage and Housing Corporation awarded the City of Surrey \$95.6 million under the HAF program as a response to the three-year action plan created to address the delivery of housing and support affordable housing projects in Surrey. The plan aims to increase the number of new housing units delivered by 27.8%, to an average 4,283 issued dwellings per year. It will allow for faster development of higher density, multi-unit housing projects through the improvement of development approval processes. HAF funding supported the launch of the artificial intelligence powered Development Inquiry Assistant which will more easily and quickly connect applicants to accurate information about the permitting process.

The City's efforts to streamline, simplify and expedite processes will better serve the community and ultimately, accelerate the delivery of new homes in Surrey.

The City is undertaking significant capital investments to enhance the thriving landscape of Surrey by providing citizens with access to safe, inviting, high quality facilities, programs and services. The 2024-2028 General Capital Program represents the most significant financial commitment in the City's history, with over \$715.9 million allocated over the next five years. The new Newton Community Centre will enhance recreation, culture, and library services to the growing Newton community. With a budget of \$310.6 million, this state-of-the-art facility will be the largest community centre in the City at approximately 190,000 sq. ft. It will include a 45,000 sq. ft. library, 50-meter swimming pool, gymnasiums, fitness centre, child-care, dedicated arts spaces and other amenities to meet the needs of the City's diverse community.

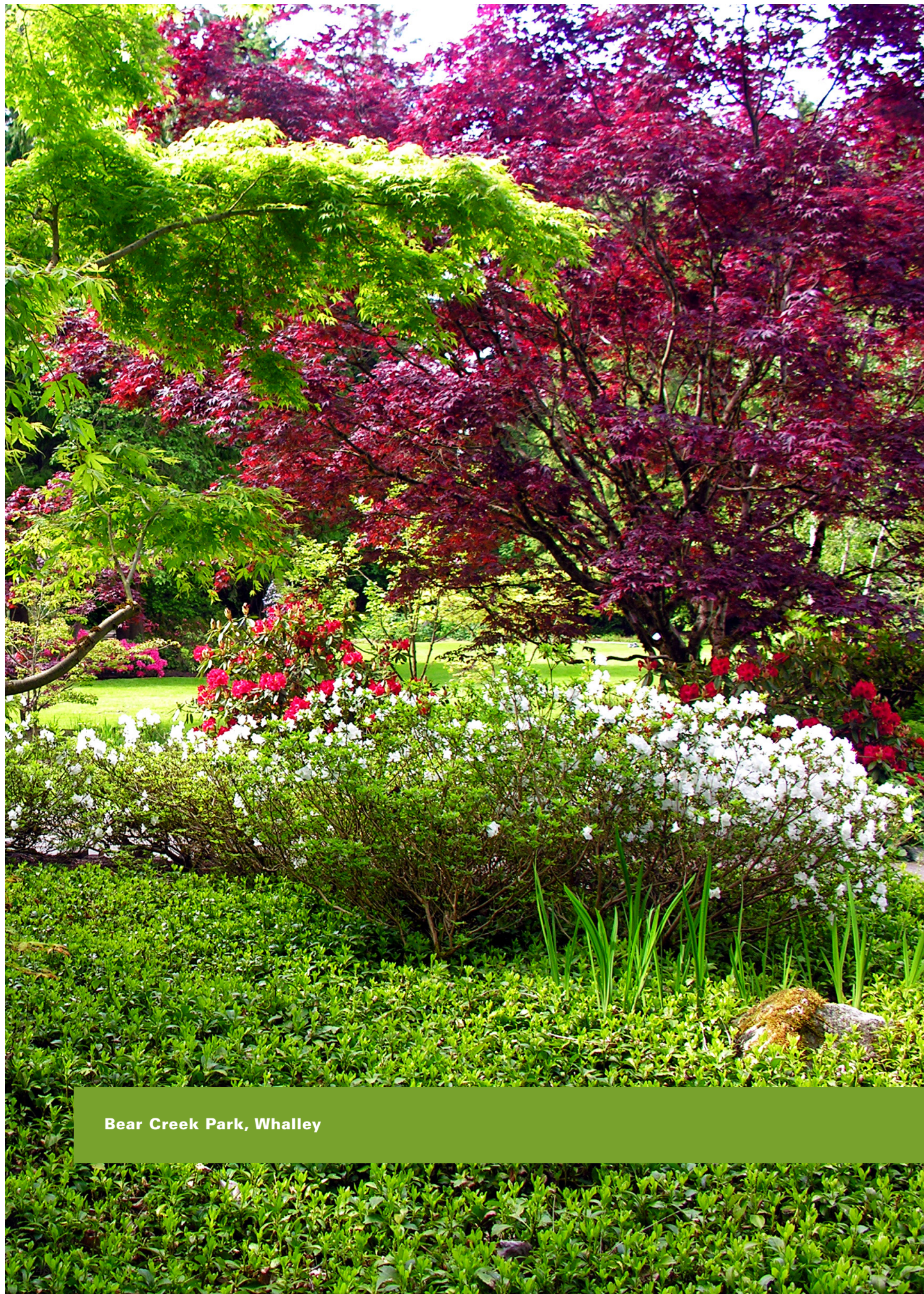
The City is committed to ensuring sufficient funding for adequate and effective policing in Surrey, with the 2024 Police Operations budget representing the most significant funding investment in ongoing Policing Operations in the City's history.

During the course of 2023, the City strengthened its financial position and is well poised to continue delivering a high quality of service to our residents and businesses in 2024 and years beyond.

Respectfully submitted,



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



Bear Creek Park, Whalley

CITY OF SURREY



Independent Auditor's Report

To the Mayor and Council of the City of Surrey

Opinion

We have audited the consolidated financial statements of the City of Surrey and its controlled entities (the "City") which comprise the Consolidated Statement of Financial Position as at December 31, 2023 and the Consolidated Statements of Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the City financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2023 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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



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

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

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

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

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

May 8, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CITY OF SURREY

As at December 31, 2023, with comparative figures for 2022
[in thousands of dollars]

	2023	(Restated) 2022
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 117,289	\$ 81,307
Accounts receivable (note 2)	250,872	208,927
Portfolio investments (note 3(a))	1,903,221	1,625,686
Investment in business partnership (note 3(b))	423	533
	<u>2,271,805</u>	<u>1,916,453</u>
LIABILITIES		
Trade and other accounts payable (note 4)	112,736	91,725
Due to other governments (note 5)	165,980	161,920
Employee future benefits (note 6)	32,469	31,446
Deposits and prepayments (note 7)	377,563	381,456
Deferred revenue (note 8)	130,190	123,229
Deferred development cost charges (note 9)	374,689	333,558
Debt (note 10)	308,515	333,471
Asset retirement obligation (note 11)	7,375	6,847
	<u>1,509,517</u>	<u>1,463,652</u>
NET FINANCIAL ASSETS	<u>762,288</u>	<u>452,801</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (note 12)	10,249,683	9,935,948
Inventories of supplies	1,828	1,917
Prepaid expenses	8,513	7,464
	<u>10,260,024</u>	<u>9,945,329</u>
ACCUMULATED SURPLUS (note 13)	<u>\$ 11,022,312</u>	<u>\$ 10,398,130</u>

Commitments and contingencies (note 15)



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

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

CONSOLIDATED STATEMENT OF CITY OF SURREY OPERATIONS

*For the year ended December 31, 2023, with comparative figures for 2022
[in thousands of dollars]*

	2023 <i>Budget</i> <i>(note 24)</i>	2023	<i>(Restated)</i> 2022
REVENUES			
Taxation revenue (note 18)	\$ 589,558	\$ 600,073	\$ 533,006
Sales of goods and services	319,179	341,138	301,948
Development cost charges (note 9)	94,986	62,625	122,761
Developer contributions	140,537	273,323	251,365
Investment income	59,544	85,179	40,003
Transfers from other governments (note 21)	151,364	200,104	76,188
Other (note 19)	64,403	88,108	105,513
TOTAL REVENUES	1,419,571	1,650,550	1,430,784
EXPENSES			
Police services	339,682	249,745	231,334
Parks, recreation and culture	135,716	140,080	124,741
General government	126,216	115,014	92,876
Roads and traffic safety	84,611	96,066	86,103
Water	84,296	88,886	92,642
Fire services	81,513	82,568	77,803
Sewer	88,260	87,065	81,243
Solid waste	43,747	43,940	39,247
Drainage	38,204	37,411	37,472
Planning and development	35,276	35,731	34,162
Library services	24,947	25,583	24,066
Engineering	18,352	16,140	16,715
Surrey City Energy	6,206	5,908	4,932
Parking	2,615	2,231	2,241
TOTAL EXPENSES	1,109,641	1,026,368	945,577
ANNUAL SURPLUS	309,930	624,182	485,207
Accumulated surplus, beginning of year	10,398,130	10,398,130	9,912,923
Accumulated surplus, end of year	\$ 10,708,060	\$ 11,022,312	\$ 10,398,130

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

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS CITY OF SURREY

As at December 31, 2023, with comparative figures for 2022
[in thousands of dollars]

	2023 Budget (note 24)	2023	(Restated) 2022
ANNUAL SURPLUS	\$ 309,930	\$ 624,182	\$ 485,207
Acquisition of tangible capital assets	(494,330)	(462,034)	(449,537)
Increase in tangible capital assets for ARO	-	(342)	(3,442)
Amortization of tangible capital assets	149,732	147,244	142,649
Gain on disposal of tangible capital assets	-	(6,906)	(25,684)
Proceeds on disposal of tangible capital assets	-	8,303	30,255
	(34,668)	310,447	179,448
Acquisition of inventories of supplies	-	(1,828)	(1,917)
Consumption of inventories of supplies	-	1,917	1,195
Acquisition of prepaid expenses	-	(8,513)	(7,464)
Use of prepaid expenses	-	7,464	6,776
	-	(960)	(1,410)
CHANGE IN NET FINANCIAL ASSETS	(34,668)	309,487	178,038
Net financial assets, beginning of year	452,801	452,801	274,763
Net financial assets, end of year	\$ 418,133	\$ 762,288	\$ 452,801

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

CONSOLIDATED STATEMENT OF CITY OF SURREY CASH FLOWS

*For the year ended December 31, 2023, with comparative figures for 2022
[in thousands of dollars]*

	2023	(Restated) 2022
OPERATING TRANSACTIONS		
Annual Surplus	\$ 624,182	\$ 485,207
Non-Cash items:		
Amortization of tangible capital assets	147,244	142,649
Gain on disposal of tangible capital assets	(6,906)	(25,684)
Developer contributions of tangible capital assets (note 12(a))	(217,195)	(182,466)
Accretion expense	185	171
Change in non-cash operating working capital:		
Accounts receivable	(41,945)	(47,953)
Inventories of supplies	89	(722)
Prepaid expenses	(1,049)	(688)
Trade and other accounts payable	21,011	19,611
Due to other governments	4,060	(15,084)
Employee future benefits	1,023	681
Deposits and prepayments	(3,893)	30,161
Deferred revenue	6,961	(7,765)
Deferred development cost charges	41,131	(38,146)
Net increase in cash from operating transactions	<u>574,898</u>	<u>359,972</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(244,839)	(267,071)
Proceeds on disposal of tangible capital assets	8,303	30,255
Cash used by capital transactions	<u>(236,536)</u>	<u>(236,816)</u>
FINANCING TRANSACTIONS		
Repayment of MFA debt and loans payable	(24,956)	(23,499)
Cash used by financing transactions	<u>(24,956)</u>	<u>(23,499)</u>
INVESTING TRANSACTIONS		
Purchase of portfolio investments	(277,534)	(610,063)
Cash distributed from other investments	110	205
Cash used by investing transactions	<u>(277,424)</u>	<u>(609,858)</u>
INCREASE (DECREASE) IN CASH	35,982	(510,201)
Cash and cash equivalents, beginning of year	81,307	591,508
Cash and cash equivalents, end of year	<u>\$ 117,289</u>	<u>\$ 81,307</u>

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



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

1. Significant accounting policies

(a) Basis of accounting

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

(b) Basis of consolidation

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

1. Significant accounting policies (continued)

(b) Basis of consolidation (continued)

iv) Surrey City Development Corporation

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

- (i) Grove Limited Partnership and Grove (G.P.) Inc. - (50% owned and proportionately consolidated)
- (ii) Surrey City Investment (Industrial) Corporation ("SCIIC") - (100% owned and fully consolidated)

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

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

SCIC and KPDC were inactive as at December 31, 2023 and December 31, 2022.

v) Surrey Homelessness and Housing Society

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

The consolidated financial statements include the assets, liabilities, revenues, and expenses of the SHHS. The City provided initial funding that is controlled by SHHS and oversees the Society's operations through the Board that is appointed by Council and senior City employees.

(c) Cash and cash equivalents

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

1. Significant accounting policies (continued)

(d) Trust Funds

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with Public Sector Accounting Standards ("PSAS") recommendations on financial statement presentation for local governments, trust funds are not included in the City's consolidated financial statements. Trust funds administered by the City are disclosed in Note 23.

(e) Revenue recognition

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

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

(f) Taxation revenue

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

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

(g) Transfers from other governments

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

1. Significant accounting policies (continued)

(h) Collection on behalf of other authorities

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

(i) Development cost charges

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

(j) Developer contributions

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

(k) Investment income

Investment income is recorded as earned, including interest earned at the effective interest rate, realized gains on investments recorded at fair market value, and any impairments of financial instruments reported at amortized cost.

(l) Deferred revenue

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

(m) Expenses

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

(n) Portfolio investments

City investments with an original maturity date of more than three months are reported as portfolio investments and consist of guaranteed investment certificates, and term deposits, which are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments on an effective interest method. SHHS investment has pooled investments that includes equity investments. These equity investments are valued based on quote from active market.

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

1. Significant accounting policies (continued)

(o) Non-financial assets

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

(i) Tangible capital assets

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

The tangible capital assets, excluding land, are amortized on a straight-line basis over the estimated useful lives as follows:

Asset	Useful life – Years
Land improvements	12 to 100
Buildings and building improvements	10 to 60
Leasehold improvements	2 to 25
Infrastructure:	
Roads structures	5 to 50
Road	40 to 100
Water, Sewer and Drainage systems	10 to 100
Machinery and equipment:	
Vehicles	5 to 30
Technology	4 to 25
Furniture & equipment	3 to 50

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

1. Significant accounting policies (continued)

(o) Non-financial assets (continued)

(ii) Inventories of supplies

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

(iii) Prepaid expenses

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

(p) Employee future benefits

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

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

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

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

(q) Use of estimates

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

1. Significant accounting policies (continued)

(r) Budget data

The budget data presented in these consolidated financial statements was included in the City of Surrey 2023-2027 Consolidated Financial Plan and was adopted through By-law #20886 on April 17, 2023.

(s) Segment disclosure

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

(t) Liabilities for contaminated sites

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

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

The liability is measured as management's estimate of the cost of remediation and post remediation, including operations, maintenance, and monitoring, which are an integral part of the remediation strategy for a contaminated site. The liability is recorded net of any expected recoveries. No liability for contaminated sites exists as at December 31, 2023 or 2022.

(u) New accounting standards

Effective January 1, 2023, the City adopted the new Public Sector Accounting Standards, PS3450 Financial Instruments ("FI") and PS 3280 Asset Retirement Obligations ("ARO").

Under the Financial Instruments standard, cash and cash equivalents, accounts receivable, trades and other accounts payable, due to other governments, and debt are measured at cost or amortized cost. The carrying amount of these financial instruments are presented on the statement of financial position. Portfolio investments in equity instruments related to SHHS are measured at fair value as quoted in an active market. A change in fair value must be remeasured at the end of each fiscal year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

1. Significant accounting policies (continued)

(u) New accounting standard (continued)

Under the ARO standard, the City is required to record legal obligations associated with the retirement of tangible capital assets by public sector entities.

Upon initial recognition of the asset retirement obligation, the City recorded the liability at an amount that is the best estimate of the expenditure required to retire the tangible capital asset at the financial statement date, adjusted for accumulated accretion. An asset retirement cost was also recognized by increasing the carrying amount of the related tangible capital asset. The asset cost is allocated to expense over the useful life of the asset. Asset retirement costs associated with fully amortized tangible capital assets and unrecognized tangible capital assets were recorded to accumulated surplus.

This standard was applied on a modified retroactive basis which required the City to apply the standard to events and transactions from the date of origin using current assumptions and discount rate. The impact has been summarized below:

Impact of Adoption of PS3280 ("ARO") and PS3450 ("FI")	December 31, 2022 (Previously Stated)	ARO Adjustments	Financial Instrument Adjustment	December 31, 2022 (Restated)
Liabilities				
Asset Retirement Obligations	\$ -	6,847	-	\$ 6,847
Net Financial Assets (Net Debt)	\$ 453,407	(6,847)	6,241	\$ 452,801
Non-Financial Assets				
Tangible Capital Assets	\$ 9,934,411	1,537	-	\$ 9,935,948
Annual Surplus	\$ 479,346	(380)	6,241	\$ 485,207
Opening Accumulated Surplus	\$ 9,917,853	(4,930)	-	\$ 9,912,923
Ending Accumulated Surplus	\$ 10,397,199	(5,310)	6,241	\$ 10,398,130

2. Accounts receivable

	<u>2023</u>	<u>2022</u>
General and other accounts receivable	\$ 87,333	\$ 88,382
Development cost charges	82,426	55,195
Property taxes	37,473	26,499
Utility charges	25,035	22,689
Local area improvement receivable	8,648	8,732
Due from other authorities	5,684	3,092
MFA debt reserve fund receivable	4,273	4,338
	<u>\$ 250,872</u>	<u>\$ 208,927</u>

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

3. Investments

(a) Portfolio Investments

	<u>2023</u>	<u>2022</u>
Maturing within one year	\$ 713,532	\$ 783,990
Maturing within two years	433,890	375,591
Maturing within three to ten years	747,190	457,761
City investments (i)	<u>1,894,612</u>	<u>1,617,342</u>
Maturing within one year	1,162	1,481
Equity Investments quoted in active market	7,447	6,863
SHHS investments (ii)	<u>8,609</u>	<u>8,344</u>
Total Portfolio Investments	<u><u>\$ 1,903,221</u></u>	<u><u>\$ 1,625,686</u></u>

- (i) City investments includes guaranteed investment certificates, and term deposits and have an average portfolio yield of 4.29% (2022 – 2.27%). All City investments can be liquidated on demand but may have associated penalties on liquidation.
- (ii) SHHS investments largely consist of a diversified portfolio of fixed income and equity securities held by the SHHS with an average yield rate of 8.56% (2022 – (8.43%)), for the purpose of supporting programs and projects related the objectives of the SHHS.

(b) Investment in business partnership

	<u>2023</u>	<u>2022</u>
Business partnership	<u>\$ 423</u>	<u>\$ 533</u>

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

	<u>2023</u>	<u>2022</u>
Financial assets	\$ 696	\$ 805
Liabilities	(8,147)	(8,446)
Non-financial assets	7,874	8,174
	<u><u>\$ 423</u></u>	<u><u>\$ 533</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

3. Investments (continued)

(b) Investment in business partnership (continued)

Revenues and expenditures for the year ended December 31, 2023 were \$1.1 million (2022 – \$1.1 million) and \$1.1 million (2022 – \$0.8 million), respectively.

4. Trade and other accounts payable

	<u>2023</u>	<u>2022</u>
Trade accounts payable	\$ 69,036	\$ 55,559
Payroll accounts payable	25,691	19,540
Contractors' holdbacks	15,658	14,211
Interest payable on debt	2,350	2,415
	<u>\$ 112,735</u>	<u>\$ 91,725</u>

5. Due to other governments

	<u>2023</u>	<u>2022</u>
Due to Federal Government (RCMP)	\$ 81,279	\$ 78,235
Due to TransLink (note 14)	39,000	39,000
Due to Regional Districts	22,832	25,773
Due to Province of British Columbia	13,927	10,486
Due to other government entities	8,942	8,426
	<u>\$ 165,980</u>	<u>\$ 161,920</u>

6. Employee future benefits

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

Accrued benefit liability:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 31,446	\$ 30,765
Current service cost	2,232	2,445
Interest cost	1,423	761
Amortization of net actuarial gain	(216)	(314)
Benefits paid	(2,416)	(2,211)
Accrued benefit liability, end of year	<u>\$ 32,469</u>	<u>\$ 31,446</u>

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

6. Employee future benefits (continued)

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2023. The difference between the actuarially determined accrued benefit obligation of \$33.5 million and the accrued benefit liability of \$32.5 million as at December 31, 2023 is an unamortized actuarial loss as noted below. The actuarial loss is amortized over a period equal to the employees' average remaining service life of 12 years (2022 – 12 years).

Reconciliation of accrued benefit liability to accrued benefit obligation:

	<u>2023</u>	<u>2022</u>
Accrued benefit liability, end of year	\$ 32,469	\$ 31,446
Unamortized actuarial loss (gain)	1,074	(284)
Accrued benefit obligation, end of year	<u>\$ 33,543</u>	<u>\$ 31,162</u>

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

	<u>2023</u>	<u>2022</u>
Discount rate	4.10%	4.50%
Expected future inflation rate	2.50%	2.50%
Employee average remaining service life (years)	12.00	12.00

7. Deposits and prepayments

	<u>2023</u>	<u>2022</u>
Deposits:		
Engineering	\$ 130,174	\$ 139,175
Planning and development	112,225	108,939
Future works	65,466	66,979
Pavement cuts	4,398	4,576
Latecomer	2,296	2,422
Boulevard trees	991	735
Other deposits	5,503	3,727
Total deposits	<u>\$ 321,053</u>	<u>\$ 326,553</u>
Prepayments:		
Taxes	\$ 52,314	\$ 50,073
Utilities	4,196	4,533
Other prepayments	-	297
Total prepayments	<u>56,510</u>	<u>54,903</u>
Total deposits and prepayments	<u>\$ 377,563</u>	<u>\$ 381,456</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

8. Deferred revenue

	<u>2023</u>	<u>2022</u>
Deferred capital works	\$ 56,963	\$ 46,860
Development/building permits	39,053	41,426
Deferred lease revenue	20,644	23,103
Other	13,530	11,840
	<u>\$ 130,190</u>	<u>\$ 123,229</u>

9. Deferred development cost charges

Development Cost Charges ("DCCs") are collected to pay for costs that will be incurred by the City to support growth, such as development projects related to infrastructure, parks, or amenities. DCCs cover 99% (2022 – 99%) of those costs based on rates as recommended by the Engineering Department. In accordance with the Local Government Act, these funds must be held in separate reserve funds and accumulate interest until spent. DCCs are deferred and recognized as revenue when the related costs are incurred.

	<u>2023</u>	<u>2022</u>
Deferred DCCs:		
Arterial roads	\$ 82,944	\$ 81,108
Parkland	60,404	39,706
Drainage	53,203	50,142
Sewer	33,309	33,619
Collector roads	29,023	23,652
Water	24,047	25,271
Area specific	86,761	76,200
Park development	4,998	3,860
Deferred DCCs, end of year	<u>\$ 374,689</u>	<u>\$ 333,558</u>

Deferred DCCs, beginning of year	<u>\$ 333,558</u>	<u>\$ 371,704</u>
DCCs levied for the year	101,541	83,818
Investment income	2,215	797
Increase in Deferred DCCs	<u>103,756</u>	<u>84,615</u>

Revenue recognized:		
Arterial and Collector Roads	(30,083)	(39,676)
Water, Sewer, Drainage	(19,611)	(19,247)
Parkland and Park Development	(10,002)	(60,253)
Area Specific	(2,929)	(3,585)
DCCs recognized as revenue	<u>(62,625)</u>	<u>(122,761)</u>
Deferred DCCs, end of year	<u>\$ 374,689</u>	<u>\$ 333,558</u>

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

10. Debt

	<u>2023</u>	<u>2022</u>
MFA debt (i)	\$ 276,212	\$ 300,185
Loans payable (ii)	<u>32,303</u>	<u>33,286</u>
	<u>\$ 308,515</u>	<u>\$ 333,471</u>

(i) MFA debt

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

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

MFA Issue	Gross debt	<i>Sinking fund installments and actuarial adjustments</i>	<i>Net debt 2023</i>	<i>Net debt 2022</i>
116	\$ 100,000	\$ 36,335	\$ 63,665	\$ 67,483
121	45,000	14,633	30,367	32,027
126	51,900	11,110	40,790	54,629
156	150,600	9,210	141,390	146,046
	<u>\$ 347,500</u>	<u>\$ 71,288</u>	<u>\$ 276,212</u>	<u>\$ 300,185</u>

Current borrowing includes:

MFA Issue	Issue Date	Term (yrs.)	Maturity	Interest Rate	* Refinancing Date
116	April 4, 2011	25	April 4, 2036	1.47%	April 4, 2026
121	October 4, 2012	25	October 4, 2037	3.39%	October 4, 2027
126	Sept. 26, 2013	30	Sept. 26, 2043	4.52%	Sept. 26, 2028
156	Sept. 27, 2021	25	Sept. 27, 2046	2.58%	Sept. 27, 2041

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

10. Debt (continued)

(ii) Loans payable

	2023	2022
Biofuel Processing Facility, 25-year capital financing expiring December 31, 2042, payable in monthly payments of \$221,516 including interest calculated at a rate of 5.10% per annum.	32,303	33,286
Total Loans Payable	\$ 32,303	\$ 33,286

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

	MFA payments (i)	Loan payments (ii)	Total
2024	\$ 11,933	\$ 1,035	\$ 12,968
2025	12,305	1,089	13,394
2026	12,689	1,146	13,835
2027	13,085	1,205	14,290
2028	13,586	1,268	14,854
2029 and thereafter	212,614	26,560	239,174
Total	\$ 276,212	\$ 32,303	\$ 308,515

Total interest expense recorded for the year ended December 31, 2023 was \$11.1 million (2022 - \$11.3 million).

11. Asset retirement obligations

The City's financial statements include an asset retirement obligation for remediation of asbestos related to wood and concrete building assets and remediation of vegetation on land associated with capital projects. The related asset retirement costs are being amortized on a straight-line basis.

	2023	2022
Opening balance	\$ 6,847	\$ 6,676
Accretion expense	185	171
Change in assumptions	343	-
Total	\$ 7,375	\$ 6,847

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

11. Asset retirement obligations (continued)

The liability has been estimated using a net present value technique with a discount rate of 2.58% and inflation rate of 4.17% (2022 - 2.58%). The estimated total undiscounted future expenditures are \$10.5 million (2022 - \$10.1 million), which are to be incurred over 44 years from 2024 to 2067.

12. Tangible capital assets

Net Book Value by category	<u>2023</u>	<u>2022</u>
Land and land improvements	\$ 2,215,789	\$ 2,171,718
Land under roads	3,730,016	3,580,548
Buildings and building improvements	451,798	469,771
Infrastructure	3,393,630	3,309,566
Machinery and equipment	125,516	126,966
Assets under construction	332,934	277,379
	<u>\$ 10,249,683</u>	<u>\$ 9,935,948</u>
Net Book Value by fund	<u>2023</u>	<u>2022</u>
General	\$ 2,932,491	\$ 2,865,277
Transportation	4,884,404	4,679,206
Water	667,286	655,632
Sewer	618,736	611,603
Drainage	1,133,223	1,115,261
Library	5,138	5,066
Surrey Police Service	6,465	2,781
Surrey City Development Corp.	1,940	1,122
	<u>\$ 10,249,683</u>	<u>\$ 9,935,948</u>

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

a) Contributed tangible capital assets

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of contributed assets received during the year was \$217.2 million (2022 - \$182.5 million) comprised of roads infrastructure in the amount of \$178.0 million (2022 - \$163.7 million), water and wastewater infrastructure in the amount of \$32.5 million (2022 - \$15.0 million) and land in the amount of \$6.8 million (2022 - \$3.8 million), including improvements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

13. Accumulated surplus

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

ACCUMULATED SURPLUS			Restated		
	2023		2022		
Tangible Capital Assets	\$ 10,249,683		\$ 9,935,948		
Debt funded assets	(206,323)		(215,311)		
Invested in tangible capital assets	10,043,360		9,720,637		
	Gross	Allocations	Gross	Allocations	
Reserves set aside by Council					
Capital legacy	50,121	(50,121)	-	49,539	(49,539)
Municipal land	108,115	-	108,115	112,928	(27,454)
Equipment and building replacement	37,391	(2,029)	35,362	39,336	(5,044)
Neighborhood concept plans	67,829	(3,680)	64,149	53,534	(6,863)
Park land acquisition	10,067	(546)	9,521	6,217	(797)
Local improvement financing	18,648	(1,012)	17,636	18,372	(2,355)
Environmental stewardship	7,040	(382)	6,658	6,958	(892)
Parking space	9,398	(510)	8,888	9,410	(1,206)
Water claims	1,396	(76)	1,320	1,386	(178)
Affordable housing	7,101	(385)	6,716	3,715	(476)
Capital projects	79,088	(4,291)	74,797	65,176	(8,356)
BC Growing Communities Fund	64,879	-	64,879	-	-
	461,073		398,041	366,571	263,411
Internal borrowing to fund capital	(63,032)		(103,160)		
Other appropriated funds					
Infrastructure replacement	58,571	-	58,571	43,475	-
Revenue stabilization	22,390	-	22,390	13,490	-
Self insurance	13,540	-	13,540	12,193	-
Operating contingency and emergencies	14,510	-	14,510	8,610	-
Environmental emergencies	7,277	-	7,277	7,244	-
Prepaid expenses	8,513	-	8,513	7,464	-
Inventories of supplies	1,828	-	1,828	1,917	-
Committed funds	436,298	-	436,298	300,945	-
	562,927	-	562,927	395,338	-
Other Entities					
Surrey City Development Corporation	9,551				10,153
Surrey Homelessness and Housing Society	8,433				8,591
	17,984				18,744
Accumulated Surplus per Statement of Financial Position	\$ 11,022,312		\$ 10,398,130		

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

14. Due to TransLink

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

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

As at December 31, 2023 the City has recorded a liability due to TransLink in the amount of \$39.0 million relating to this compensation agreement (Note 5).

15. 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 asset under construction under tangible capital assets. To provide for the completion of the projects, unexpended budget money for incomplete projects is appropriated as Committed funds (see Note 13). The Five-Year Financial Plan, updated annually, provides for the financing of these and future obligations within the estimated financial resources of the City.
- b) The City as a member of Metro Vancouver is directly, jointly and severally liable with the other member municipalities for the net capital liabilities of those authorities. Any liability which may arise as a result will be accounted for in the period in which the required payment is known and can be estimated, no liability was recorded during 2023 or 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

15. Commitments and contingencies (continued)

- c) The City is a shareholder and member of E-Comm Emergency Communications for British Columbia Incorporated ("E-Comm"), whose services include a regional 9-1-1 call centre for the Metro Vancouver, Area Wide Radio emergency communications network, dispatch operations, and records management. The City holds 2 Class "A" shares and 1 Class "B" share (of a total of 37 Class "A" and 18 Class "B" shares issued and outstanding as at December 31, 2023). As a Class "A" shareholder, the City is committed to paying levies for services received under a cost sharing formula to fund the operating and capital costs of E-Comm operations. In addition, the City is contingently liable to cover its proportionate share of such costs should any member be unable to fulfill its funding obligations. Annual levy amounts fluctuate based on various factors under the cost sharing formula and amounted to \$1.3 million during the year (2022 - \$1.4 million). No liability was recorded during 2023 or 2022.
- d) The City is, from time to time, engaged in or party to certain legal actions, assessment appeals and other existing conditions involving uncertainty which may result in material losses. The outcome and amounts that may be payable, if any, under some of these claims, cannot be determined, and accordingly, only those claims in which a payment is considered likely and the amounts can be reasonably estimated have been recorded in the financial statements as a liability.
- e) The City insures itself through a combination of insurance policies and self-insurance. The City has a funded self-insurance appropriation included in accumulated surplus (Note 13). Based on estimates, this appropriation reasonably provides for all outstanding claims where the outcome is not currently determinable and already recognized as a liability.
- f) Debt Reserve Fund Demand Note

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

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

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

15. Commitments and contingencies (continued)

f) Debt Reserve Fund Demand Note (continued)

Demand note amounts are as follows:

Issue	LA	SI	Rgn SI	Purpose	Term	DRF
						Demand Note
116	17173	R10-2022	1139	Other	25	\$ 319
116	17180	R10-2357	1141	Other	25	637
116	17231	R11-124	1142	Other	25	1,035
121	17231	R11-124	1142	Other	25	743
126	17928	R13-1059	1188	Other	30	943
156	20270	R21-541	1323	Other	25	721
156	20271	R21-543	1323	Other	25	371
156	20272	R21-542	1323	Other	25	1,622
Total						\$ 6,391

Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued as a liability in the financial statements.

g) Policing services

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

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

In June 2023, Council voted to reaffirm their decision to retain the RCMP as the POJ.

On July 19, 2023, the Minister directed that the transition to the SPS continue. The Minister also appointed a strategic implementation advisor to aid all parties on the transition to the SPS. At that time, the Province has committed to providing the City with \$150.0 million to help offset the additional costs associated with the transition to the SPS; however, to date, no funding from the Province has been received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

15. Commitments and contingencies (continued)

g) Policing services (continued)

In October 2023, the City launched a petition in the Supreme Court of BC for a judicial review of the provincial government's July 2023 decision to continue the police transition to the SPS. The matter is before the Supreme Court and a decision is pending.

On April 23, 2024, the Province announced a transition date of November 29, 2024 for SPS to become the POJ. The Supreme Court hearing and decision is still pending. Due to the uncertainty of these matters, the financial impacts cannot be determined and have not been reflected in the financial statements.

h) Biofuel processing facility

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

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

16. Contractual rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The following table summarizes the contractual rights that existed at December 31, 2023:

	2024	2025	2026	2027	Thereafter
Lease revenue (a)	\$ 10,688	\$ 6,159	\$ 4,234	\$ 3,965	\$ 18,741
Government agreements (b)	26,622	24,050	24,051	152	306
Total	\$ 37,310	\$ 30,209	\$ 28,285	\$ 4,117	\$ 19,047

16. Contractual rights (continued)

a) Lease revenue

The City has entered into a number of fixed term lease agreements for the use of City owned land and/or buildings that are anticipated to provide the City with future revenues. These agreements are for terms that vary from 1 to 17 years.

b) Government agreements

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

c) Developer contributions

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

d) Other contractual rights

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

17. Pension plan

The City and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing Plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the Plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local government.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

17. Pension plan (continued)

This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Plan as at December 31, 2021, indicated a \$3.8 billion funding surplus for basic pension benefits on a going concern basis.

The City paid \$22.5 million (2022 - \$21.8 million) for employer contributions while employees contributed \$19.6 million (2022 - \$18.9 million) to the Plan in fiscal 2023.

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

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

18. Taxation revenue

	<u>2023</u>	<u>2022</u>
Tax collected:		
Property taxes	\$ 477,058	\$ 416,702
Collections for other authorities	533,367	464,940
Parcel taxes	96,557	93,965
Grants-in-lieu of taxes	26,113	21,751
Other	345	589
	<u>1,133,440</u>	<u>997,947</u>
Less transfers to other authorities:		
Province of BC - School Taxes	(387,798)	(334,776)
TransLink	(77,413)	(68,902)
Metro Vancouver Regional District	(16,618)	(13,971)
BC Assessment Authority	(11,520)	(10,197)
Other	(40,018)	(37,095)
	<u>(533,367)</u>	<u>(464,941)</u>
Taxation revenue	<u>\$ 600,073</u>	<u>\$ 533,006</u>

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

19. Other revenue

	<u>2023</u>		<u>2022</u>
Licenses and permits	\$ 47,931	\$	44,319
Leases and rentals	17,893		15,371
Penalties and interest on taxes	10,089		7,572
Miscellaneous	5,292		12,567
Gain on disposal of tangible capital assets	6,903		25,684
	<u>\$ 88,108</u>	\$	<u>105,513</u>

20. Segmented information

The City of Surrey is a diversified municipal government institution that provides a wide range of services to the citizens of Surrey, including Police Services; Parks, Recreation and Culture Services; General Government Services; Water Services; Fire Services; Sewer Services; Engineering Services; Drainage Services; Solid Waste Management Services; Roads & Traffic Safety Services; Planning and Development Services; Parking Services; Surrey City Energy Services; and Surrey Public Library Services. For management reporting purposes, the City'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 Service includes enforcing laws, preventing crime, and maintaining peace, order, and security.

Parks, Recreation and Culture Services

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

General Government Services – Mayor & Councillors' Department, City Manager's Department, Finance Department, Investment and Intergovernmental Relations, Corporate Services Department, Community Services Department, Surrey City Development Corporation, and Surrey Homelessness and Housing Society

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

20. Segmented information (continued)

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

Roads and Traffic Safety Services

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

Water Services

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

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

Solid Waste Management Services

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

Drainage Services

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

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

20. Segmented information (continued)

Planning and Development Services

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

Surrey Public Library Services

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

Engineering Services

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

Surrey City Energy

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

Parking

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

	Police Services	Parks, Recreation and Culture	General Government	Roads & Traffic Safety	Water	Fire Services
Segmented Information Revenues						
Taxation, grants-in-lieu, assessments	\$ -	\$ -	\$ 1,050,771	\$ 37,062	\$ 4	\$ -
Collections for other authorities	-	-	(533,367)	-	-	-
Taxation revenue	-	-	517,404	37,062	4	-
Sales of goods and services	2,177	32,606	38,991	3,274	94,646	5,830
Development cost charges	-	-	62,625	-	-	-
Developer contributions	-	1,270	54,926	180,875	6,390	-
Investment income	-	40	84,066	-	494	-
Transfers from other governments	7,289	2,555	138,573	41,292	-	-
Other	103	2,565	41,572	2,357	1,434	(13)
	9,569	39,036	938,157	264,860	102,968	5,817
Expenses						
Salaries and benefits	97,794	71,959	52,210	4,823	1,170	74,261
Police contracted services	138,030	-	-	-	-	-
Consulting and professional services	3,832	5,264	11,189	987	2,852	308
Telephone and communications	750	331	626	34	18	197
Regional district utility charges	-	-	-	-	62,675	-
Utilities	641	4,904	81	3,979	144	431
Garbage collection and disposal	23	1,045	1	-	-	29
Maintenance and small equipment	1,817	9,985	9,040	239	80	1,609
Insurance and claims	37	1	4,231	27	-	13
Leases and rentals	1,122	1,675	4,420	1,500	904	8
Supplies and materials	1,405	9,772	3,215	3,924	1,552	3,099
Advertising and media	80	325	497	31	4	3
Grants and sponsorships	-	3,312	9,589	-	-	-
Contract payments	79	6,133	979	19,139	901	422
Other	3,118	2,921	2,815	430	46	1,545
Cost recoveries, net	(505)	1,082	(9,017)	11,270	8,169	(1,727)
Interest on debt	-	-	8,425	-	-	-
Other interests and fiscal services	42	557	2,704	20	(84)	12
Amortization expense	1,480	20,814	14,009	49,663	10,455	2,358
	249,745	140,080	115,014	96,066	88,886	82,568
Excess (deficiency) of revenues over expenses	(240,176)	(101,044)	823,143	168,794	14,082	(76,751)
Transfer from (to) operating funds	70,785	-	(123,694)	30,569	1,269	-
Transfer from (to) reserve funds	3,832	(264)	(53,561)	32,756	7,793	(1,377)
Transfer from (to) capital funds	661	262	43,846	(16,561)	(9,387)	-
Annual surplus (deficit)	\$ (164,898)	\$ (101,046)	\$ 689,734	\$ 215,558	\$ 13,757	\$ (78,128)

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

Sewer	Solid Waste Management	Drainage	Planning and Development	Library Services	Engineering	Surrey City Energy	Parking	2023
\$ 168	\$ -	\$ 45,435	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,133,440
-	-	-	-	-	-	-	-	(464,477)
168	-	45,435	-	-	-	-	-	600,073
87,227	52,044	111	5,635	342	8,978	6,390	2,887	341,138
-	-	-	-	-	-	-	-	62,625
11,566	-	17,360	-	55	-	881	-	273,323
245	107	227	-	-	-	-	-	85,179
-	-	7,411	-	2,898	81	-	5	200,104
852	234	412	34,457	119	3,885	71	60	88,108
100,058	52,385	70,956	40,092	3,414	12,944	7,342	2,952	1,650,550
922	-	1,992	26,876	18,238	47,008	885	631	398,769
-	-	-	-	-	-	-	-	138,030
673	435	2,657	850	236	868	174	1	30,326
28	9	18	81	34	147	5	96	2,374
61,062	-	-	-	-	-	-	-	123,737
1,576	544	8	575	385	1,543	2,699	4	17,514
-	29,666	-	-	7	62	-	-	30,833
136	357	130	4,812	432	1,249	113	59	30,058
-	637	-	-	-	69	-	-	5,015
986	270	1,385	53	57	1,997	2	9	14,388
1,768	1,130	586	697	565	5,967	29	29	33,738
-	51	1	8	2,061	20	-	1	3,082
-	-	-	-	2	-	-	-	12,903
705	1,604	1,715	176	21	2,375	51	268	34,568
1,316	260	730	1,376	892	977	126	1	16,553
4,376	5,247	5,751	18	776	(53,140)	(52)	(27)	(27,779)
-	2,658	-	-	-	-	-	-	11,083
(14)	-	14	178	11	22	430	40	3,932
13,531	1,072	22,424	31	1,866	6,976	1,446	1,119	147,244
87,065	43,940	37,411	35,731	25,583	16,140	5,908	2,231	1,026,368
12,993	8,445	33,545	4,361	(22,169)	(3,196)	1,434	721	624,182
(2,497)	(7,766)	850	(1)	22,114	-	8,532	(161)	-
9,939	-	4,476	(373)	100	(3,537)	-	216	-
(6,017)	-	(3,722)	164	(19)	-	(8,926)	(301)	-
\$ 14,418	\$ 679	\$ 35,149	\$ 4,151	\$ 26	\$ (6,733)	\$ 1,040	\$ 475	\$ 624,182

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

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

	Police Services	Parks, Recreation and Culture	General Government	Roads & Traffic Safety	Water	Fire Services
Segmented Information Revenues						
Taxation, grants-in-lieu, assessments	\$ -	\$ -	\$ 921,794	\$ 32,166	\$ 1	\$ (1)
Collections for other authorities	-	-	(464,941)	-	-	-
Taxation revenue	-	-	456,853	32,166	1	(1)
Sales of goods and services	1,990	25,795	35,064	1,564	86,995	5,216
Development cost charges	-	-	122,761	-	-	-
Developer contributions	-	537	69,528	164,632	2,308	-
Investment income	-	-	39,719	-	142	-
Transfers from other governments	6,835	2,135	21,743	37,927	-	-
Other	6,849	3,322	54,502	2,555	1,334	34
	15,674	31,789	800,170	238,844	90,780	5,249
Expenses						
Salaries and benefits	76,891	63,325	43,525	5,158	1,247	70,431
Police contracted services	134,780	-	-	-	-	-
Consulting and professional services	6,857	4,240	2,873	1,754	592	333
Telephone and communications	523	310	537	35	14	185
Regional district utility charges	-	-	-	-	68,569	-
Utilities	603	4,543	53	3,943	107	432
Garbage collection and disposal	17	1,075	2	1	-	25
Maintenance and small equipment	1,414	8,922	8,548	429	403	1,464
Insurance and claims	27	1	4,955	-	-	16
Leases and rentals	2,302	1,905	457	1,272	735	10
Supplies and materials	1,888	8,937	2,811	6,053	1,541	2,667
Advertising and media	125	201	433	3	-	-
Grants and sponsorships	1	2,470	7,693	-	-	-
Contract payments	1,165	5,795	723	8,903	851	264
Other	2,647	2,185	3,724	309	337	1,917
Cost recoveries, net	748	391	(7,043)	11,522	7,883	(2,284)
Interest on debt	-	-	8,695	-	-	-
Other interests and fiscal services	39	465	766	20	(31)	12
Amortization expense	1,307	19,976	14,124	46,701	10,394	2,331
	231,334	124,741	92,876	86,103	92,642	77,803
Excess (deficiency) of revenues over expenses	(215,660)	(92,952)	707,294	152,741	(1,862)	(72,554)
Transfer from (to) operating funds	66,574	3,055	(124,176)	25,639	(8,344)	4,900
Transfer from (to) reserve funds	(962)	(601)	(57,644)	42,342	5,268	(1,377)
Transfer from (to) capital funds	1,209	(6,265)	39,616	(9,286)	2,462	-
Annual surplus (deficit)	\$ (148,839)	\$ (96,763)	\$ 565,090	\$ 211,436	\$ (2,476)	\$ (69,031)

NOTES TO THE CONSOLIDATED CITY OF SURREY FINANCIAL STATEMENTS

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

Sewer	Solid Waste Management	Drainage	Planning and Development	Library Services	Engineering	Surrey City Energy	Parking	2022
\$ 426	\$ -	\$ 43,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 997,947
-	-	-	-	-	-	-	-	(464,477)
426	-	43,561	-	-	-	-	-	533,006
74,703	48,800	37	5,213	224	8,335	4,827	3,185	301,948
-	-	-	-	-	-	-	-	122,761
3,946	-	9,022	-	30	244	1,100	18	251,365
71	21	50	-	-	-	-	-	40,003
8	-	6,540	-	982	-	-	18	76,188
677	204	354	31,618	103	3,796	36	129	105,513
79,831	49,025	59,564	36,831	1,339	12,375	5,963	3,350	1,430,784
937	-	1,956	25,407	16,997	44,480	778	673	351,805
-	-	-	-	-	-	-	-	134,780
472	545	1,943	1,254	159	1,127	84	99	22,332
22	6	18	85	36	235	6	55	2,067
56,570	-	-	-	-	-	-	-	125,139
1,643	197	18	528	367	1,011	2,320	4	15,769
-	25,523	-	-	6	58	-	-	26,707
421	421	18	4,906	313	1,277	99	68	28,703
-	557	-	8	-	23	-	-	5,587
1,067	216	1,536	56	45	2,452	32	9	12,094
1,715	866	1,045	744	549	6,163	78	28	35,085
-	37	1	11	2,112	18	-	-	2,941
-	-	-	-	9	-	-	-	10,173
531	2,425	1,614	105	55	2,738	138	213	25,520
1,013	9	1,335	1,314	841	1,028	51	-	16,710
3,658	3,978	6,318	(474)	662	(50,757)	(53)	(45)	(25,496)
-	2,658	-	-	-	-	-	-	11,353
2	-	5	183	31	17	117	33	1,659
13,192	1,809	21,665	35	1,884	6,845	1,282	1,104	142,649
81,243	39,247	37,472	34,162	24,066	16,715	4,932	2,241	945,577
(1,412)	9,778	22,092	2,669	(22,727)	(4,340)	1,031	1,109	485,207
9,534	(6,158)	(7,536)	1,124	22,768	1,911	11,178	(469)	-
11,760	(35)	3,268	(293)	100	(3,337)	96	1,415	-
(9,081)	-	(5,332)	-	(17)	58	(11,473)	(1,891)	-
\$ 10,801	\$ 3,585	\$ 12,492	\$ 3,500	\$ 124	\$ (5,708)	\$ 832	\$ 164	\$ 485,207

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

21. Transfers from other governments

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

	2023	2022
Revenue		
BC Provincial government grants:		
BC Growing Communities Fund Grant (Schedule 2)	\$ 89,928	\$ -
UBCM Strengthening Communities Services	7,352	6,797
Ministry of Transportation and Infrastructure	6,953	8,207
Traffic fines revenue sharing	6,678	6,368
Roads	5,206	213
Casino revenue sharing	3,269	3,313
Flood mitigation funding	2,736	2,739
Childcare and seniors	1,743	1,422
Library Enhancement Grant	1,634	-
Arts, Communities, and Sundry	1,558	1,398
Library operating and BC one Card	1,264	981
Local government climate action program	1,175	1,175
ICBC road improvement	602	655
Others	333	237
Subtotal BC Provincial government grants	130,431	\$33,505
Federal government grants:		
Housing Accelerator Fund	23,910	-
Rapid housing initiative	8,219	6,846
Water, drainage and sewer	4,552	3,407
Roads and parking	2,290	658
Building & facility improvements	824	656
Childcare and youth	545	61
Arts and heritage grants	543	213
SAFE program	444	487
Others	231	150
Subtotal Federal government grants	41,558	12,478
TransLink grants	26,364	28,527
UBCM community works fund:	1,751	1,678
Total transfers from other government revenues	\$ 200,104	\$ 76,188

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

22. Financial instrument risks

The fair value of a financial instrument is the estimated amount that the City would receive or pay to settle a financial asset or liability at the reporting date. The financial instruments and nature of risks that they may be subject to are as follows:

Financial Instruments	Credit Risks	Liquidity Risks	Market Risks	
			Foreign Exchange	Interest Rate
Cash and cash equivalents			X	
Accounts receivable	X			
Portfolio investments				X
Accounts payable and due to other government		X	X	
Debt				X

(a) Credit risk

The City is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The City holds deposits based on estimated work for services performed.

Accounts receivable

The City's accounts receivable balance is made up of folio and non-folio balances. Folio balances are associated with invoices related to real property within the City and non-folio balances consist of all other categories of invoices.

For folio accounts receivable balances, outstanding amounts are transferred to the property tax account associated with the invoiced real property at the end of each fiscal year and form all or part of the tax arrears for the property. The City is required by the Local Government Act to conduct an annual tax sale by offering for sale by public auction each parcel of real property on which taxes are delinquent. Registered charge holders have the full right to redeem the property. To redeem the property, the charge holder must remit the full upset price, plus interest on the purchase price at a rate set by the Province, within one year of the tax sale.

For non-folio accounts receivable balances, the City maintains allowances for potential credit losses, with results to date within the City's expectations. In making estimates in respect of the allowance for doubtful accounts, current economic conditions, historical information, reasons for the accounts being past due, and operational nature of invoices are all considered in the determination of when to record allowances for past due accounts. The same factors are considered when determining whether to write off amounts charged to the allowance account against amounts receivables.

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

22. Financial instrument risks (continued)

(b) Liquidity risk

Liquidity risk is the risk that the City will not be able to meet a demand for cash or fund its obligations as they come due.

Accounts payable and due to other government

The City meets its liquidity requirements by holding assets that can be readily converted into cash and preparing annual operating and capital expenditure budgets, which are monitored and updated as required. Ongoing cash flow forecasting is utilized to ensure that liquidity levels are sufficient to meet demand.

(c) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or factors affecting financial instruments traded in the market. The market risks to which the City is exposed are foreign exchange risks, and interest rate risks.

(i) Foreign exchange risk

Foreign exchange risk refers to the risk that the fair value of financial instruments, or future cash flows associated with the instruments, will fluctuate in Canadian dollar value due to changes in foreign exchange rates.

Cash and Accounts payable

The functional currency of the City is the Canadian dollar. The City receives some US dollar payments and incurs some US dollar operating and capital costs. These US dollar transactions represent an insignificant volume and value of total overall transactions, resulting in minimal risk.

(ii) Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instrument will fluctuate due to changes in market interest rates.

Portfolio investment

The interest rate risk exposure of portfolio investments arises from investments held by the Surrey Homelessness and Housing Society entity. The Society's equity and fixed income investments are comprised of a diversified group of pooled funds managed by a third-party professional portfolio management firm, who actively oversees the existing holdings and evaluates future investment opportunities, with the objectives of delivering strong long-term compounding returns for the charitable organization.

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

22. Financial instrument risks (continued)

(ii) Interest rate risk (continued)

The remaining portfolio investments balance relates to the City's investment holdings. All investments comply with the requirements of the Community Charter. Investment objectives include preservation of capital, minimization of default and interest rate risk, sufficient liquidity to meet operating and capital requirements, and generation of a stable return on investments. The City's investments held as at December 31, 2023 are comprised of guaranteed investment certificates ("GICs"), and term deposits, and are not subject to fluctuations in market prices.

Debt

The City obtains debt instruments through the MFA to finance certain capital expenditures. Every year, the MFA is reviewed by the three major credit rating agencies, with the goal of maintaining the highest credit rating possible ("AAA"). This allows the City to access capital financing at the lowest rates possible. Three rating agencies, Moody's Investor Services, Standard & Poor's, and Fitch Ratings have each reaffirmed MFA's AAA credit rating status.

Loans with terms of five years will maintain the initial interest rate for the entire term of the loan. Loans with terms of ten years or longer will generally maintain the initial interest rate for the first ten years. The interest rate is then reset at the current market rate for a period to be determined at that point in time, generally five years.

The remaining balance of debt as at December 31, 2023 relates to the capital component of costs incurred under a public-private partnership for the construction of a City facility. The interest rate is fixed for the entire term of the loan and is not subject to fluctuation.

Through legislation, the Province of BC limits municipalities on the amount of borrowing they can incur. The liability limit states that a municipality's annual aggregate debt servicing costs cannot exceed 25% of annual calculation revenue, as defined by the legislation. The City's total debt servicing cost is monitored against the liability servicing limit to ensure reasonable levels of utilization.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CITY OF SURREY

For the year ended December 31, 2023
[tabular amounts in thousands of dollars]

23. Trust funds

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

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

	<u>2023</u>	<u>2022</u>
Cemetery Perpetual Care Fund	\$ 5,506	\$ 5,093
Employee Benefits Fund	817	790
	<u>\$ 6,323</u>	<u>\$ 5,883</u>

24. Budget data

The budget data presented in these consolidated financial statements was included in the City of Surrey 2023-2027 Consolidated Financial Plan and was adopted through By-law #20886 on April 17, 2023. The following table reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	<u>Budget Amount</u>
Approved consolidated budgeted revenues	<u>\$ 1,419,571</u>
Approved consolidated budgeted expenditures	1,626,724
Transfers between funds	<u>(207,153)</u>
	1,419,571
Less:	
Capital expenditures	(494,330)
Municipal debt principal repayments	(22,753)
Add:	
Transfers between funds	<u>207,153</u>
Total Expenses:	<u>1,109,641</u>
Annual surplus per statement of operations	<u>\$ 309,930</u>

25. Comparative figures

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

*For the year ended December 31, 2023
[tabular amounts in thousands of dollars]*

26. Changes in Accounting Standards

The revenue standard PS 3400 will be effective for fiscal years beginning on or after April 1, 2023. The new standard is related to revenue recognition principles for revenues of governments and government organizations other than government transfers and tax revenue. Specifically, it differentiates between revenue arising from transactions that do not have performance obligations, referred to as "non-exchange transactions," and transactions that include performance obligations, referred to as "exchange transactions."

The Public Private Partnerships standard PS 3160 will be effective for fiscal years beginning on or after April 1, 2023. This section is related to public private partnerships used as alternate finance and procurement model by public sector entities, where such entities procure infrastructure using a private sector partner.

At present, the City is assessing the impact of the changes to the accounting standards. Over the remainder of 2024, the City will continue to evaluate the current accounting treatments against the new changes in standards to ensure the financial statements are prepared in accordance with the Canadian Public Sector Accounting Standards as prescribed by PSAB.

SCHEDULE 1

TANGIBLE CAPITAL ASSETS

CITY OF SURREY

As of December 31, 2023 [in thousands of dollars]

	Land and land improvements	Land under road	Buildings and building improvements	Infrastructure	Machinery and equipment	Assets under construction	Balance at December 31, 2023
COST							
Opening Balance	\$ 2,277,070	\$ 3,580,548	\$ 808,299	\$ 5,288,745	\$ 331,769	\$ 277,379	\$ 12,563,810
Additions and transfers	49,874	149,468	5,522	182,944	19,013	55,555	462,376
Disposals	(447)	-	(278)	(8,277)	(22,154)	-	(31,156)
Ending Balance	2,326,497	3,730,016	813,543	5,463,412	328,628	332,934	12,995,030
ACCUMULATED AMORTIZATION							
Opening Balance	105,352	-	338,528	1,979,179	204,803	-	2,627,862
Amortization	5,541	-	23,495	97,958	20,250	-	147,244
Accum. amort. on disposals	(185)	-	(278)	(7,355)	(21,941)	-	(29,759)
Ending Balance	110,708	-	361,745	2,069,782	203,112	-	2,745,347
NET BOOK VALUE	\$ 2,215,789	\$ 3,730,016	\$ 451,798	\$ 3,393,630	\$ 125,516	\$ 332,934	\$ 10,249,683

	Land and land improvements	Land under road	Buildings and building improvements	Infrastructure	Machinery and equipment	Assets under construction	Balance at December 31, 2022
COST							
Opening Balance	\$ 2,161,128	\$ 3,427,817	\$ 805,522	\$ 5,187,648	\$ 324,121	\$ 224,507	\$ 12,130,743
Additions and transfers	119,622	152,731	5,856	107,069	14,829	52,872	452,979
Disposals	(3,680)	-	(3,079)	(5,972)	(7,181)	-	(19,912)
Ending Balance	2,277,070	3,580,548	808,299	5,288,745	331,769	277,379	12,563,810
ACCUMULATED AMORTIZATION							
Opening Balance	101,502	-	318,172	1,889,404	191,476	-	2,500,554
Amortization	5,241	-	23,324	93,594	20,490	-	142,649
Accum. amort. on disposals	(1,391)	-	(2,969)	(3,816)	(7,165)	-	(15,341)
Ending Balance	105,352	-	338,527	1,979,182	204,801	-	2,627,862
NET BOOK VALUE	\$ 2,171,718	\$ 3,580,548	\$ 469,772	\$ 3,309,563	\$ 126,968	\$ 277,379	\$ 9,935,948

SCHEDULE 2

CITY OF SURREY GROWING COMMUNITIES FUND

As of December 31, 2023 [in thousands of dollars]

On February 10, 2023, the Province of BC announced that the Growing Communities Fund ("GCF") will provide an one-time total of \$1.0 billion in grants distributed amongst all BC municipalities and regional districts, which they can use to address their community's unique infrastructure and amenity demands. GCF grants support the delivery of infrastructure projects necessary to enable community growth.

On March 23, 2023, the City of Surrey received a \$89.9 million GCF grant from the Local Government Infrastructure and Finance Branch of the Provincial Ministry of Municipal Affairs (note 21). Interest income is generated on the cumulative GCF reserve balance.

	Growing Communities Fund Reserve
Reserve Balance, beginning of fiscal year	\$ -
Add: Funding Received	
GCF Grant	89,928
Interest income allocated	519
	90,447
Less: Expenditures	
Buildings	(20,387)
Other Capital improvements	(5,181)
	(25,568)
Unused reserve balance, end of fiscal year	\$ 64,879

Allocations of GCF grant funding towards eligible infrastructure projects have been made in accordance with the Ministry's criteria and include: Recreation related amenities; Park additions/maintenance/upgrades including washrooms/meeting space and other amenities; Public safety/emergency management equipment and facilities not funded by senior level government; and Childcare facilities.



PERMISSIVE EXEMPTIONS

STATEMENT OF 2023 PERMISSIVE EXEMPTIONS CITY OF SURREY

(In accordance with Section 98 of the Community Charter)

UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
			Total Exemption \$ 2,345,936
204	12639 80 AVE	Akal Academy Society	4,201
	12268 BEECHER ST	All Saints Community Church	4,383
	5441 125A ST	Al-Mustafa Academy (Canadian Hussaini Association)	3,667
	12740 102 AVE	Amazing Grace United Church	4,504
	10553 148 ST	Anglican Church of the Epiphany	3,216
	11927 96A AVE	Arthur Hedley House	1,990
	13630 GROSVENOR RD	Association of Islamic Charitable Projects (AICP)	432
	12210 AGAR ST	Association of Neighbourhood Houses of BC	609
	12210 AGAR ST	Association of Neighbourhood Houses of BC	6,688
	2916 MCBRIDE AVE	Association of Neighbourhood Houses of BC - Camp Alexandra	4,121
	2916 MCBRIDE AVE	Association of Neighbourhood Houses of BC - Camp Alexandra	11,700
		Atira Women's Resource Society	2,929
		Atira Women's Resource Society	2,809
		Atira Women's Resources Society	0
101	9706 188 ST	B C Wildlife Federation	6,355
	19550 FRASER HWY	Baltic Properties (Brookside) Ltd.	22,272
	19218 96 AVE	Baron von Mackensen House ("The Castle")	3,764
	15220 92 AVE	BC Family Hearing Resource Centre	21,208
211	12837 76 AVE	BC Genealogical Society	4,684
	13585 62 AVE	BC Muslim Association	2,079
	12407 72 AVE	BC Muslim Association	4,153
	16748 50 AVE	BC SPCA	5,123
	8383 140 ST	Bear Creek Community Church	2,752
	6062 132 ST	Berea Baptist Church	6,566
	14853 60 AVE	Bethany Newton United Church	7,047
	16321 108 AVE	Bethesda Christian Association	2,681
	16811 60 AVE	Boothroyd Heritage House	2,991
	12888 CRESCENT RD	Brynjolfson Residence	1,111
	5724 176 ST	Buddhist Compassion Relief Tze Chi Foundation of Canada	7,223
	16293 104 AVE	Calvary Christian Church	9,810
	7536 130 ST	Calvary Grace Church (Faith and Vision)	4,486
	7170 132 ST	Calvary Pentecostal Tabernacle	4,721
	11125 124 ST	Calvary Worship Centre	4,690
	8365 140 ST	Canadian Ramgarhia Society	3,652
	17473 60 AVE	Canadian Reformed Church of Cloverdale	5,264
	5818 182 ST	Cecil Heppell House	2,345
	10330 144 ST	Cedar Grove Baptist Church	12,705
	12256 98 AVE	Cedar Hills Pentecostal Lighthouse Church	2,822

STATEMENT OF 2023 CITY OF SURREY PERMISSIVE EXEMPTIONS

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
4	12332 PATTULLO PL	Celebration Christian Fellowship International	611
5	12332 PATTULLO PL	Celebration Christian Fellowship International	1,205
6	12332 PATTULLO PL	Celebration Christian Fellowship International	1,982
	8041 132 ST	Celebration Life Ministries	4,116
	16591 BELL RD	Christ Church Anglican Cemetery	5,774
	16631 OLD MCLELLAN RD	Christ Church Surrey Centre	3,026
	13388 104 AVE	Christ The King Lutheran Church	2,976
	16628 Old McLellan	Christ The Redeemer Anglican Church	4,802
	17171 80 AVE	Christ Worship Centre	6,111
	18780 58 AVE	Christians' Gospel Society	1,134
	15048 92 AVE	Church of Christ	2,817
	10122 140 ST	Church of Jesus Christ of Latter Day Saints	14,140
	15450 20 AVE	Church of Jesus Christ of Latter Day Saints	7,740
	6270 126 ST	Church of Jesus Christ of Latter Day Saints	16,130
	5814 176A ST	Church of Pentecost Canada Inc	623
	13062 104 AVE	City Centre Church	3,684
	18788 71 AVE	Clayton Heights Care Holdings	2,7110
	18685 64 AVE	Cloverdale Baptist Church	14,596
	18603 60 AVE	Cloverdale Bibleway Church & Christian Academy	4,456
	17575 58A AVE	Cloverdale United Church	4,067
108	17828 65A AVE	Coast Hills Community Church	5,263
109	17828 65A AVE	Coast Hills Community Church	5,388
	2201 148 ST	Coastal Football Club	1,487
	2201 148 ST	Coastal Football Club	2,138
	2854 OHARA LANE	Cobblestones	1,578
	15659 96 AVE	Community Living Society	2,637
	8041 COOPERSHAWK CRT	Community Living Society	3,222
	15293 95 AVE	Community Living Society	2,362
	14625 108 AVE	Connecting Community Church	2,758
	12817 104 AVE	Connective Support Society	1,966
	12819 104 AVE	Connective Support Society	1,967
	3138 MCBRIDE AVE	Crescent Beach Swimming Club	3,377
	3136 MCBRIDE AVE	Crescent Beach Swimming Club	4,796
3364	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3366	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	407
3368	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3374	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	413
3302	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	419
3364	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	461
3366	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	422

STATEMENT OF 2023 PERMISSIVE EXEMPTIONS CITY OF SURREY

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
3368	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	414
3374	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3302	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3304	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3306	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3310	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3312	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3316	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3320	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	423
3321	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3322	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	411
3323	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	418
3324	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	418
3326	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	408
3330	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	418
3334	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	408
3336	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	439
3340	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	418
3342	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	408
3344	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	411
3346	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	406
3347	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	476
3348	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	409
3352	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	412
3354	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	412
3356	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	423
3361	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	408
3357	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3353	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	419
3351	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	408
3343	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	403
3341	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	434
3337	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	405
3335	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	406
3333	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3331	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	406
3329	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3327	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	416
3325	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	406
3313	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	418

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
3307	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	407
3303	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	418
3301	1222 KING GEORGE BLVD	CSH (Care Holdings) Ltd - Crescent Gardens	408
	13951 CRESCENT RD	Daniel Johnson House	2,110
	13455 76 AVE	DIVERSEcity Community Resources	34,780
1107	7330 137 ST	DIVERSEcity Community Resources	29,349
	9025 160 ST	Elim Housing Society	18,529
	9067 160 ST	Elim Housing Society	22,229
		Elizabeth Fry Society	2,549
	11187 ELLENDALE DR	Elizabeth Fry Society	7,030
	17029 16 AVE	Emmanuel Evangelical Covenant Church	4,962
	13591 BINNIE LANE	Emmanuel Romanian Pentecostal Church	1,538
	13585 BINNIE LANE	Emmanuel Romanian Pentecostal Church	16,507
	13575 KING GEORGE BLVD	Emmanuel Romanian Pentecostal Church	2,436
	15660 84 AVE	Evergreen Cottages	9,693
1	12988 84 AVE	Faith Dominion Ministry	2,225
	7086 124 ST	Faith Evangelical Lutheran Church	7,682
	10922 SCOTT RD	Fatimia Education Association	3,909
	10906 LARSON RD	Fatimia Education Association	1,987
	10926 SCOTT RD	Fatimia Education Association	3,963
	14040 32 AVE	Feedham House	3,420
	9165 160 ST	Fleetwood Christian Reformed Church	7,317
	8725 158 ST	Fleetwood Gospel Hall	6,189
	8250 161 ST	Fleetwood International Church	4,722
	16011 83 AVE	Fleetwood Place Holdings	19,399
	14756 88 AVE	Fraser Region Aboriginal Friendship Centre Association	2,195
	14589 108 AVE	Fraser Region Aboriginal Friendship Centre Association - Awahsuk Aboriginal Headstart Pre-School	2,551
	5554 176 ST	Fraser Valley Heritage Railway Society	22,685
	18790 58 AVE	Free Presbyterian Church in Cloverdale	1,933
	13175 107 AVE	Gateway Baptist Church	4,722
	11387 128 ST	GEETA GYAN SOCIETY OF BC	1,611
	14805 57 AVE	George Rankin House	2,371
	13560 105A AVE	Ghausia International Foundation of Canada	3,447
	10528 135A ST	Ghausia International Foundation of Canada	5,677
	13570 78 AVE	Grace Baptist Church	4,750
	9770 KING GEORGE BLVD	Grace Hanin Community Church	54,803
	3487 KING GEORGE BLVD	Gracepoint Community Church	15,501
	12057 88 AVE	Great Light Healing Ministries International	6,539
	15577 82 AVE	Greater Vancouver Assembly Hall of Jehovah's Witnesses	15,600

STATEMENT OF 2023 PERMISSIVE EXEMPTIONS CITY OF SURREY

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
114	12975 84 AVE	Greater Vancouver Youth for Christ	5,022
115	12975 84 AVE	Greater Vancouver Youth for Christ	4,198
	9635 132 ST	Greek Orthodox Community Church	1,743
	13181 96 AVE	Greek Orthodox Community of Surrey and Fraser Valley Association	2,874
	14219 88 AVE	Green Timbers Covenant Church	5,175
	14568 104A AVE	Guildford Seniors Village	11,430
	14212 88 AVE	Gurdwara Nanaksar Satsang Sabha Society	1,905
	7050 120 ST	Guru Nanak Sikh Temple	30,493
	5988 184 ST	Guru Teg Bahadur Welfare Society	3,382
	14069 104 AVE	Hahn Seok Buddhist Foundation	2,668
	1614 184 ST	Hazelmere United Church	1,627
	5950 179 ST	Hillside Christian Church & School	6,618
	13525 HILTON RD	Hilton Villa Care Centre	22,316
	16520 40 AVE	Historic Collishaw Farm	914
	13753 108 AVE	Holy Cross Ukrainian Catholic Church	301
	7975 123A ST	Holy Satsang Foundation	3,314
	7990 123A ST	Holy Satsang Foundation	1,839
	18625 FRASER HWY	Hope Community Church of Surrey	5,474
	15145 68 AVE	Iglesia Ni Cristo (Church of Christ)	6,070
	12969 CRESCENT RD	Imitating Christ Ministries	23,601
	15177 68 AVE	Ismaili Jamatkhana Prayer Centre	5,973
208	14770 64 AVE	Jain Center of BC	2,528
	19533 64 AVE	Jericho Ridge Community Church	8,770
	13055 OLD YALE RD	Jesus Christ (The Kingdom of), the Name Above Every Name, Inc.	2,320
	12645 14B AVE	John Horner House	2,471
	9612 152 ST	Johnston Heights Evangelical Free Church	5,997
	15245 96 AVE	Johnston Heights Evangelical Free Church	4,012
	8870 120 ST	Kennedy Community Hall Association	10,576
	8599 132 ST	Kerala Christian Fellowship Society	1,198
105	7938 128 ST	Khalsa Diwan Society of Surrey BC	3,828
104	7938 128 ST	Khalsa Diwan Society of Surrey BC	1,915
103	7938 128 ST	Khalsa Diwan Society of Surrey BC	1,623
107	7938 128 ST	Khalsa Diwan Society of Surrey BC	2,784
108	7938 128 ST	Khalsa Diwan Society of Surrey BC	3,631
202	7938 128 ST	Khalsa Diwan Society of Surrey BC	4,158
201	7938 128 ST	Khalsa Diwan Society of Surrey BC	2,284
215	7938 128 ST	Khalsa Diwan Society of Surrey BC	8,221
212	7938 128 ST	Khalsa Diwan Society of Surrey BC	2,491
	10110 175A ST	Korean Central Presbyterian Church	5,134
	15688 106A AVE	Kwanglim Methodist Church in Canada	6,473

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	16837 94A AVE	Lam Ty Ni (Lumbini) Buddhist Temple	2,142
	984 160 ST	Launching Pad Addiction Rehabilitation Society	0
	9688 137A ST	Laurel Place Care Centre Partnership	1,312
	9012 160 ST	Legacy - A Church of the Nazarene	9,105
	17655 57 AVE	Lighthouse Spiritual Centre	3,420
	12265 99A AVE	Living Hope Christian Fellowship	3,139
	12246 100 AVE	Living Hope Christian Fellowship	4,435
	10008 128 ST	Lookout Housing and Health Society	2,463
	10667 135A ST	Lookout Housing and Health Society	19,305
	10689 135A ST	"Lookout Housing and Health Society (Surrey HIV/AIDS Centre)"	8,259
	11334 RIVER RD	Louis Dahl	715
	19495 36 AVE	Lower Mainland German Shepherd Dog Club	21,222
	13260 108 AVE	Manawmaya Theravada Buddhist Society Inc.	1,896
	12300 92 AVE	Maranatha Canadian Reformed Church	6,565
	13526 98A AVE	Masjid Al Noor "Mosque of Lights"	4,915
	10644 CITY PKY	Masjid Umar Bin Khattab Islamic Society (formerly A.C.A. Afghan Canadian Association of B.C.)	5,176
	14042 GROSVENOR RD	Masonic Building Association of North Surrey	3,608
	15955 27 AVE	Morgan Heights Care	19,791
	3288 156A ST	Morgan Place Holdings	25,425
	2350 148 ST	Mount Olive Lutheran Church	5,105
	14136 GROSVENOR RD	Muslim Education & Welfare Foundation of Canada	2,110
104	12941 115 AVE	Muslim Food Bank and Community Services Society	7,440
	8868 128 ST	New Life Ministries	9,002
	7328 144 ST	Newton Fellowship Baptist Church	6,728
	13579 BENTLEY RD	Nichiren Shoshu Temple	1,739
	13044 96 AVE	North Surrey Gospel Chapel	3,059
	8855 156 ST	Northwood United Church	6,988
	8383 140 ST	Nova Church (formerly Bear Creek Community Church)	2,752
	1577 128 ST	Ocean Park Community Hall	6,006
	14832 24 AVE	Ocean Park Congregation of Jehovah's Witnesses	6,740
115	13045 84 AVE	On the Water Rich Media Ministry	6,700
	9815 140 ST	OPTIONS - Surrey Community Services Society	42,971
		Options Community Services Society	3,012
	9803 140 ST	Options Community Services Society	2,575
	13582 68 AVE	Options Community Services Society	2,022
	13520 78 AVE	Options Community Services Society	20,709
	10460 139 ST	Our Lady of Good Counsel Church and School (Roman Catholic Archbishop of Vancouver)	37,848
	5337 180 ST	Pacific Community Church of the Christian and Missionary Alliance	22,922
	5435 123 ST	Panorama Ridge Riding Club	465
	5435 123 ST	Panorama Ridge Riding Club	7,072

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	12953 20 AVE	Parish of St. Mark - Ocean Park	7,248
	9574 160 ST	Parkland Fellowship Baptist Church	9,911
	13541 King George Blvd	PBG HOLDINGS INC	15,848
	15435 16A AVE	Peace Arch Hospice Society	11,467
	15128 27B AVE	Peace Portal Alliance Church	63,297
	15441 16 AVE	Peace Portal Lodge	7,288
	2756 127 ST	Peninsula United Church	3,412
	15639 24 AVE	Peninsula United Church	3,735
	14456 104A AVE	People's Full Gospel Church	12,326
	9135 132 ST	Philadelphia Church of Vancouver Society	5,169
	13959 100 AVE	Phoenix Drug & Alcohol Recovery and Education Society	5,813
	13686 94A AVE	Phoenix Drug & Alcohol Recovery and Education Society	0
	9942 127A ST	Phoenix Drug & Alcohol Recovery and Education Society	3,059
	12159 SULLIVAN ST	PLEA Community Services Society of BC	5,631
	16590 96 AVE	PLEA Community Services Society of BC	730
	16590 96 AVE	PLEA Community Services Society of BC	2,767
	19131 88 AVE	Port Kells Congregational Christian Church	2,584
	18922 88 AVE	Port Kells Fire Hall No. 7	5,976
	18922 88 AVE	Port Kells Fire Hall No. 7	3,431
	10304 152A ST	Praise International Church	2,253
	17475 59 AVE	Precious Blood Parish	9,863
	7566 120A ST	Progressive Intercultural Community Services Society	628
211	12725 80 AVE	Progressive Intercultural Community Services Society	7,098
205	12725 80 AVE	Progressive Intercultural Community Services Society	1,970
206	12725 80 AVE	Progressive Intercultural Community Services Society	1,985
207	12725 80 AVE	Progressive Intercultural Community Services Society	2,154
208	12725 80 AVE	Progressive Intercultural Community Services Society	2,218
209	12725 80 AVE	Progressive Intercultural Community Services Society	1,946
	14488 72 AVE	Punjabi Masihi Church Society	5,770
	6788 152 ST	Relate Christian Church	29,372
	13518 108 AVE	Revival Pioneers Ministry International	4,384
	16940 FRIESIAN DR	Richardson House	1,513
	15240 34 AVE	Rosemary Heights Seniors' Village	18,030
	2598 OHARA LANE	Rothwell House	6,336
	2290 152 ST	Royal Canadian Legion	12,165
	2643 128 ST	Royal Canadian Legion	9,835
	2643 128 ST	Royal Canadian Legion	5,606
	17567 57 AVE	Royal Canadian Legion	12,682
	17567 57 AVE	Royal Canadian Legion	3,829
	6975 123 ST	Satnam Education Society of BC	2,533

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	14633 16 AVE	Seaview Pentecostal Assembly	5,897
	5588 188 ST	Sonrise Full Gospel Church	7,081
	1290 160 ST	Sources Community Resources Society	3,552
	2343 156 ST	Sources Community Resources Society	11,069
	1951 KING GEORGE BLVD	Sources Community Resources Society	2,695
	15318 20 AVE	Sources Community Resources Society	8,915
102	13771 72A AVE	Sources Community Resources Society	5,710
104	13771 72A AVE	Sources Community Resources Society	3,063
105	13771 72A AVE	Sources Community Resources Society	2,672
110	13771 72A AVE	Sources Community Resources Society	2,760
106	13771 72A AVE	Sources Community Resources Society	3,932
107	13771 72A AVE	Sources Community Resources Society	4,443
	2197 148 ST	South Surrey Field House Society	5,885
	12642 100 AVE	Southside Community Church	4,210
	10492 CITY PKY	Spanish Alliance Church	2,218
	8135 132 ST	Sri Guru Singh Sabha Gurdwara Association	22,037
	8115 132 ST	Sri Guru Singh Sabha Gurdwara Association	31,405
	10222 161 ST	St. Andrew Kim Catholic Parish	9,986
	7147 124 ST	St. Andrews - Newton Presbyterian Church	7,491
	6543 132 ST	St. Bernadette Roman Catholic Church & School	14,217
	10787 128 ST	St. Helen's Anglican Church	810
	10167 148 ST	St. Luke Lutheran Church	9,404
	12996 60 AVE	St. Michael's Anglican Church	4979
	8679 HARVIE RD	St. Nicolae Romanian Orthodox Church	2,374
	19016 96 AVE	St. Oswald's Anglican Church	5,558
	15024 24 AVE	Star of the Sea School and Good Shepherd Church	10,613
	14557 105A AVE	Strive Living Society	3,009
	6306 152 ST	Sullivan Community Hall	11,744
	13687 62 AVE	Suncreek Village	23,125
	15008 26 AVE	Sunnyside Villas Society	12,497
	13095 60 AVE	Sunshine Hills Congregation of Jehovah's Witnesses	6,390
	6230 120 ST	Sunshine Ridge Baptist Church	9,620
	13474 96 AVE	Surrey Alliance Church	5,075
	17677 56A AVE	Surrey Association for Community Living	2,110
	17687 56A AVE	Surrey Association for Community Living	1,170
	17687 56A AVE	Surrey Association for Community Living	1,165
	17687 56A AVE	Surrey Association for Community Living	1,169
	17687 56A AVE	Surrey Association for Community Living	1234
	18919 62A AVE	Surrey Association for Community Living	2,914
	8590 160 ST	Surrey Chinese Baptist Church	6,713

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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	15421 110 AVE	Surrey Christian Alliance Church	3,793
	17400 60 AVE	Surrey Covenant Reformed Church	3,062
15	12484 82 AVE	Surrey Crime Prevention Society	4,439
	13912 104 AVE	Surrey Evangelical Chinese Bible Church	5,385
1	13478 78 AVE	Surrey Food Bank Foundation	16,272
2	13478 78 AVE	Surrey Food Bank Foundation	7,235
3	13478 78 AVE	Surrey Food Bank Foundation	7,235
4	13478 78 AVE	Surrey Food Bank Foundation	7,235
5	13478 78 AVE	Surrey Food Bank Foundation	7,235
6	13478 78 AVE	Surrey Food Bank Foundation	7,235
7	13478 78 AVE	Surrey Food Bank Foundation	7,159
	12371 96 AVE	Surrey Free Methodist Church	6,201
	14618 110 AVE	Surrey Grace Community Church	2,045
	14624 110 AVE	Surrey Grace Community Church	2,609
	15964 88 AVE	Surrey Korean Presbyterian Church	6,950
	16870 80 AVE	Surrey Pentecostal Assembly	26,453
	3140 MCBRIDE AVE	Surrey Sailing Club	576
	3140 MCBRIDE AVE	Surrey Sailing Club	3,231
	8520 132 ST	"Surrey Seventh-Day Adventist Church (BC Conference)"	10,306
	10776 KING GEORGE BLVD	Surrey Urban Mission Society	17,266
	13821 GROSVENOR RD	Surrey Vietnamese Alliance Church	1,321
	13815 GROSVENOR RD	Surrey Vietnamese Alliance Church	2,533
	9460 140 ST	The Centre for Child Development of the Lower Mainland	17,478
1001	13737 96 AVE	The Children's Foundation	4,470
1002	13737 96 AVE	The Children's Foundation	3,859
1003	13737 96 AVE	The Children's Foundation	3,859
1004	13737 96 AVE	The Children's Foundation	3,363
1005	13737 96 AVE	The Children's Foundation	5,566
1006	13737 96 AVE	The Children's Foundation	4,747
1007	13737 96 AVE	The Children's Foundation	3,935
1008	13737 96 AVE	The Children's Foundation	3,662
1009	13737 96 AVE	The Children's Foundation	3,404
	9630 131A ST	The Church in Surrey	3,700
	13639 108 AVE	The Evidence Church	4,538
208	7750 128 ST	The Muslim Youth Centre	2,117
209	7750 128 ST	The Muslim Youth Centre	2,140
	17215 104 AVE	The Nature Conservancy of Canada	2,980
	17055 106 AVE	The Nature Conservancy of Canada	3,296
	17055 106 AVE	The Nature Conservancy of Canada	6,169
	17122 106 AVE	The Nature Conservancy of Canada	3,769

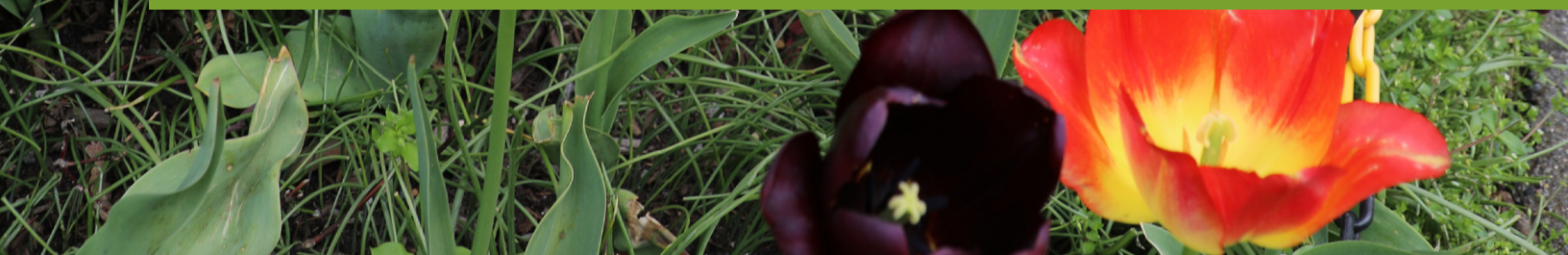
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UNIT	ADDRESS	ORGANIZATION	EXEMPT GENERAL TAX
	17174 106 AVE	The Nature Conservancy of Canada	3,769
	17179 106 AVE	The Nature Trust of British Columbia	493
	17179 106 AVE	The Nature Trust of British Columbia	12,207
	10660 CITY PKY	The Royal Canadian Theatre Company & Streetrich Hip Hop Society	19,293
	15306 24 AVE	The Semiahmoo Foundation	9,683
3	13550 77 AVE	The Semiahmoo Foundation	7,100
5	13550 77 AVE	The Semiahmoo Foundation	6,449
6	13550 77 AVE	The Semiahmoo Foundation	6,012
	2365 153A ST	The Semiahmoo House Society	2,596
	12698 25 AVE	The Semiahmoo House Society	3,158
	8425 196 ST	Tong Do Sa Buddhist Temple Chogyo Order Korea (Seu Kwang Sa Buddhist Temple Society)	2,060
	10704 CITY PKY	Transformation Christian Centre	15,546
	9568 168 ST	Tynehead Community Hall	8,520
	10446 157 ST	Tynehead Park Congregation of Jehovah's Witnesses	3,640
	13512 108 AVE	Ukrainian Orthodox Church of St. Mary (Church Hall)	3,235
	10765 135A ST	Ukrainian Orthodox Church of St. Mary (Church)	3,096
	13546 BENTLEY RD	Vancouver Chinese Zion Church	3,362
	13551 KING GEORGE BLVD	Vancouver Chinese Zion Church	1,060
	15582 96 AVE	Vancouver Christadelphian Ecclesia	3,714
	11565 142 ST	Vancouver Life Church	3,254
	14370 104 AVE	Vancouver New Life Church	1,962
	10370 143A ST	Vancouver New Life Church	2,074
	10381 144 ST	Vancouver New Life Church	1,056
	8321 140 ST	Vedic Hindu Cultural Society of BC	6,706
	6331 176 ST	Westwinds Community Church	7,896
	9650 137A ST	Whalley & District Senior Citizen Housing Society (Kinsmen Lodge)	33,670
	1657 140 ST	White Rock Baptist Church	4,146
SEPIP	RADIO EQUIP-BCH&P	White Rock City	1,789
	14615 16 AVE	White Rock Seventh Day Adventist Church	3,867
	16017 8 AVE	White Rock Seventh Day Adventist Church	2,938
30	3033 KING GEORGE BLVD	White Rock South Surrey Jewish Community Centre	478
	2590 OHARA LANE	Willard Kitchen Heritage House	5,780
	5939 180 ST	Zion Park Manor - Lutheran Senior Citizens Housing Society	4,057



Bear Creek Park, Whalley

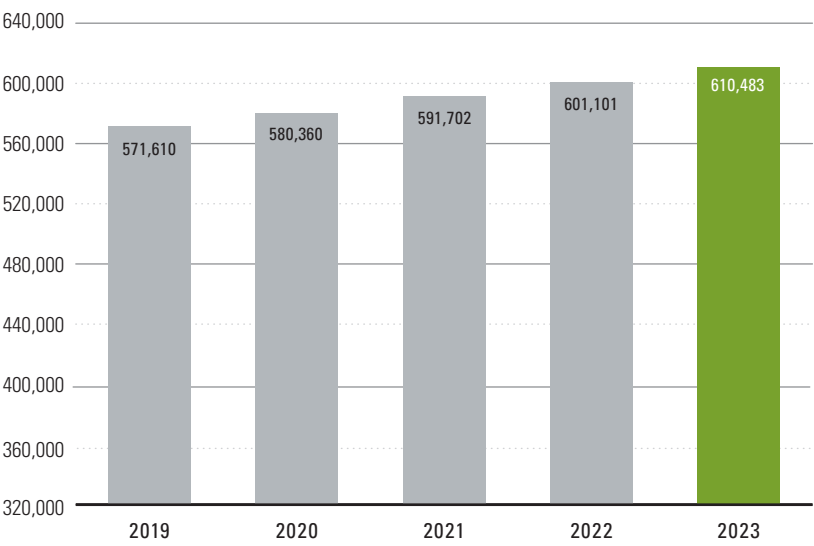


STATISTICAL REVIEW

STATISTICAL REVIEW

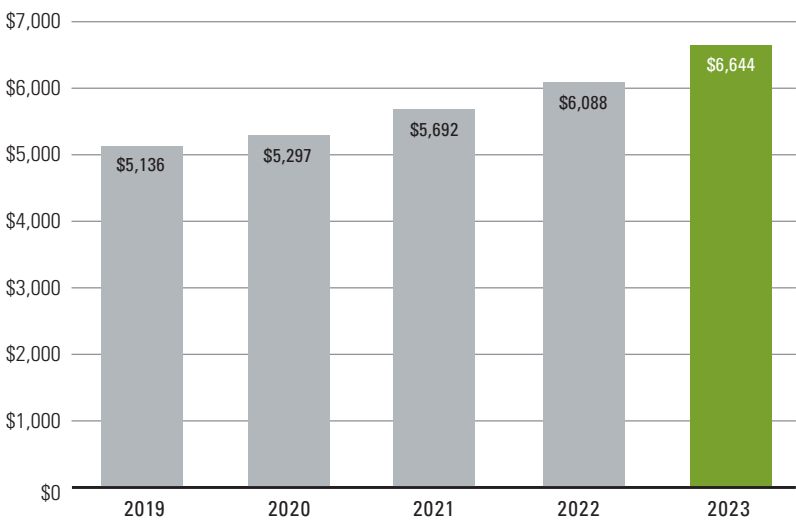
Population

Source: City of Surrey Planning & Development Department



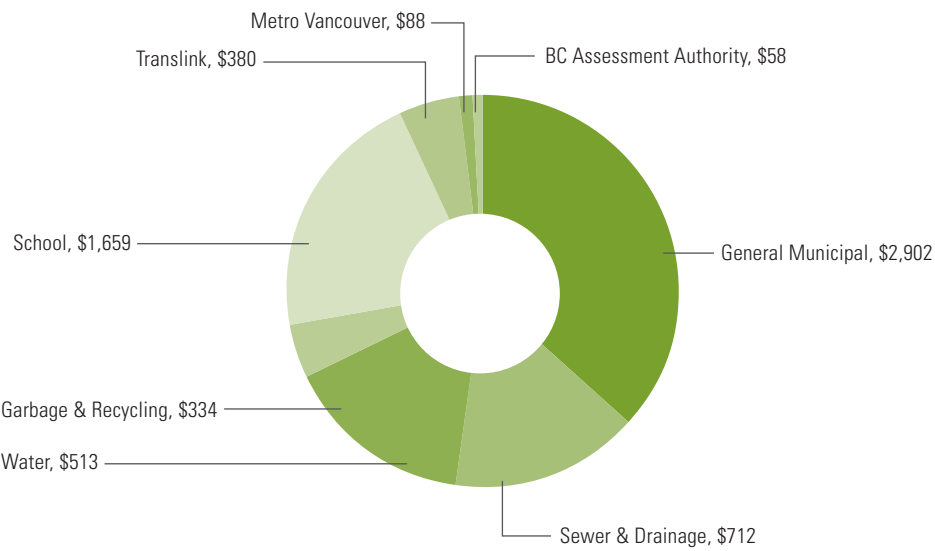
Average Residential Tax and Utilities Bill

Source: City of Surrey Finance Department



2023 Average Residential Tax and Utilities Bill*

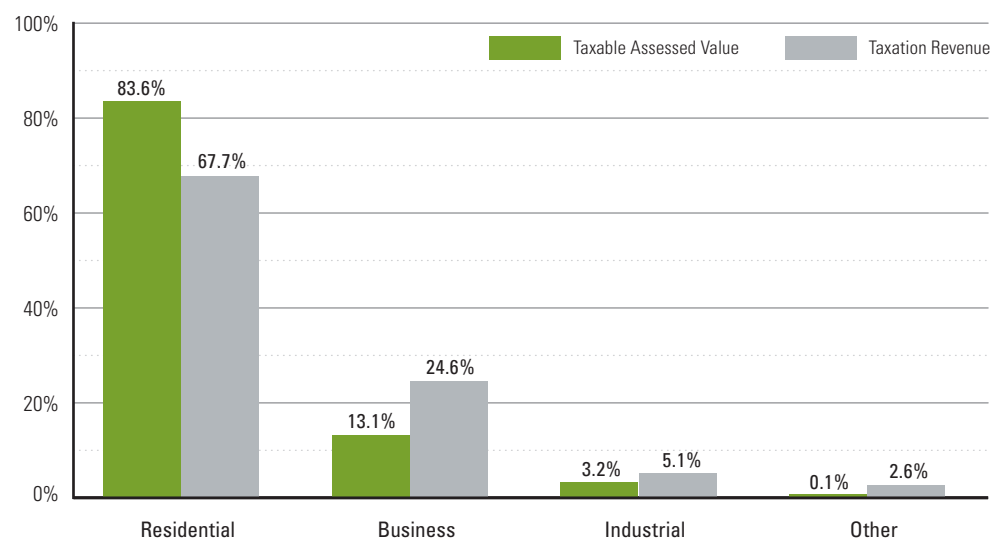
Source: City of Surrey Finance Department



*Based on an Average Residential Dwelling with Assessed Value of \$1,736,132.
Note: If Eligible for full Provincial Home Owner Grant, taxes are reduced by \$570 (\$845 if over 65 years of age or disabled)

2023 Taxable Assessment and Taxation by Property Class

Source: City of Surrey Finance Department



STATISTICAL REVIEW

Taxable Assessment and Property Tax Notice Statistics

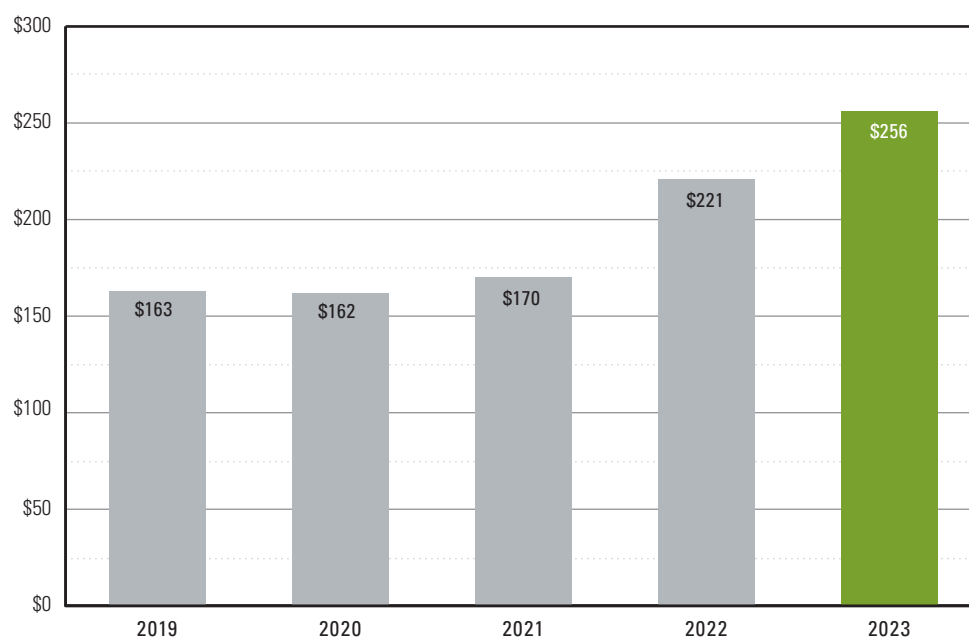
Source: City of Surrey Finance Department

	2019	2020	2021	2022	2023
Taxable Assessment (in thousands)	\$ 163,008,550	\$ 162,045,304	\$ 170,055,350	\$ 220,919,861	\$ 256,351,347
Total Number of Assessed Properties	160,831	163,360	165,514	168,761	170,863
Population	571,610	580,360	588,490	601,101	610,480
Taxable Assessment Per Capita	\$ 285,174	\$ 279,215	\$ 288,969	\$ 367,525	\$ 419,918
Percentage of Taxable Assessment Represented by:					
Residential	86.9%	84.9%	84.9%	84.9%	83.6%
Utilities	0.1%	0.1%	0.1%	0.1%	0.1%
Major Industrial	0.1%	0.1%	0.1%	0.1%	0.1%
Light Industrial	2.0%	2.3%	2.6%	2.7%	3.1%
Business / Other	10.8%	12.4%	12.2%	12.2%	13.1%
Non-Profit Recreation	0.1%	0.1%	0.1%	0.1%	0.1%
Farm	0.0%	0.0%	0.0%	0.0%	0.0%
	100.0%	100.0%	100.0%	100.0%	100.0%
Gross Taxes Collected (in thousands)*					
Current Year's Levy	\$ 807,429	\$ 801,021	\$ 933,856	\$ 1,010,287	\$ 1,140,154
Current Taxes Collected	791,112	795,153	917,965	988,771	1,111,990
Current Taxes Outstanding	\$ 16,317	\$ 5,868	\$ 15,891	\$ 21,516	\$ 28,164
Percentage of Taxes Collected	98.0%	99.3%	98.3%	97.9%	97.5%
Levy per Capita	\$ 1,413	\$ 1,380	\$ 1,587	\$ 1,681	\$ 1,868

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

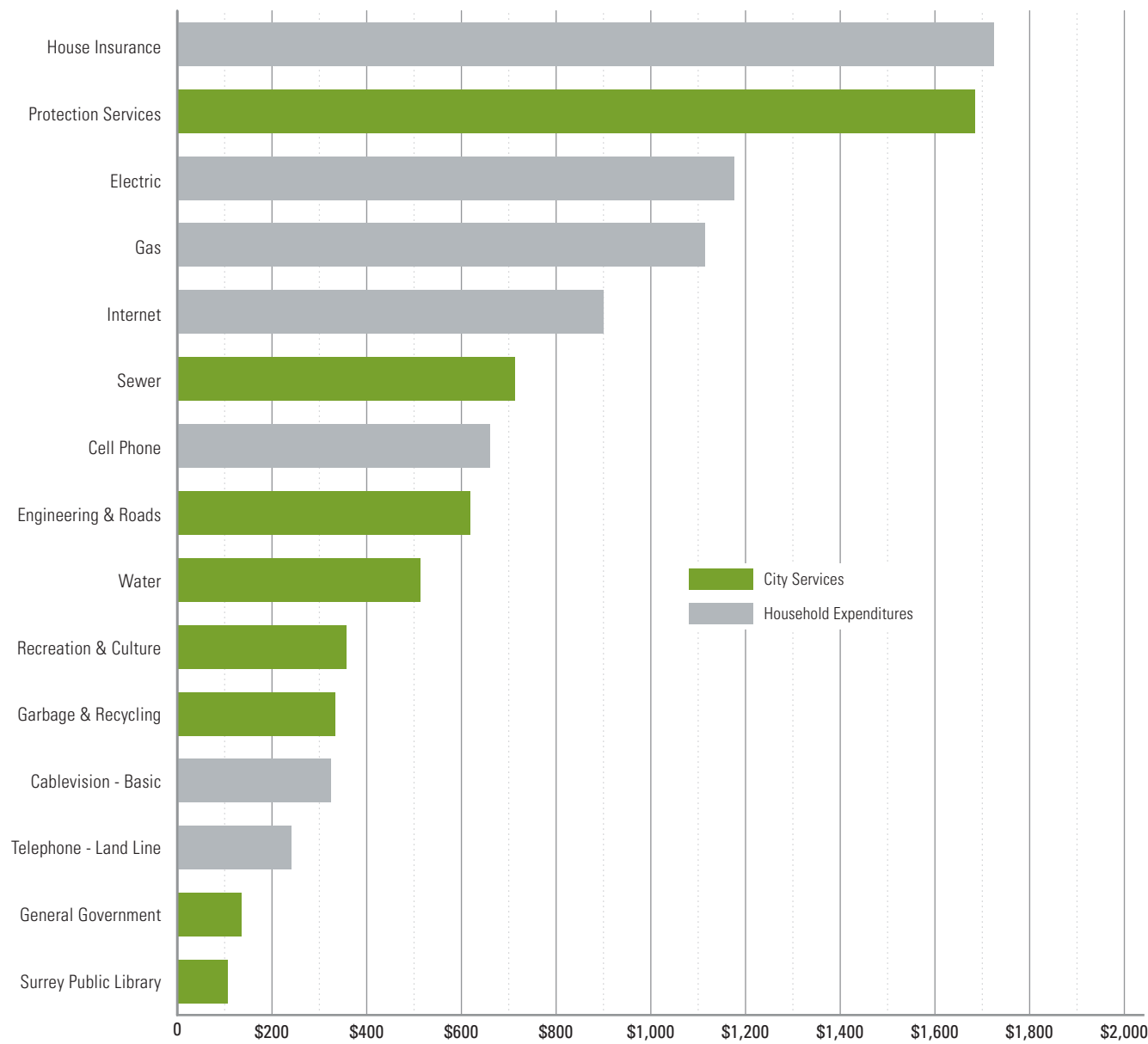
Assessment for Taxation (in billions)

Source: City of Surrey Finance Department



2023 Household Expenditures versus City Services

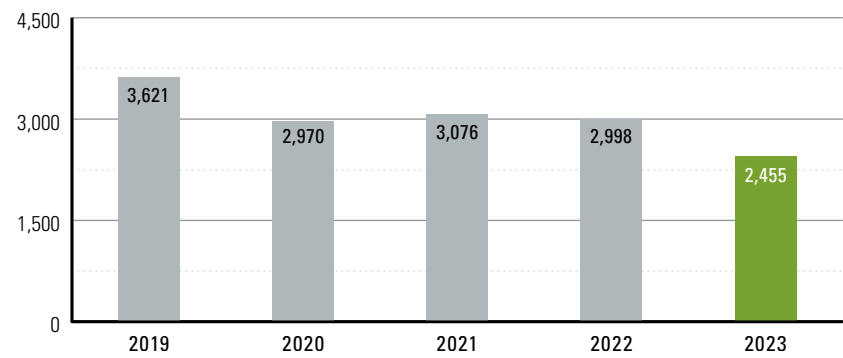
Source: City of Surrey Finance Department



STATISTICAL REVIEW

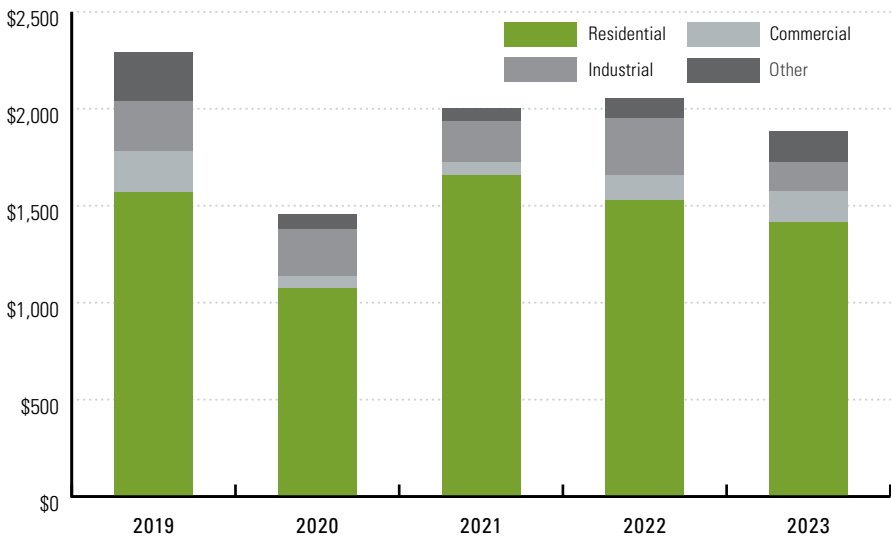
Number of Building Permits Issued

Source: City of Surrey Planning & Development Department



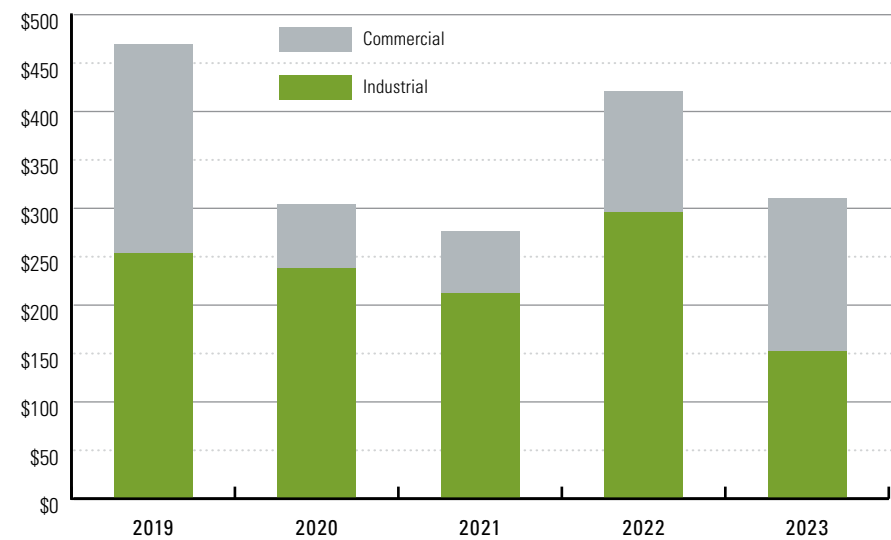
Construction Value of Building Permits Issued (in millions)

Source: City of Surrey Planning & Development Department



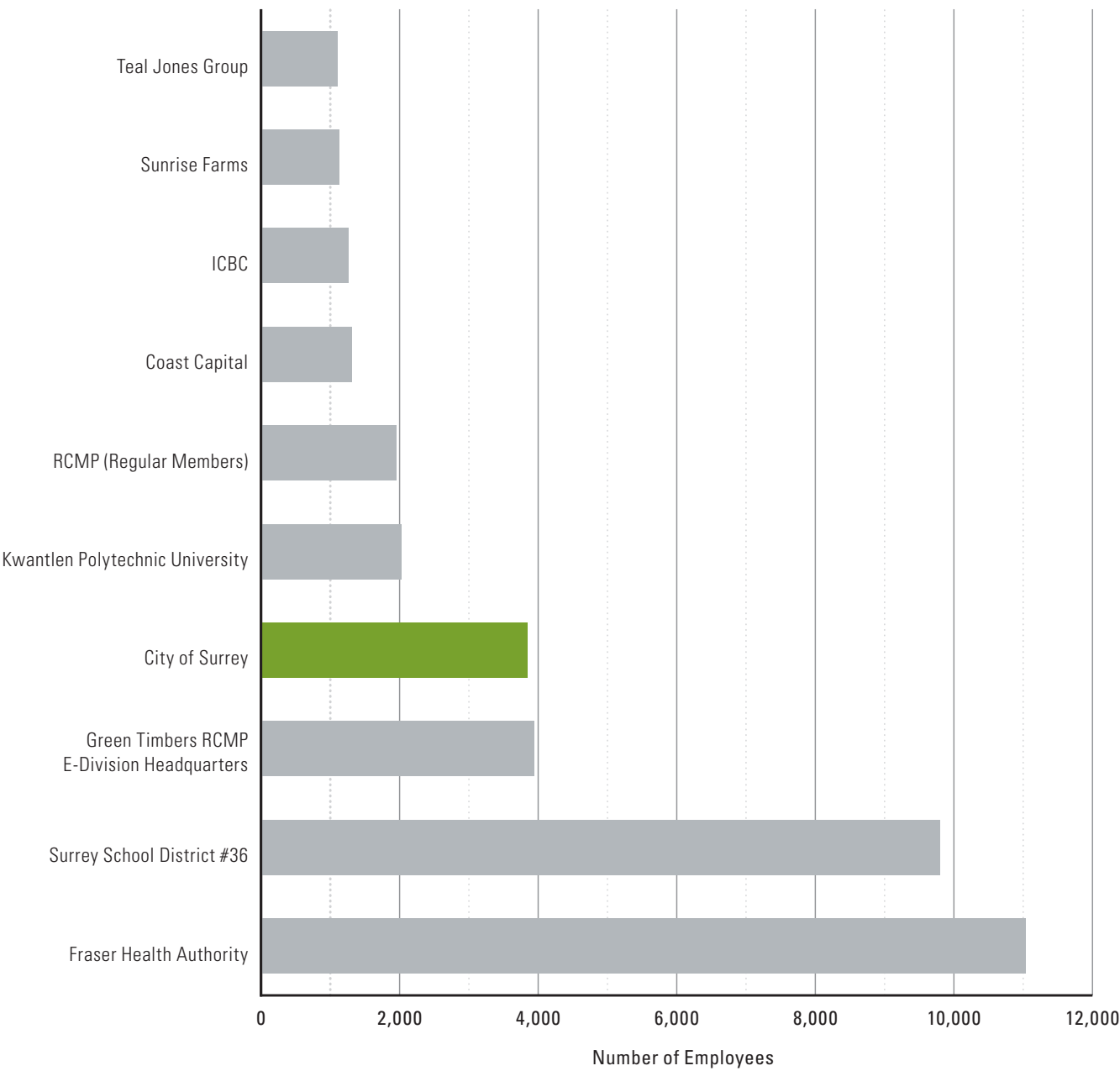
Commercial and Industrial Development Approved in Surrey (in millions)

Source: City of Surrey Planning & Development Department



Top 10 Employers in Surrey in 2022

Source: City of Surrey Economic Development Division

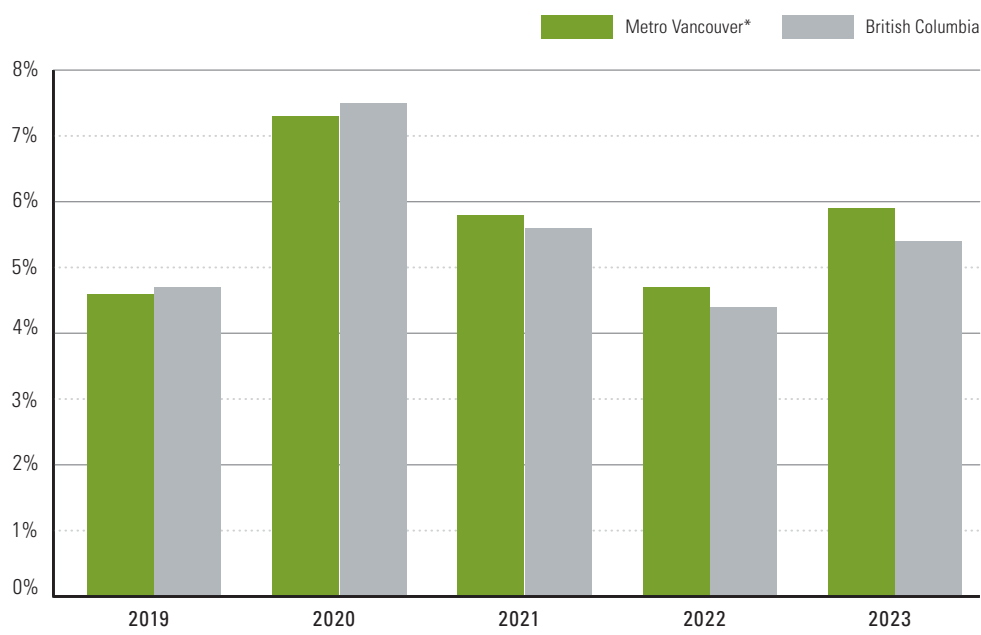


- 1. These numbers are self-reported by the listed organizations. Other companies may have ranked but did not respond to information requests by the deadline.
- 2. These numbers depict only the employees who are employed at the Surrey locations of the above organizations.
- 3. These numbers are updated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

STATISTICAL REVIEW

Unemployment Rates (as of December 2023)

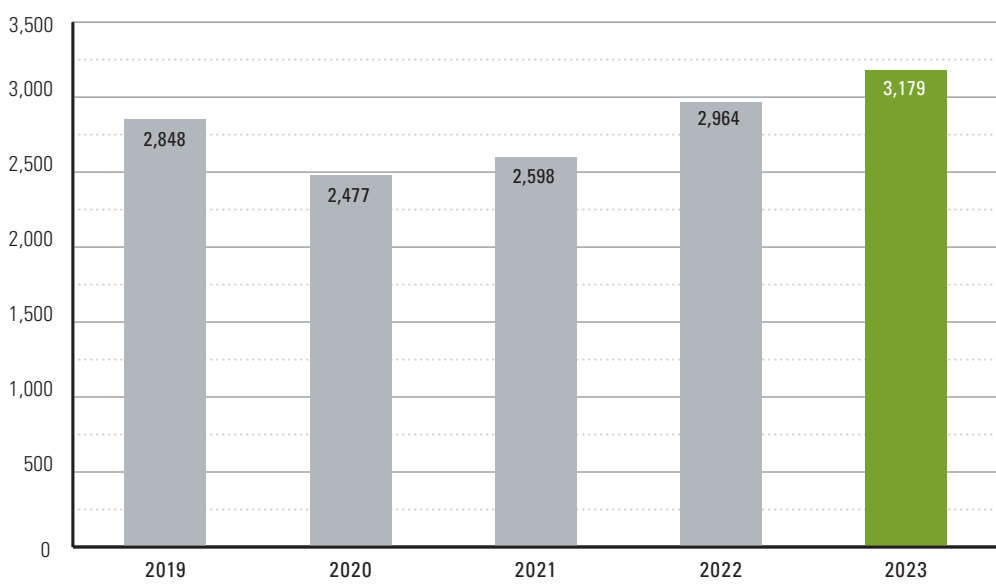
Source: Statistics Canada, Labour Force Survey



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

Full-Time Equivalent* Employees (as of December 31, 2023)

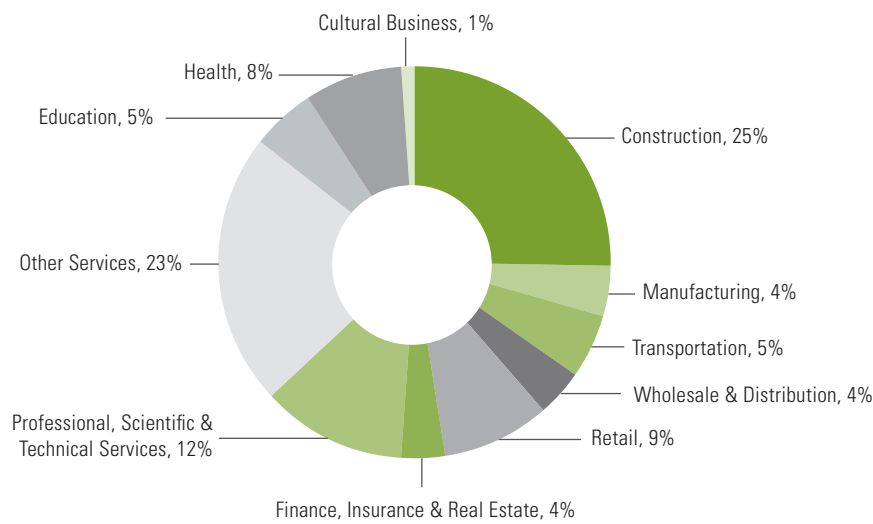
Source: City of Surrey Corporate Services Department



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

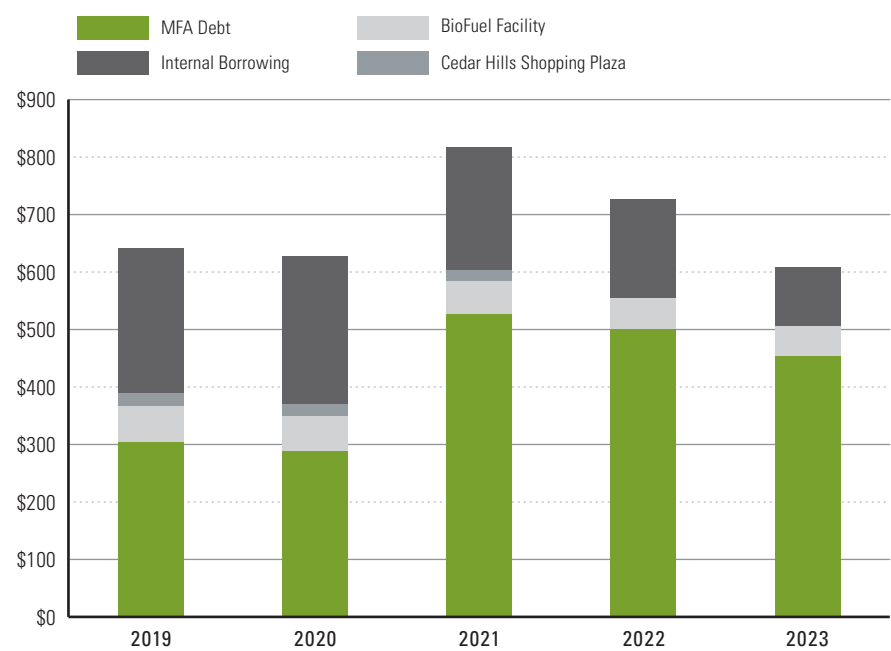
Surrey's Business Distribution by Sector

Source: City of Surrey Economic Development Division



Consolidated Debt per Capita

Source: City of Surrey Finance Department



STATISTICAL REVIEW

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

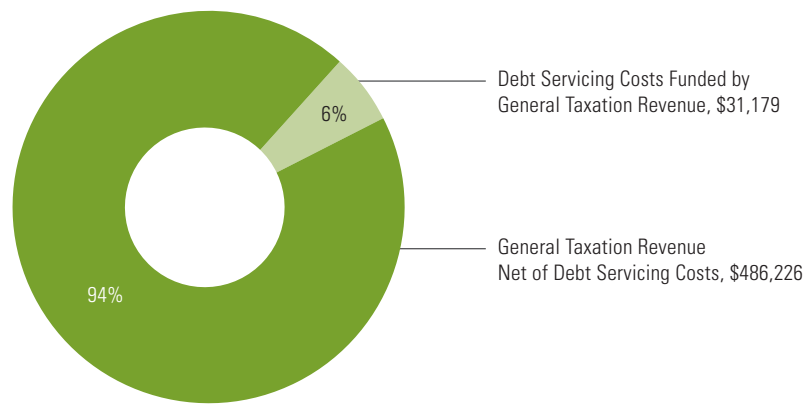
Source: City of Surrey Finance Department



Overlapping debt which represents the total debt of regional districts where the City of Surrey is a member and is jointly and severally liable, is not included. The City's overlapping debt (in millions of dollars) was \$2,949 in 2023 (2022: \$3,131).

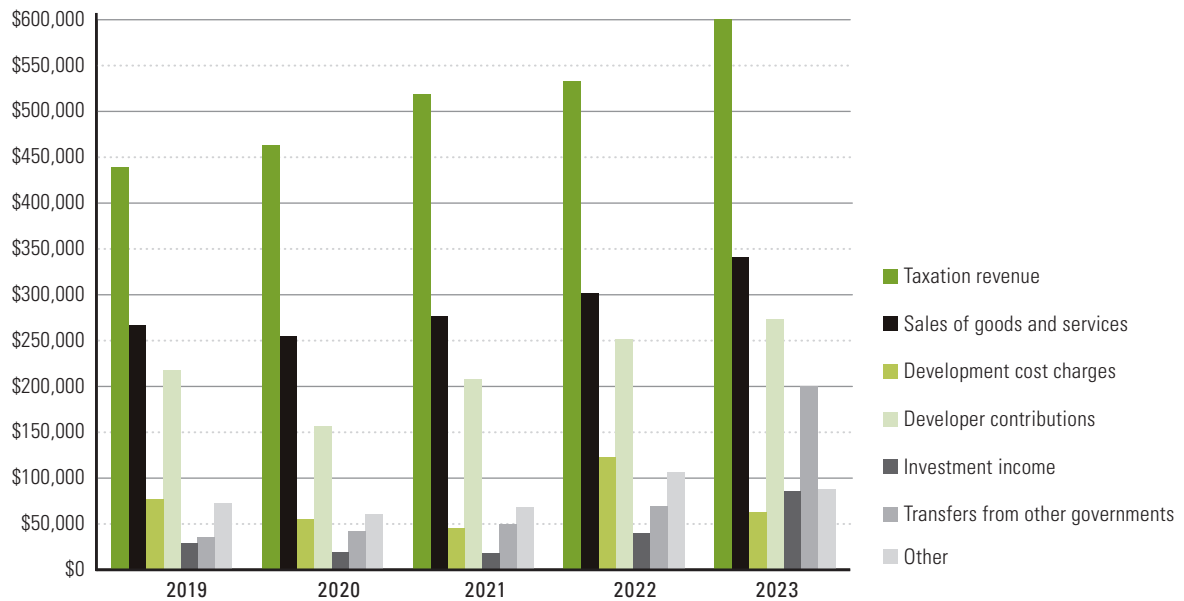
2023 Debt Servicing Costs Compared to General Taxation Revenue (in thousands)

Source: City of Surrey Finance Department



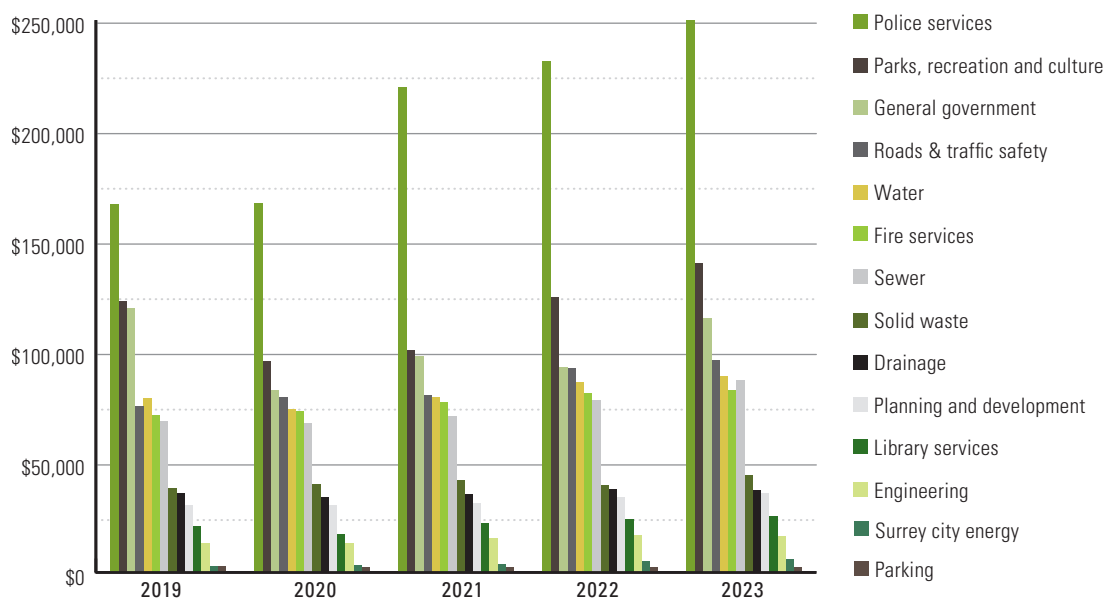
Revenue Trend by Source of Revenue (in thousands)

Source: City of Surrey Finance Department



Expenses Trend by Function (in thousands)

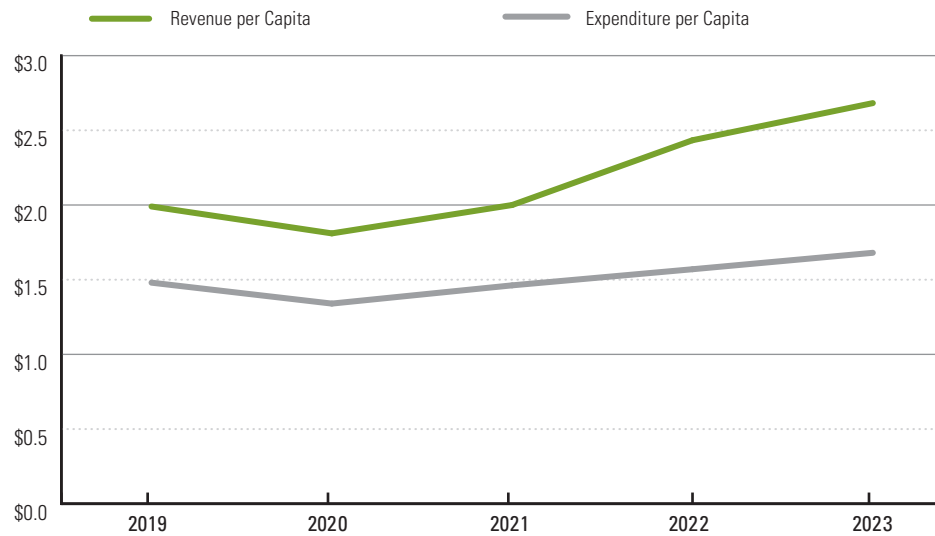
Source: City of Surrey Finance Department



STATISTICAL REVIEW

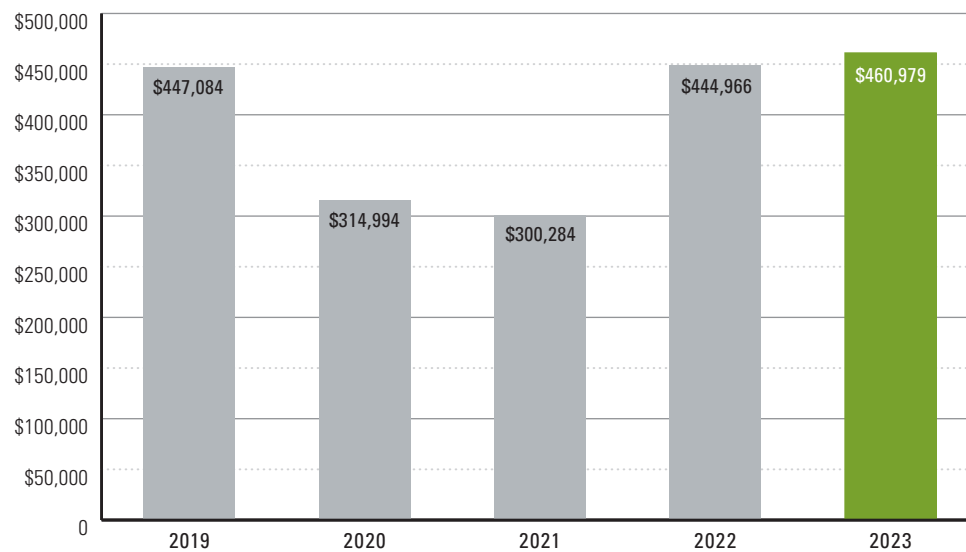
Revenue & Expenditure per Capita (in thousands)

Source: City of Surrey Finance Department



Net Tangible Capital Asset Acquisitions (in thousands)

Source: City of Surrey Finance Department



STATISTICAL REVIEW

Financial Statistics (in thousands)

Source: City of Surrey Finance Department

	2019	2020	2021	2022	2023
Contribution to/(from) capital from equity	\$ 557,278	\$ 391,452	\$ 406,740	\$ 670,134	\$ 570,291
Contribution to/(from) reserves	(267,158)	(118,966)	(101,224)	(184,927)	53,891
Transfer to/(from) appropriated surplus	-	-	-	-	-
Annual Surplus	\$ 289,520	\$ 272,486	\$ 305,516	\$ 485,207	\$ 624,182
Financial Assets	\$ 1,163,280	\$ 1,447,305	\$ 1,768,843	\$ 1,916,453	\$ 2,271,805
Liabilities (excluding Debt)	(902,746)	(1,101,386)	(1,133,876)	(1,130,181)	(1,201,002)
Debt	(221,777)	(214,230)	(356,970)	(333,471)	(308,515)
Net Financial Assets/(Debt)	\$ 38,757	\$ 131,689	\$ 277,997	\$ 452,801	\$ 762,288
Restricted Reserves/Appropriated Surplus	\$ 228,755	\$ 247,337	\$ 344,302	\$ 460,964	\$ 587,702
Internal Borrowing	(144,237)	(149,909)	(126,035)	(103,160)	(63,032)
Unappropriated Surplus/Committed Funds	166,991	240,162	276,220	319,689	454,282
Tangible Capital Assets (net of debt)	9,088,342	9,274,747	9,423,366	9,720,637	10,043,360
Accumulated Surplus	\$ 9,339,851	\$ 9,612,337	\$ 9,917,853	\$ 10,398,130	\$ 11,022,312

DEFINITIONS

Annual Surplus/(Deficit)

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

Net Financial Assets/(Net Debt)

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

Accumulated Surplus/(Deficit)

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

STATISTICAL REVIEW

Consolidated Revenues (in thousands)

Source: City of Surrey Finance Department

	2019	2020	2021	2022	2023
Taxation Revenue					
Property taxes	\$ 363,342	\$ 384,807	\$ 400,630	\$ 416,702	\$ 477,058
Drainage parcel taxes	56,426	57,815	91,189	93,965	96,557
Grants-in-lieu of taxes	18,539	19,500	25,632	21,751	26,113
Other	498	959	949	589	345
Collections for other authorities					
Province of BC - School taxes	262,525	220,026	295,169	334,776	387,798
Greater Vancouver Regional District	8,083	10,012	11,509	13,971	16,618
BC Assessment Authority	7,975	8,702	9,021	10,197	11,520
TransLink	50,333	56,236	60,400	68,902	77,413
Other	28,939	23,728	40,157	37,095	40,018
	796,660	781,785	934,656	997,948	1,133,440
Collections for other authorities	(357,855)	(318,704)	(416,256)	(464,941)	(533,366)
	\$ 438,805	\$ 463,081	\$ 518,400	\$ 533,006	\$ 600,073
Sale of Goods and Services					
Application fees	\$ 4,844	\$ 4,519	\$ 5,526	\$ 5,525	\$ 6,020
Recreation and culture	27,310	7,641	9,915	21,932	28,785
Utility rates and fees	181,123	187,242	201,150	207,343	231,624
Other	53,428	55,151	59,399	67,148	74,709
	\$ 266,705	\$ 254,553	\$ 275,990	\$ 301,948	\$ 341,138
Development Cost Charges					
	\$ 76,830	\$ 55,377	\$ 44,991	\$ 122,761	\$ 62,625
Developer Contributions					
	\$ 218,080	\$ 155,931	\$ 208,220	\$ 251,365	\$ 273,323
Investment Income					
	\$ 28,643	\$ 19,407	\$ 18,015	\$ 40,003	\$ 85,179
Transfers from Other Governments					
Provincial government and other	\$ 33,798	\$ 40,906	\$ 35,905	\$ 63,710	\$ 158,546
Federal government	1,669	2,262	13,934	12,478	41,558
	\$ 35,467	\$ 43,168	\$ 49,839	\$ 76,188	\$ 200,104
Other					
Licenses and permits	\$ 36,898	\$ 38,976	\$ 40,746	\$ 44,319	\$ 47,925
Leases and rentals	13,399	12,474	12,948	15,371	17,894
Penalties and interest on taxes	6,402	5,390	7,036	7,572	10,089
Miscellaneous	5,898	3,780	6,158	13,123	5,294
Gain on sale of assets	4,659	(686)	778	25,684	6,906
Gain on sales of development properties	4,780	178	-	-	-
	\$ 72,036	\$ 60,112	\$ 67,666	\$ 105,513	\$ 88,108
TOTAL REVENUES	\$ 1,136,566	\$ 1,051,629	\$ 1,183,121	\$ 1,430,784	\$ 1,650,550

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

STATISTICAL REVIEW

Consolidated Expenses (in thousands)

Source: City of Surrey Finance Department

	2019	2020	2021	2022	2023
By Function					
Police services	\$ 166,653	\$ 167,134	\$ 219,702	\$ 231,334	\$ 249,745
Parks, recreation and culture	122,626	95,424	100,743	124,741	140,080
General government	119,527	82,385	98,020	92,876	115,014
Roads and traffic safety	79,006	73,879	80,088	86,103	96,066
Water	75,329	79,191	79,186	92,642	88,886
Fire services	68,304	67,666	70,670	77,803	82,568
Sewer	71,229	72,826	77,091	81,243	87,065
Solid waste	38,308	40,084	41,719	39,247	43,940
Drainage	36,030	34,079	35,206	37,472	37,411
Planning and development	30,401	30,369	31,081	34,162	35,731
Library services	20,867	17,206	22,360	24,066	25,583
Engineering	13,073	13,362	15,623	16,715	16,140
Surrey City Energy	2,695	3,196	3,892	4,932	5,908
Parking	2,998	2,342	2,224	2,241	2,231
TOTAL EXPENSES	\$ 847,046	\$ 779,143	\$ 877,605	\$ 945,577	\$ 1,026,368

By Object					
Salaries and benefits	\$ 286,195	\$ 265,163	\$ 295,018	\$ 351,805	\$ 398,769
RCMP contracted services	133,335	129,999	169,623	134,780	138,030
Consulting and professional services	19,310	14,500	18,211	22,332	30,326
Telephone and communications	2,471	2,259	2,354	2,067	2,374
Regional district utility charges	96,475	102,676	109,496	125,139	123,737
Utilities	15,173	12,094	14,537	15,769	17,514
Garbage collection and disposal	23,795	26,668	27,379	26,707	30,833
Maintenance and small equipment	21,263	21,094	20,953	28,703	30,058
Insurance and claims	3,442	4,986	4,136	5,587	5,015
Leases and rentals	10,282	7,845	8,261	12,094	14,388
Supplies and materials	32,064	25,714	28,117	35,085	33,738
Advertising and media	2,079	2,609	3,660	2,941	3,082
Grants and sponsorships	3,048	2,594	11,034	10,173	12,903
Contract payments	26,375	21,481	21,043	25,520	34,568
Other	52,133	13,152	14,094	16,710	16,553
Cost recoveries, net	(26,149)	(21,334)	(23,392)	(25,496)	(27,779)
Interest on debt	10,436	10,376	9,309	11,353	11,083
Interest, fiscal services and other	1,303	913	1,065	1,659	3,932
	713,030	642,789	734,898	802,928	879,124
Amortization expense	134,016	136,354	142,707	142,649	147,244
TOTAL EXPENSES	\$ 847,046	\$ 779,143	\$ 877,605	\$ 945,577	\$ 1,026,368

STATISTICAL REVIEW

Reserves, Committed Funds and Surplus (in thousands)

Source: City of Surrey Finance Department

	2019	2020	2021	2022	2023
Reserve Funds <i>(before internal borrowing)</i>					
Capital legacy	\$ 47,847	\$ 48,981	\$ 49,317	\$ 49,539	\$ 50,121
Municipal land	53,947	63,463	69,894	112,928	108,115
Equipment and building replacement	25,714	29,067	37,959	39,336	37,391
Neighbourhood concept plans	28,003	31,227	41,618	53,534	67,829
Park land acquisition	17,408	4,651	13,600	6,217	10,067
Local improvement financing	17,417	17,803	18,104	18,372	18,648
Environmental stewardship	6,809	6,855	6,945	6,958	7,040
Parking space	2,651	3,089	3,746	9,410	9,398
Water claims	1,362	1,378	1,382	1,386	1,396
Affordable housing	591	1,058	2,100	3,715	7,101
Capital projects	-	1,108	30,412	65,176	79,088
BC Growing Communities Fund	-	-	-	-	64,879
	\$ 201,749	\$ 208,680	\$ 275,077	\$ 366,571	\$ 461,073
Internal Borrowing	\$ (144,237)	\$ (149,909)	\$ (126,035)	\$ (103,160)	\$ (63,032)
Appropriated Surplus <i>(before allocations)</i>					
Infrastructure replacement	\$ (14,546)	\$ (3,687)	\$ 19,616	\$ 43,475	\$ 58,571
Revenue stabilization	13,490	13,490	13,490	13,490	22,390
Self insurance	13,253	12,825	12,328	12,193	13,540
Operating contingency and emergencies	8,276	8,607	8,610	8,610	14,510
Environmental emergencies	7,082	7,082	7,210	7,244	7,277
Prepaid expenses	4,577	5,352	6,776	7,464	8,513
Inventories of supplies	874	988	1,195	1,917	1,828
Committed funds	160,093	249,660	288,311	300,945	436,298
	\$ 193,099	\$ 294,317	\$ 357,536	\$ 395,338	\$ 562,927

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

STATISTICAL REVIEW

Reserves, Committed Funds and Surplus (in thousands)

Source: City of Surrey Finance Department

	2019	2020	2021	2022	2023
Other Entities:					
Surrey City Development Corporation	\$ (4,841)	\$ (19,213)	\$ (15,252)	\$ 10,153	\$ 9,551
Surrey Homelessness and Housing Society	5,748	3,710	3,161	8,591	8,433
Innovation Boulevard	(9)	5	-	-	-
	\$ 898	\$ (15,498)	\$ (12,091)	\$ 18,744	\$ 17,984
Tangible Capital Assets	\$ 9,295,668	\$ 9,474,308	\$ 9,631,885	\$ 9,935,948	\$ 10,249,683
Debt funded assets	(207,326)	(199,561)	(208,519)	(215,311)	(206,323)
Total Equity in Tangible Capital Assets	\$ 9,088,342	\$ 9,274,747	\$ 9,423,366	\$ 9,720,637	\$ 10,043,360
	\$ 9,339,851	\$ 9,612,337	\$ 9,917,853	\$ 10,398,130	\$ 11,022,312

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