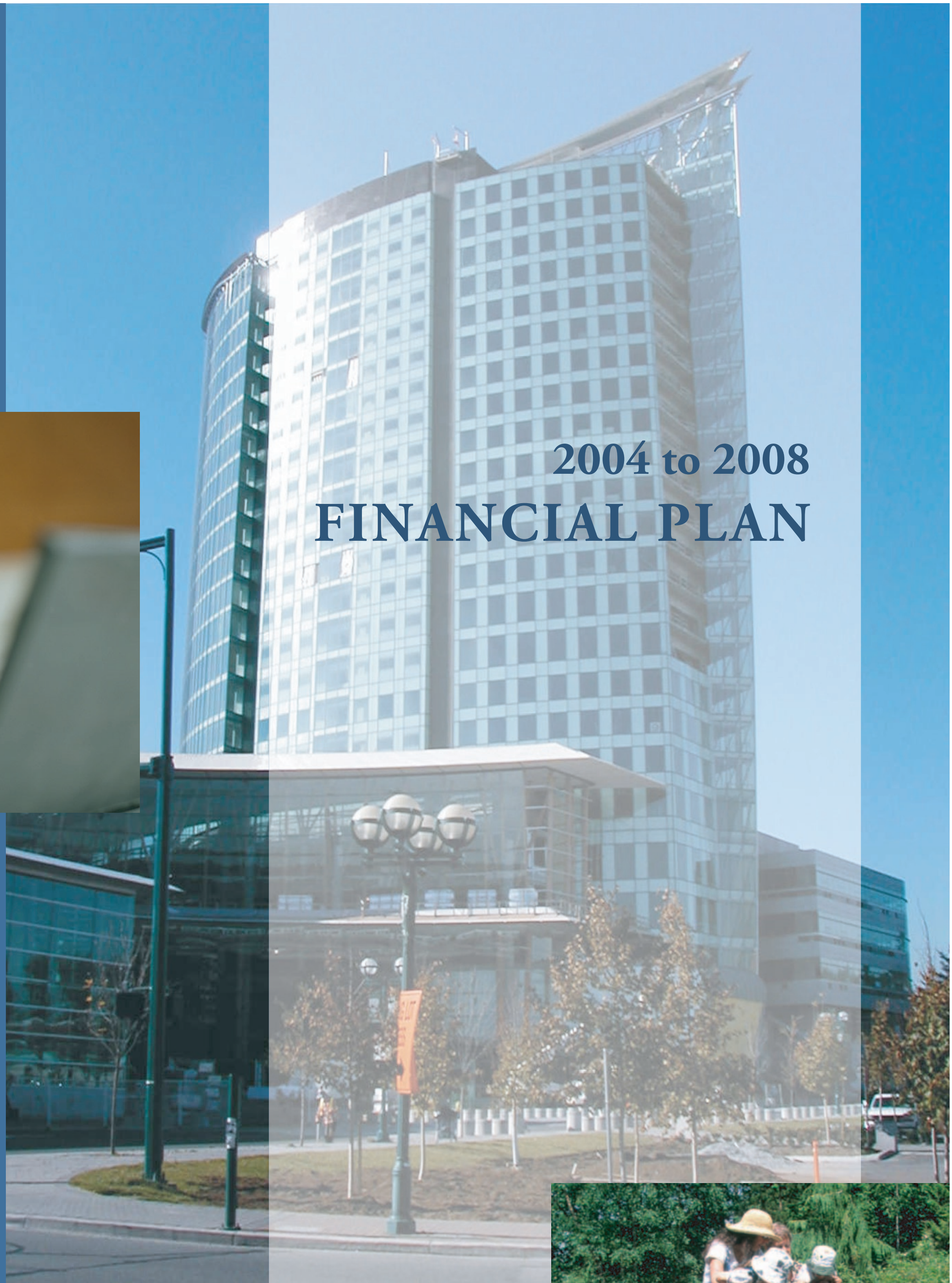
SURREY
CITY OF PARKS



2004 to 2008
FINANCIAL PLAN

"A vibrant, international, green city".

City of Surrey
British Columbia, Canada

SURREY

CITY OF PARKS

Working Together to Create a Great City With a Heart

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Surrey

British Columbia

For the Biennium Beginning

January 1, 2002

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Surrey, British Columbia, for its biennial budget for the biennium beginning January 1, 2002.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of two years only. We believe our current budget continues to conform to program requirements.

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READER'S GUIDE

This Reader's Guide is intended to provide the reader with a basic understanding of the 2004 - 2008 Financial Plan and briefly describe the content and layout of each of the major sections of the document.

This Financial Plan provides detailed funding requirements over the next five years and also serves as:

- A Policy Document, that outlines the financial policies that guide the development of the Plan as well as articulate financial priorities and issues;
- An Operations Guide, that helps staff manage day-to-day operations by providing financial and policy information and by identifying financial and staffing resources available to provide services, and
- A Communication Device, that gives all readers a comprehensive look at the services provided by the City and the costs related to those services.

We have made several improvements over the last several years, which have made this document more meaningful and easier to understand. Some of these improvements include:

- Summarized corporate overview of all operating and capital budgets, providing a snapshot of the City's financial position. This overview closely aligns with the City's Financial Statements and complies with Public Sector Accounting Board (PSAB) requirements;
- Separation of the Surplus/Deficit figures from the total revenues and total expenditures to show more clearly the source of funds used to balance the budget;
- Closer alignment of Departmental Initiatives with Corporate Goals and Objectives using measurable indicators and statistics;
- Section explaining existing Corporate Policies as well as those the City plans to initiate in the upcoming year;
- Detailed summary of our outstanding debt;
- Schedule of Position counts throughout the organization on a departmental basis;
- Brief highlight of the Capital projects approved for the current year, and
- Corporate reconciliation to show the high level changes between one year's Financial Plan and the next.

The above improvements helped the City earn the Annual Distinguished Budget Presentation Award, bestowed by the Government Finance Officers of America, for four consecutive years (1996-1999). In 2002 the City was awarded our first Biennium Distinguished Budget Presentation Award with a document that included:

- Five-Year Financial Plans at a the departmental level;
- Stronger links between Departmental Plans and Corporate Plans, and
- Schedule of Appropriated Surplus Funds.

This year we added a schedule of changes for Staff Compliment and improved the layout and readability of our plan, while continuing to refine and enhance the corporate and departmental goals. We will again be submitting our Financial Plan, for an award under the Multi-Year Budgeting Category of the Distinguished Budget Presentation Awards Program.

The document has been separated into eight major sections. Explanations of each of these sections are outlined as follows:

EXECUTIVE OVERVIEW

This section is intended to provide the reader with a brief understanding of the City of Surrey and its financial planning process. It includes the following:

- Reader's Guide;
- City Manager's Message;
- Approved Supplemental Funding Requests, and
- Financial Planning Process.

COMMUNITY PROFILE

This section is intended to provide the reader with a brief understanding of the City of Surrey and it history, as well as some of the services that are available. It includes the following:

- History of Surrey;
- Population & Growth Statistics;
- Business Development Services and Areas;
- Taxation & Assessment Details;
- Educational Services, and
- Health and Safety Services.

ORGANIZATIONAL PROFILE

This section is intended to provide the reader with a brief understanding of the organizational structure of the City of Surrey and its policies. It includes the following:

- Government and Administration;
- City Plans, Planning Policies and Models, and
- City Organizational Structure.

FINANCIAL OVERVIEW

This section is intended to provide the reader with a brief understanding of economic conditions on the City of Surrey and the consolidated financial structure. It includes the following:

- Economic Overview;
- Major Revenue Sources of the City, and
- Consolidated Financial Summary.

GENERAL OPERATING FUND

This section deals specifically with the General Operating Fund financial planning issues and includes the following:

- Executive Summary, and
- Departmental Operations.

In an effort to put less focus on the numerical aspect of the document we have not included line item details of each program within the department. This information is provided separately to each department in their own preferred format. For the purposed of this document, each departmental budget includes a list of their programs and a line item summary condensed to nine major account groupings, which are outlined below:

Revenues:

- Sales and Services, and
- Grants, Donations and Other.

Expenditures:

- Salaries and Benefits;
- Operating Costs;
- Internal Services Used (use of another department's resources);
- Internal Services Recovered (providing services to another department), and
- External Recoveries.

Net Internal Transfers:

- Transfers to and/or from other Funds, Reserves or Surplus.

WATER UTILITY FUND

This section deals specifically with the Water Operations Utility Fund financial planning issues and includes the following:

- Fund Overview;
- Executive Summary, and
- Departmental Operations.

SEWER AND DRAINAGE UTILITY FUND

This section deals specifically with the Sewer and Drainage Operations Utility Fund financial planning issues and includes the following:

- Fund Overview;
- Executive Summary, and
- Departmental Operations.

CAPITAL PROGRAMS

This section deals with all capital aspects including the following:

- Contribution and Expenditure Overview;
- Debt Summary;
- Capital Planning Process;
- 2004 Ranked Capital Projects, and
- Long Term Capital Plan.

December 5, 2003

To the Mayor and Council,
City of Surrey

I am pleased to submit the 2004 - 2008 Financial Plan for the City of Surrey.

The Local Government Act requires that Council adopt a Five-Year Financial Plan each year prior to the adoption of the annual property tax by-law. This 2004 objective was achieved on November 24th, 2003.

This document provides the supporting details to the 2004 - 2008 Financial Plan By-laws, which received final adoption on December 1st, 2003.

The goal of the Five-Year Financial Plan is to more closely align all of the City's major plans such as the Official Community Plan, Transportation Plan, Parks, Recreation & Culture Master Plan and the Library Master Plan. Together these Plans will outline and support the strategies required to ensure that the City's immediate and future needs are adequately met.

1.0 OVERVIEW

Included in the Financial Overview is a Five-Year Consolidated Financial Plan, which incorporates a forecast of all revenues and expenditures required to meet the City's operating and capital obligations over the next five years.

The remaining parts of the document include more detailed information for the upcoming years. The detail supports the consolidated figures and also provides departments with their expenditure authority. It is important to note that estimates and projections have been used for the years 2005 through 2008. These projections will be updated annually prior to Council's review and approval of the Financial Plan for that year.

2.0 FINANCIAL PLANNING PROCESS

The planning process begins with a review of the 2003 - 2007 Financial Plan. The plan is reviewed and known changes are identified. A 'status-quo' budget was prepared based on the assumptions used in the adopted 2003-2007 Financial Plan with most of the preliminary budget figures prepared by Finance staff and distributed to departments by the end of August. This reduced the amount of time required by each department to finalize their Plans and return them to Finance for consolidation.

On November 4th 2003, staff presented the 2004 - 2008 Financial Plan to the Finance Committee of Council. The time and place for the meeting was advertised in local newspapers and on Surrey's web site well in advance. Members of the public were invited to submit written comments to the Chair of the Finance Committee. They were also given an opportunity to present their views, in person, during the meeting.

The Finance Committee reviewed the options and requirements presented by staff and also considered the input received from the public consultation process. The Finance Committee then recommended that Council adopt the 2004 - 2008 Financial Plan. Council adopted these recommendations at their regular meeting held November 24th, 2003. The required by-laws were also introduced at that time. Final reading for the by-laws was given on December 1st, 2003.

3.0 FIVE - YEAR GENERAL OPERATING FINANCIAL PLAN

Council has directed that the 2004 Financial Plan include the following:

- 2.9% tax increase and 2.0% fee increase for 2004;
- Contract increases (Gas, insurance, third party contracts, etc.);
- Benefit costs, salary and step increases;
- Loss of Provincial funding for keep of prisoners and the serving of court documents;
- Full year impact of the 20 RCMP members and the 8 Firefighters added during 2003;
- Full year impact of prior year's approved funding requests, and
- Citywide inventory increases.

In order to begin addressing some of the demands that have been building for several years, Council further directed that we provide for the following:

- Additional RCMP officers (20 in each year for 2004 - 2006, 15 in 2006 & 2007);
- Other RCMP needs such as the auxiliary program, overtime and city support staff;
- Additional firefighters (8 per year for 2004 & 2005);
- New Parks, Recreation & Culture programs such as the Annual Children's Festival and Whalley Revitalization Strategy;
- Continued restoration of citywide inventory/maintenance/rehabilitation @ $500K per yr;
- Begin restoration of operating contribution to capital to $12.7M by 2008, and
- Operating impact for new capital buildings such as the Museum & Archives, South Surrey Multi-Purpose Facility and a Fleetwood Multi-Purpose/Policing Facility ($1.1M between 2005 & 2006).

In order to pay for the above needs, Council has directed the following:

- Property tax growth at 2.9% per year;
- Increased residential, commercial & industrial growth;
- Utility fee increases for Water, Sewer & Drainage;
- New revenues such as false alarm billing and shared municipal services,
- Fee increases at 2.0% per year, and
- Ongoing departmental expenditure savings to be identified ($0.6M in 2004 & $0.2M in following years).

4.0 GENERAL CAPITAL FINANCIAL PLAN

The Operating Contribution to the Capital Program has remained at the 2003 level of $5.2 Million. Council therefore, has taken the following action to increase the funding available for 2004 capital projects:

- "Planned" sales of excess City lands;
- Allocation of 2003 Capital savings of $0.5 Million;
- Allocation of "one-time" past savings from General Operating of $10.5 Million, and
- Allocation of interest income from the Legacy Statutory Reserve Funds.

Surrey has ongoing base capital requirements totalling $10.8 Million per year. Once these requirements have been satisfied the remaining $11.4 Million becomes available for new projects. In 2004, the City will complete the new Museum and Archives Facility and also see the start of a South Surrey Multi-Purpose Facility and a joint use Multi-Purpose/Community Policing Facility in Fraser Heights. In addition, the Parks will begin to develop the Port Mann park site as well as park sites in Guildford and Fraser Heights. Further details of upcoming capital projects can be found in the Capital section of this document.

5.0 WATER UTILITY FINANCIAL PLAN

The Water Utility is a dedicated self-sustaining Fund. Any projected funding requirements are offset by a corresponding increase in the user fees. Over the last several years, the City has been moving towards a 'User-Pay' approach for water usage. We will be continuing to enhance our fee structure in the next three years to eliminate the 'flat-rate' system.

Funding Requirements:

- Greater Vancouver Regional District's projected increases;
- Continuation of our 10 year Residential Metering Program;
- Contractual labour and energy cost increases;
- Streamlining of the fee structure, and
- Pre-servicing of industrial lands.

These requirements will be met by an average fee increase of 7.5% over the next 5 years. The average single-family dwelling will pay $236.00 ($220.00 in 2003) for water usage in 2004.

6.0 SEWER/DRAINAGE UTILITY FINANCIAL PLAN

The Sewer/Drainage Utility is a dedicated self-sustaining Fund. Any projected funding requirements are offset by a corresponding increase in the user fees. Over the last several years, the City has been moving towards a 'User-Pay' approach for sewer and drainage usage. We will be continuing to enhance our fee structure in the next three years to eliminate the 'flat-rate' system.

Funding Requirements:

- Greater Vancouver Sewer & Drainage District's projected increases;
- Lowland drainage flood control program;
- Contractual labour and energy cost increases;
- Streamlining of the fee structure, and
- Pre-servicing of industrial lands.

These requirements will be met by an average fee increase of 7.5% over the next 5 years. The average single-family dwelling will pay $232.00 ($207.00 in 2003) for Sewer/Drainage usage in 2003. Each property will also pay a $150.00 ($145.00 in 2003) Drainage Parcel Tax.

7.0 MEETING THE CHALLENGES OF TOMORROW

The 2004 Financial Plan does not totally address many challenges related to transportation, public safety, and maintenance/operation requirements for increasing municipal infrastructure.

To this end, Staff will explore alternative revenue sources and cost effective service delivery methods to maintain the high quality of services in Surrey, while keeping property tax levels consistent with Council direction.

One of the strategies in General Operating lies with Council's thrust of industrial/commercial development. Other strategies over the next five years include the pursuit of the City's share of revenue from the 4% Fire Insurance Premium Tax, and a continued shift towards 'user-pay'.

It should be noted that some of these strategies are under the direct control and decision-making authority of Council, while others are dependent upon Federal/Provincial governmental decisions. The extent of successful implementation of the above strategies may also assist in dealing with funding needs currently not included in the 2004 - 2008 Financial Plan.

8.0 CONCLUSION

The 2004 - 2008 Financial Plan presented in this document meets Council's direction. Property taxes in the City of Surrey remain one of the lowest in the Lower Mainland.

The Financial Plan also continues to meet the essential needs of all of the City Services while maintaining sound financial health. However, critical consideration must be given to generating additional revenues in order for the Corporation to deal with funding needs currently not included in the Financial Plan. We will endeavour to address these issues as part of the annual budget process of future years.

I wish to thank all the staff for their dedication, efforts and delivery of quality services to Surrey citizens and businesses, while meeting Council's financial direction. I also thank staff that contributed directly to the preparation of the 2004 - 2008 Financial Plan.

Respectfully,

Umendra Mital

Umendra Mital, P. Eng.
City Manager

SUPPLEMENTAL FUNDING REQUESTS

Departments were requested to identify any critical needs over and above their "status-quo" requirements. They were also asked to re-evaluate requirements that had been submitted during the previous year's planning cycle. Requirements for 2004 that had previously been approved in the 2003 - 2007 Financial Plan have been incorporated into the Departmental Financial Plans as follows:

RCMP	Annualization of twenty Members added July/03	$1,300,000
RCMP	Twenty additional Members beginning July/04	1,300,000
Fire Department	Annualization of eight Firefighters added Mar/03	90,000
Fire Department	Eight additional Firefighters beginning July/04	280,000
South Surrey Library	Full year operating costs	865,000
		$3,835,000

New issues identified during the 2004 planning process and approved by Council include:

RCMP	Additional City Staff	$ 150,000
RCMP	Additional funding for Auxiliary Policing	50,000
RCMP	Increase in overtime allowance	100,000
Parks, Recreation & Culture	Annual Children's Festival	50,000
Parks, Recreation & Culture	Whalley Revitalization Strategy	100,000
		$ 450,000

In addition to the increases approved in 2004, the 2004 – 2008 Financial Plan also includes increases for the following issues:

Fire Department	Eight additional Firefighters in 2005	$ 600,000
RCMP	Twenty additional Members per year (05 & 06)	2,070,000
RCMP	Fifteen additional Members per year (07 & 08)	1,620,000
Parks, Recreation & Culture	Museum & Archives operating costs	150,000
Parks, Recreation & Culture	South Surrey Multi-Purpose operating costs	500,000
Parks, Recreation & Culture	Fraser Heights Multi-Purpose operating costs	400,000

Financial planning allows departments the opportunity to examine issues and reassess their objectives and re-direct resources to accomplish their goals. Even though the Financial Plan may be presented to the Finance Committee at the end of a year or early in the new-year and adopted by Council as required under the Local Government Act on or before May 15th, the planning process actually begins many months before Finance Committee deliberations.

FINANCIAL PLAN TIMELINES

The objective for this cycle is to have the 2004 – 2008 Financial Plan adopted before December 31, 2003.

The following timetable illustrates the process for the 2004 – 2008 Financial Plan:

July

- Identification and review the impact of the prior year financial plan on the current year, and
- Publication of guidelines for the preparation of departmental submissions.

September

- Preparation of Departmental Financial Plans;
- Submission of Departmental Operating and Capital Issue Papers, and
- Preliminary ranking of Capital Projects.

October

- Preparation of Preliminary Financial Plan, and
- Preparation of Long Term Capital Plan.

November

- Preliminary plan presented to Council for further direction;
- Public comments received;
- Preliminary Financial Plan received by Council (November 4th);
- Preliminary Capital Ranking received by Council (November 4th);
- Preparation of Adopted Financial Plan and By-laws, and
- Preparation of Adopted Financial Plan and By-laws.

December

- 2004 – 2008 Financial Plan adopted by Council (December 1st).

May 2004

Deadline for approval of Annual Financial Plan, is May 15, 2004 (including the Long Term Capital Plan, as set out by the Local Government Act, RS Chapter 323, Section 327).

AMENDMENTS TO THE FINANCIAL PLAN AFTER FINAL ADOPTION

In certain instances, Financial Plan appropriations may be amended after Council has adopted the Plan. Any changes made after the Financial Plan By-law has been adopted require a Financial Plan Revision By-law. Changes are tracked throughout the year and temporarily funded through contingencies. At the end of the year, Council adopts a revised Financial Plan By-law to incorporate these changes.

BASIS OF FINANCIAL PLANNING

The Financial Plans included in this document have been prepared using the modified accrual basis.

The City has undertaken a process to directly align the basis of financial planning with the basis of accounting. The following are highlights of this process:

- Expenditures include all transfers to other funds and authorities;
- Public Sector Accounting Board (PSAB) standards followed for financial statement presentation;
- The operating component of the Financial Plan includes only the operating impact of capital expenditures. All other capital spending is a separate component of the Financial Plan. The Consolidated Financial Plan includes all components and represents all revenues and expenditures that the City intends to make for the period, and

- Appropriated Surplus monies potentially available for appropriation by individual departments are included in that Department's Financial Plan. Those Appropriated Surplus funds not retained by individual departments are recorded separately.

FINANCIAL PLANNING PRINCIPLES

This Financial Plan has been prepared using the same Planning Principles developed in 1996.

The rationale for incorporating a set of principles into a decision making process of public office is twofold. First, from the perspective of decision makers, principles provide structure and commonality in situations where the interests and objectives of affected parties differ. Second, from the perspective of the public, explicit reference to principles makes the political decision process more comprehensible, which in turn fosters a greater degree of public confidence.

The City has developed a set of principles to guide the financial planning processes and the preparation of operating and capital plans. Individually, each principle represents an objective, which is agreed to have positive consequences for the City over the longer term. Collectively, these principles provide a reference for aligning financial planning objectives with other City objectives and for preserving the ongoing financial health of the City. These principles are divided into two sections, those related to both the Capital and Operating Financial Plan and those only specific to Operating.

Principles For Both Capital Planning and Operations Planning

- <u>Reflect the goals of Corporate and Departmental Strategic Plans</u>.

  The Departmental Strategic and Financial Plans should be comprised of capital projects and operating programs which are consistent with Council-approved Strategic Plans;

- <u>Balance citizens' ability and willingness to pay, with service expectations</u>.

  The Departmental Strategic and Financial Plans should be comprised of capital projects and operating programs which balance the expectations of citizens for service levels with their ability and willingness to pay for those services;

- <u>Provide for ongoing maintenance and asset replacement funding</u>.

  The Departmental Strategic and Financial Plans should incorporate into the cost of capital projects, the costs associated with ongoing maintenance and replacement of investments in facilities, equipment and infrastructure;

- <u>Strive to finance capital projects on a 'Pay-As-You-Go' basis</u>.

  The Departmental Strategic and Financial Plans should provide that capital projects be financed without assuming debt, unless it is required in support of an exceptional opportunity;

- <u>Encourage cost-effective service delivery</u>.

  The Departmental Strategic and Financial Plans should be highly amenable to capital projects and operating programs, which deliver cost-effective services through entrepreneurship, creativity, and innovation;

- <u>Provide that new developments pay an appropriate share of new infrastructure costs</u>.

  The Departmental Strategic and Financial Plans should provide that an appropriate proportion of the cost of new development related to capital infrastructure, as determined by Council Policy, be financed by development charges, and

- <u>Target total debt charges to below 5% of expenditures</u>.

  The Departmental Strategic and Financial Plans should strive to target the annual cost of total debt assumed to finance capital projects and programs to below 5% of City expenditures.

Additional Principles Specific To Operations Planning

The following few principles, apply specifically to operational aspects of Surrey's annual Financial Plan:

- <u>Ensure that current revenues support current programs</u>.

  The Financial Plan should provide that current programs are funded from current revenues and that reserves are used only as a temporary balancing measure. Any reserves, which are used to balance the Operating Financial Plan, should be subsequently replaced;

- Reward cost-effective innovations.

  The Financial Plan should reward cost-saving initiatives through a "save and invest" philosophy. This philosophy, which is managed through the Senior Management Team, allows City Departments to reinvest their savings from innovation and eliminates the "spend it or lose it" approach, and

- Maintain appropriate Reserves as determined by Council.

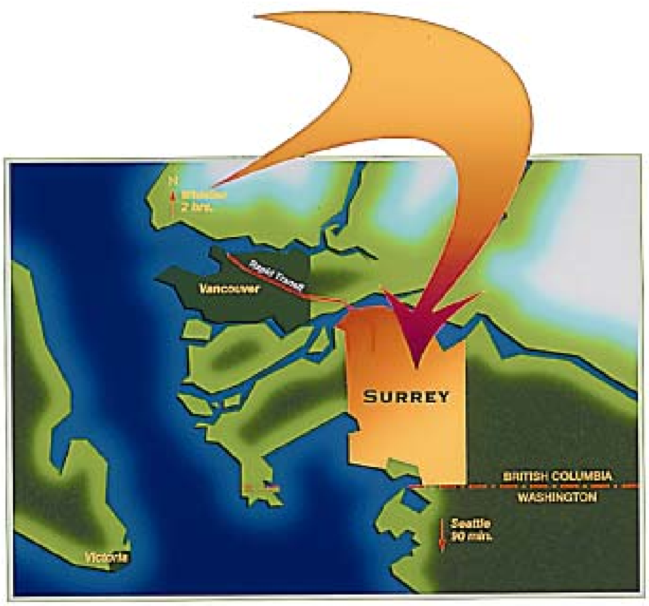
  The Financial Plan should allocate an appropriate level of funds to Reserves in order to maintain services throughout economic cycles:

  - To insure against unforeseen costs and revenue reductions;
  - To provide bridge financing for capital, and
  - To allow the City to take advantage of market opportunities.

Council will determine the appropriate level of these Reserves.

SURREY'S HISTORY

Welcome to Surrey, the "City of Parks". We are a City proud of its heritage and history of welcoming newcomers to our home. Our rich surroundings of green forests, tranquil rivers and spectacular parks provide a unique setting for residents and visitors alike. Nestled between precious agricultural lands, you'll find a City full of potential, realizing remarkable economic growth. Thousands of people move to Surrey every year to take advantage of the many opportunities that lie within the fastest growing City in the country.



SURREY FACTS

Size – As one of the largest cities in the province, Surrey is approximately 325 kilometres, equal to Vancouver, Richmond and Burnaby combined. Land is used three main ways in Surrey - 52% Residential, 35% Agricultural/Conservation and 13% Commercial.

Population - Surrey is also one of the fastest growing major cities in Canada, with a population growth averaging 8,500 persons per year between 1996 and 2001. Forty-one percent of this growth is due to immigration. Surrey is home to 13% of all immigrants to the GVRD over the past five years. May 2001 census figures indicate Surrey's population at 347,800.

People - Surrey has a large number of young families with 30% of the population below the age of 19. Ten percent of the population is classified as senior citizens. Close to half of Surrey's residents have lived in the area for more than 10 years and surveys indicate that once people move to Surrey, they stay. Sixty percent of residents travel outside Surrey to employment. Over 35% of Surrey's residents use English as a second language.

Business - Surrey City Council's "open for business" attitude is attracting international interest. In 2003, over 14,200 businesses are situated in Surrey, with over 2,300 new business licenses issued. Investors are taking advantage of Surrey's diverse economy, skilled labour force and excellent distribution linkages both regionally and internationally. Industrial land in Surrey is priced from one-third to half of that found in neighbouring communities to the west.

Then & Now - In September 2003, Surrey celebrated its 10th anniversary as a City. Over the last 10 years, we have grown from a City with a population of 267,000 to an estimated population of 370,000. This growth has generated an additional $42 million in tax revenue per year to support city services such as:

- 2 new Fire Halls and 110 additional Firefighters;
- 2 new Community Policing Stations, with another in construction and 148 additional RCMP members. By the end of 2005, Surrey will have 7 Community Policing Stations;
- 3 new Libraries and major renovations to two other Libraries adding 250,000 new books to the Library collection;
- Surrey Sport & Leisure Complex featuring a 52 metre pool and 2 ice sheets;
- Guildford Community Centre featuring 3 gymnasiums, an indoor track and a weight training & aerobics studio;
- Planning on the South Surrey Multi-Purpose Centre and the Fraser Heights Multi-Purpose Centre;
- Major renovations and additions to the Newton Wave Pool and the South Surrey Pool;

- Increases in parkland going from 3,000 acres to 5,400 acres. Some highlighted park additions include Brownsville Bar, Redwood Park, Mud Bay and Surrey Lake;
- Fraser Highway widening, 64th Avenue improvements and many other roadway improvements, and
- Many water, sewer, drainage and dyking improvements and upgrades.

Over the last 10 years, the city has also seen significant growth in the business and housing sectors resulting in a 41% growth in the number of businesses and the construction of 24,200 dwellings. Surrey has moved from a suburban community to a thriving urban environment with national and international opportunities for business and tourism.

SURREY HISTORY IN BRIEF

1855 - Gold was discovered

1860 - Hand logging started along Fraser River

1879 - Surrey incorporated as a district municipality on November 10 consisting of 35 property owners

1881 - First Town Hall built at Surrey Centre

1884 - 'K de K' started ferry service across Fraser River

1904 - Fraser Bridge opened

1909 - Surrey's first chief constable was appointed

1929 - Surrey Leader newspaper first published

1937 - Pattulo Bridge opened

1940 - King George Highway officially opened

1948 - Surrey Parks Commission is established

1960 - Port Mann Bridge was opened

1962 - New Municipal Hall constructed at No. 10 Highway

1988 - Sunnyside Acres and Green Timbers dedicated as urban forests

1993 - Surrey celebrated becoming a city and SkyTrain link opens

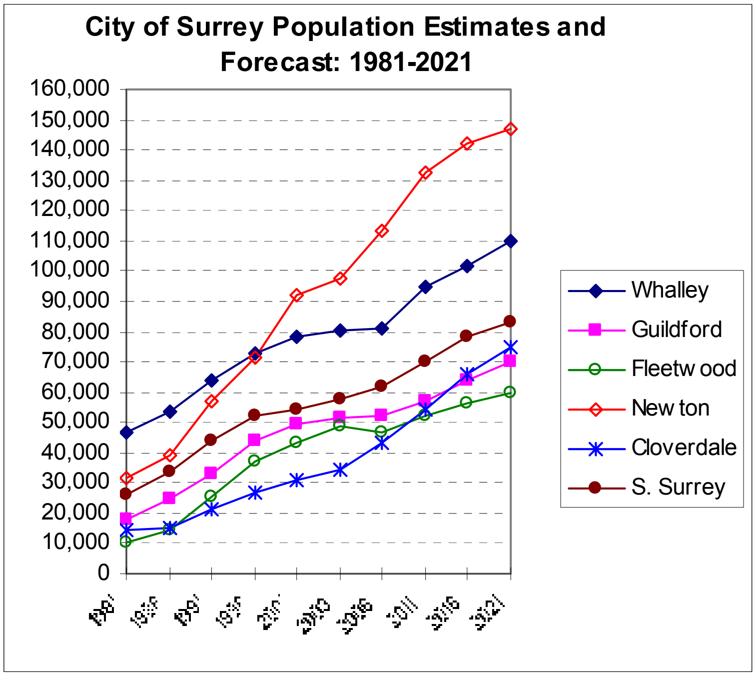
1996 - Surrey's population surpasses 300,000 and Future Surrey project is completed

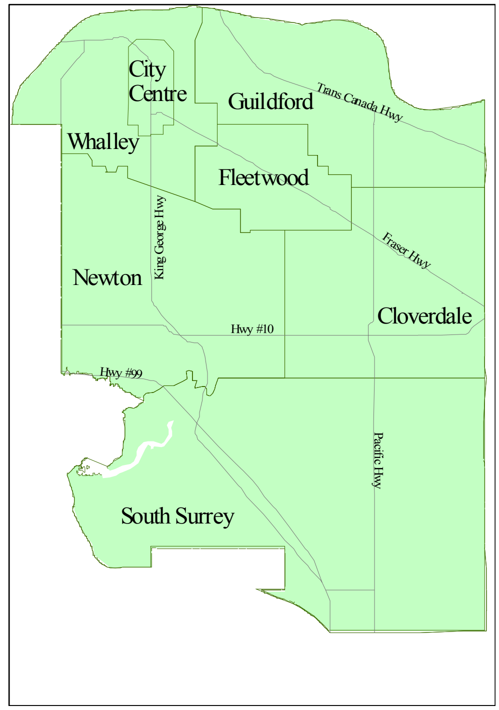
2001 - Surrey becomes the 11th largest city in Canada and Surrey RCMP celebrates 50 years of service to the City.

2003 - Surrey celebrates 10 years as a City

Farming 1912

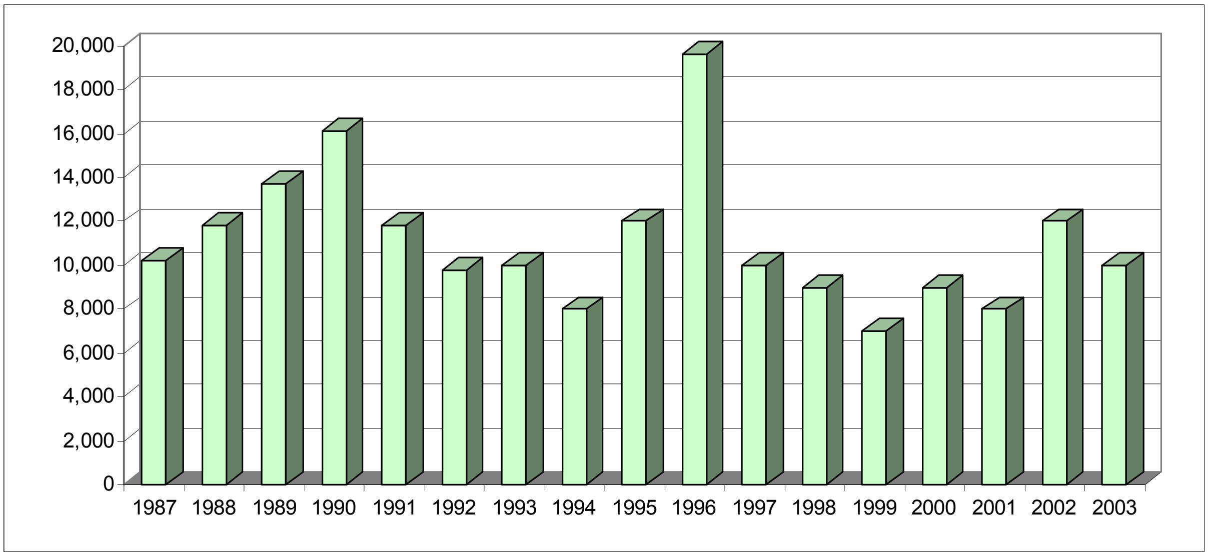
Surrey is one of the fastest growing major cities in Canada according to the latest census data.



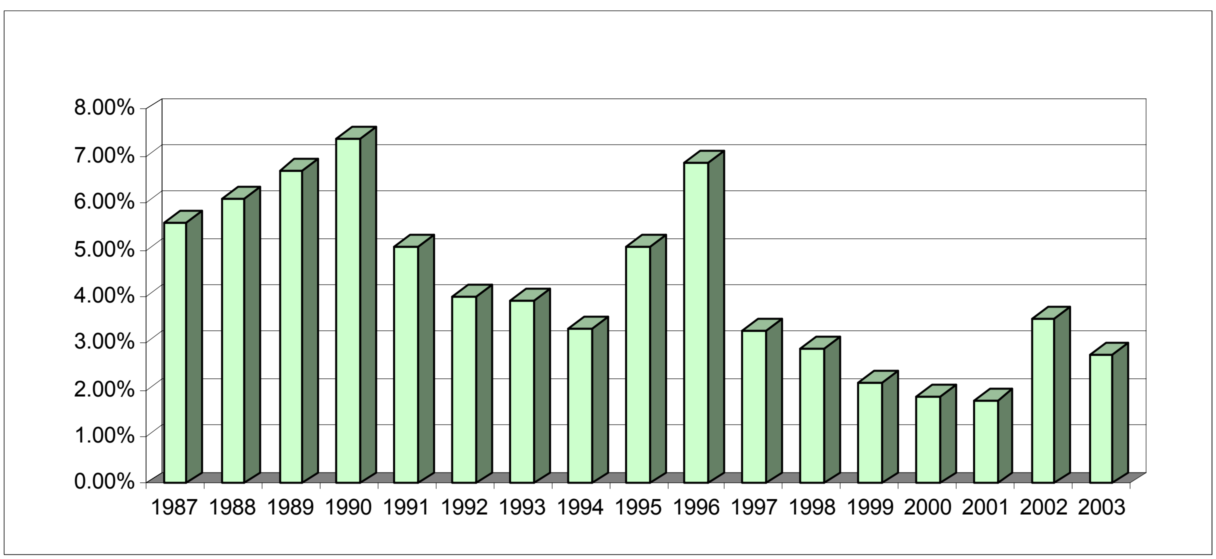


	1981 (CENSUS)	1986 (CENSUS)	1991 (CENSUS)	1996 (CENSUS)	2001 (CENSUS)	2003 (ESTIMATE)	2006 (ESTIMATE)	2011 (ESTIMATE)	2016 (ESTIMATE)	2021 (ESTIMATE)
Whalley	46,400	53,600	64,000	72,600	78,500	80,500	81,000	94,600	101,900	110,000
Guildford	18,000	24,600	33,000	44,100	49,300	51,500	52,000	57,300	63,700	70,000
Fleetwood	10,100	14,600	25,600	36,800	43,300	49,000	47,000	52,000	56,500	60,000
Newton	31,600	39,200	57,300	71,500	91,700	97,500	113,000	132,400	141,900	147,000
Cloverdale	14,650	15,300	21,200	26,800	30,900	34,000	43,000	54,400	66,100	75,000
S. Surrey	26,350	33,800	44,100	52,500	54,100	57,500	62,000	69,900	78,100	83,000
Surrey	**147,100**	**181,100**	**245,200**	**304,300**	**347,800**	**370,000**	**398,000**	**460,600**	**508,200**	**545,000**

City of Surrey
Annual Population Increase
1987 - 2003



City of Surrey
Annual Population Growth (%)
1987 - 2003



Surrey's industrial areas are strategically located, with access to five major highways, four railways, the Canada/U.S. border and deep-sea dock facilities.

MAJOR INDUSTRIAL AREAS

The industrial areas of Port Kells, Newton, Bridgeview and Cloverdale are the focus of much new construction. In South Westminster, plans are underway for a major expansion of the Fraser Surrey Docks.

Port Kells

A well-established industrial area and is home to over 500 businesses with convenient access to and from Highway #1 at 176 Street (Highway #15) and 200 Street. Highway 15 links Port Kells directly to the Canada/U.S. border.

Newton

These industrial areas are centrally located with convenient access provided by Provincial Highways, including Scott Road, King George Highway and Highway #10. The Southwestern Railway of B.C. runs through the middle of this industrial area. Newton houses over 1,400 businesses.

Bridgeview

Good access via King George Highway and Scott Road. With mostly smaller sites, servicing must account for soil conditions. Some sites have Fraser River frontage.

Cloverdale

There are three separate industrial areas in Cloverdale: Cloverdale North, Cloverdale East, and Cloverdale South. Rail served sites are available in East Cloverdale. All areas have good access to Highway #10 east and west as well as the Pacific Highway (176 Street) south to the Canada/U.S. border and north to Highway #1. There are over 300 businesses located in this area.

South Westminster

Scott Road and King George Highway are in close proximity; rail service is available and Fraser Surrey Dock is located in South Westminster with deep-sea dock facilities. The first SkyTrain Station on the south side of the Fraser River, Scott Road Station, is located here.

Campbell Heights

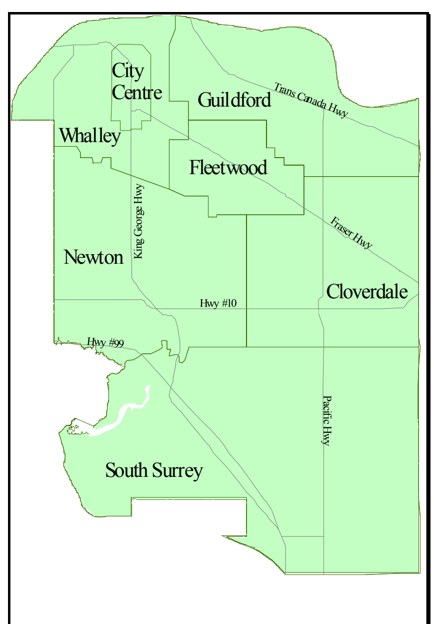
Currently under development, this future high-end business park is located in southeastern Surrey. Access to the area is provided by Surrey's arterial road system. The location provides good access to the United States at the Pacific Border crossing, and the new interchange at Highway #99 and 32nd Avenue provides direct access to Highway #99.

Rosemary Heights

With exposure to Highway 99 and excellent access to the Canada/U.S. border, this newly designated industrial area has excellent potential.

Douglas

This industrial area was created to provide opportunities for transportation-oriented businesses to locate adjacent to the Canada/U.S. border at Douglas crossing.

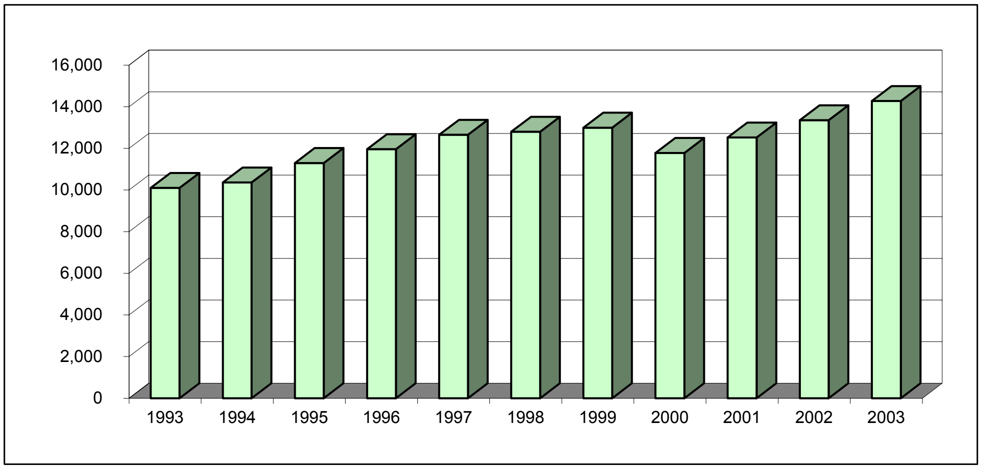


Type of Business	1987	%	1992	%	1997	%	2001	%	2002	%	2003	%	Change 1987-92	Change 1987-03
Contractors or Building Services	1,061	17.4%	1,471	17.4%	1,228	12.6%	1,446	11.5%	1,707	12.8%	2,087	14.6%	39%	97%
Manufacturers	634	10.8%	912	10.8%	1,097	11.2%	1,053	8.4%	1,086	8.1%	1,110	7.8%	44%	75%
Transportation	158	1.9%	163	1.9%	272	2.8%	634	5.1%	646	4.8%	673	4.7%	3%	326%
Wholesale Merchants	210	3.9%	332	3.9%	472	4.8%	852	6.8%	896	6.7%	975	6.8%	58%	364%
Retail	1,944	29.5%	2,496	29.5%	2,178	22.3%	2,086	16.7%	2,097	15.7%	2,137	15.0%	28%	10%
Finance, Insurance & Real Estate	140	2.3%	199	2.3%	556	5.7%	738	5.9%	785	5.9%	804	5.6%	42%	474%
Services	2,289	34.2%	2,897	34.2%	3,964	40.6%	5,719	45.6%	6,139	46.0%	6,495	45.5%	27%	184%
	6,436	100%	8,470	100.0%	9,767	100.0%	12,528	100.0%	13,356	100.0%	14,281	100.0%	32%	122%

Number of Businesses

Year	Number of Licenses
1993	10,107
1994	10,363
1995	11,301
1996	11,965
1997	12,654
1998	12,800
1999	13,000
2000	11,784
2001	12,528
2002	13,356
2003	14,281

Business License Issued

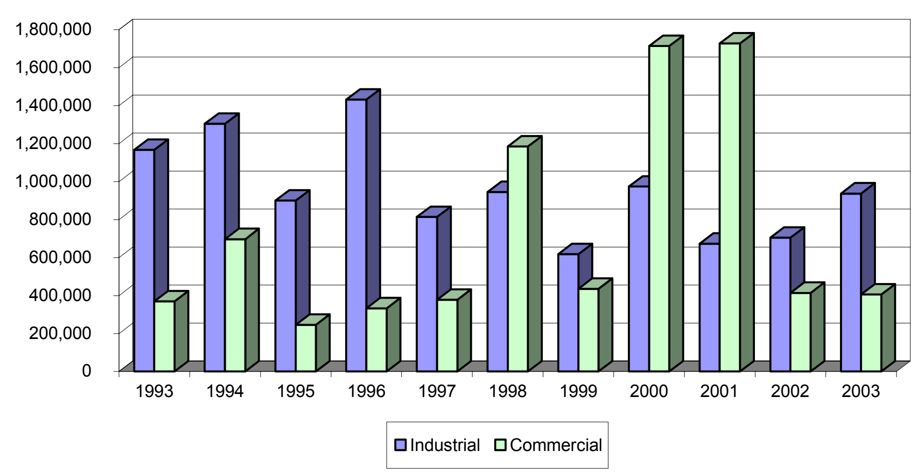


Floor Space Constructed (sq.ft.)

Year	Industrial	Commercial
1993	1,167,667	370,032
1994	1,304,786	697,408
1995	901,161	246,472
1996	1,431,682	333,121
1997	814,137	377,578
1998	945,347	1,184,626
1999	618,179	435,851
2000	973,660	1,713,876
2001	673,297	1,727,996
2002	705,014	414,496
2003	937,361	405,582 *

* (to Oct 31/03)

Floor Space Constructed 1993 - 2003



Surrey Property Taxes are due on July 2nd each year. Penalties of 5% for unpaid current taxes are applied on July 3rd and September 3rd. Metered Utilities are billed in the first week of February, June, and October with the payment due by the 2nd of the following month. Penalties of 10% are applied after the due date. Annual Flat Rate Utilities are due on April 2nd each year. Penalties of 5% are applied on current annual utilities not paid by April 3rd and July 3rd.

TAXES

Each taxing authority within the region sets its tax rates. The City collects the taxes on behalf of all taxing agencies such as the local school district, the Greater Vancouver Regional District, Municipal Finance Authority and the Greater Vancouver Transit Authority. Tax rates are based on the use of the property. The 2003 tax rates (for every $1,000 of assessed value) for the most common uses are as follows:

- Residential 7.40
- Commercial 21.74
- Light Industrial 22.48

For specific information on Property Taxes and Utilities in Surrey contact:

Property Tax & Utilities Section
City of Surrey
14245 56th Avenue
Surrey, B.C. V3X 3A2
(604) 591-4181

UTILITIES

Flat Rate utility charges are billed separately, in late February and are due by April 2nd of each year. There are several different categories of users of Surrey's Utility System. Each category has a separate rate schedule. All of these rates however, are based on the 'Single Family User Rates', which are listed as follows.

Water Rates

Single-family dwellings on city water will pay $236.00 per year, if paid by April 2nd. Commercial and industrial users are all metered.

Currently, most residential properties are on the flat rate water billing system. However, in 1998 all new construction, residential and commercial, moved to meters. In 2000, a voluntary metering program began, which allowed for the remaining residential properties to move to meters on request. The City currently has over 16,000 residential households on water meters. This is significant progress towards a full "user pay" system.

Sewer/Drainage Charges

Single-family dwellings will pay $232.00 for sewer user rates if paid by April 2nd and $150.00 for the drainage parcel tax due July 2nd.

Garbage Collection

Residential refuse collection provided by the City for properties within local collection areas will be at a cost of $180.00 per year if paid by April 2nd Residential properties located outside local collection areas, commercial users and industrial users must arrange for their own collection services through private contractors.

Electricity

Electric power in Surrey is supplied by B.C. Hydro.

Contact:

B.C. Hydro
333 Dunsmuir Street
Vancouver, B.C. V6B 5R3
Customer Service (604) 224-9376
Power Smart (604) 431-9463
Projects & Installations 1-877-520-1355

Telephone

Telephone service in Surrey is provided by Telus.

Contact:

Telus
3777 Kingsway
Burnaby, B.C. V5H 3Z7
Residential Customers (604) 310-2255
Business Customers (604) 310-3100

Gas

Natural gas service in Surrey is provided by Terasen Gas.

Contact:

Teresan Gas
1111 West Georgia Street
Vancouver, B.C. V6E 4M4
24 Hr. Emergency 1-800-663-9911
Customer Service 1-888-224-2710

ASSESSMENTS

The B.C. Assessment Authority establishes the assessed value of property by determining market value as at a specific date. Assessment notices are mailed at the beginning of each year and represent the property values as at July 31st of the previous year. The property owner is given an opportunity to appeal these assessments through the Court of Revision held in March each year.

Contact:

B.C. Assessment Authority
1000 - 13401 108th Avenue
Surrey, B.C. V3T 5V6
(604) 584-1321

School District #36 services the City of Surrey, the City of White Rock and the rural area of Barnston Island.

Please Contact:

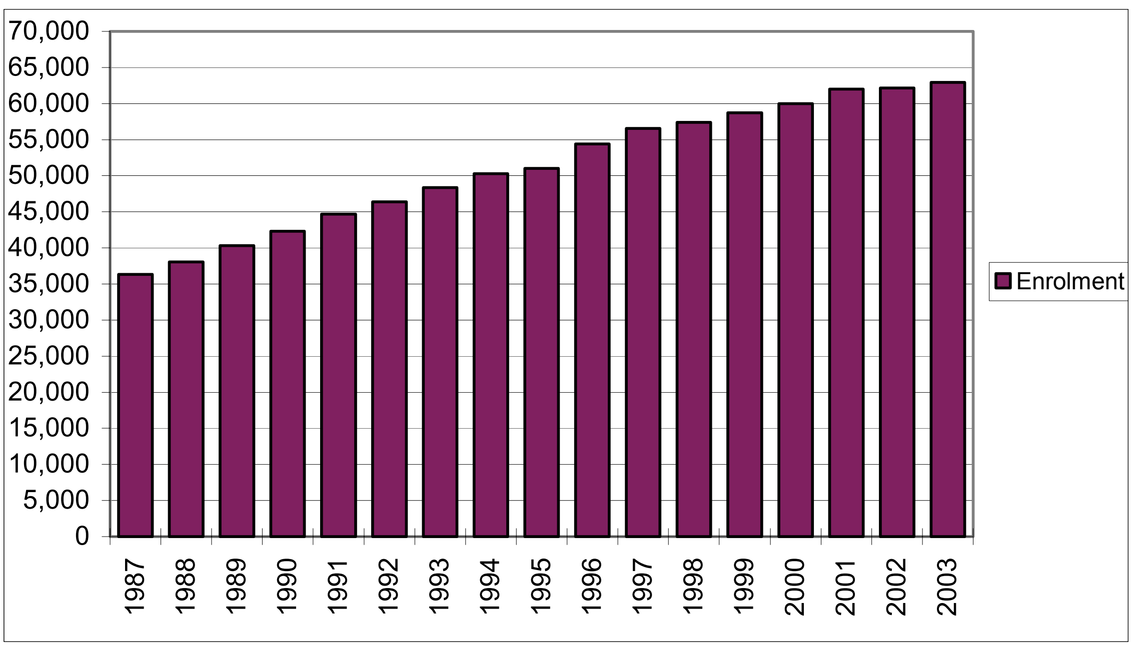
School District #36 (Surrey)
14225 – 56th Avenue
Surrey, B.C. V3X 3A3
Telephone (604) 596-7733

To serve the growing population, new schools are planned and built every year. There are ongoing requests to seek funding to build schools currently in the planning and/or construction stage. Currently in Surrey there are:

- 99 Elementary Schools;
- 18 Secondary Schools, and
- 24 Independent Schools.

Surrey School District #36

Annual Enrolment



POST SECONDARY EDUCATION

All forms of Post Secondary Education are available to citizens of Surrey.

Universities

Responsibility for the Technical University of British Columbia has recently been transferred to Simon Fraser University and will now be know as the Simon Fraser University - Surrey Campus.

Simon Fraser University – Surrey Campus
(formerly Technical University of B.C.)
#1280, 13401 – 108th Avenue
Surrey, BC V3R 7P8
Phone #(604) 586-5225

The following universities are within easy driving distance for Surrey residents.

University of British Columbia
1874 East Mall
Vancouver, BC V3T 1Z1
Phone #(604) 822-2211

Simon Fraser University
8888 University Drive
Burnaby, BC V5A 1S6
Phone #(604) 291-3111

Trinity Western University
7600 Glover Road
Langley, BC V2I 1Y1
Phone #(604) 888-7511

Community Colleges

There are presently two campuses of Kwantlen College in Surrey. The additional campuses in the vicinity are located in Langley, Richmond and New Westminster.

Kwantlen College
P.O. Box 9030
2666 – 72nd Ave
Surrey, B.C. V3T 5H8
Telephone (604) 599-2000

British Columbia Institute of Technology, is located in Burnaby and offers some courses in Surrey.

BCIT
3700 Willingdon Avenue
Burnaby, BC V5G 3H2
Phone #(604) 434-5734

Emergency police, fire and ambulance services in Surrey and the Lower Mainland are dispatched through a central dispatch office.

HOSPITALS

Surrey Memorial Hospital is a regional hospital providing inpatient, outpatient, emergency and extended care. The hospital has a total of 462 beds and state of the art facilities that include a comprehensive acute geriatric program, maternity, paediatrics, surgery services, medicine, critical care/emergency services, mental health and adolescent day treatment. Also located on Surrey Memorial Hospital grounds is the Fraser Valley Centre for the BC Cancer Agency.

Surrey Memorial Hospital
13750 – 96th Avenue
Surrey, B.C. V3V 1Z2
Telephone (604) 581-2211 (non-emergency)

Located in the adjacent community of White Rock, the Peace Arch Hospital is serving the needs of White Rock and Surrey residents.

Peace Arch Hospital
15521 Russell Avenue
White Rock, B.C. V4B 2R4
Telephone (604) 531-5512

FRASER HEALTH AUTHORITY

The Fraser Health Authority under the guidance of the provincial Ministry of Health provides community health care. Programs offered include prenatal care, community mental health services, home care nursing and community care for the elderly.

Main Office
14245 - 56th Avenue
Surrey, B.C. V3X 3A4
Telephone (604) 572-2600

Cloverdale Office
17536 – 58th Avenue
Surrey, B.C. V3S 1L2
Telephone (604) 574-4166

Guildford Office
100 – 10233 153rd Street
Surrey, B.C. V3R 0Z7
Telephone (604) 587-4750

North Surrey Office
220 – 10362 King George Highway
Surrey, B.C. V3T 2W5
Telephone (604) 587-7900

Newton Office
200 – 7337 137th Avenue
Surrey, B.C. V3W 1A4
Telephone (604) 951-1200

White Rock Office
(serving South Surrey)
1185 Centre Street
White Rock, BC V4B 4C8
Telephone (604) 531-5508

FIRE SERVICES

Surrey has a total of seventeen fire halls and over 570 highly skilled firefighters, with whom 266 are volunteers. This strong contingent of volunteers makes Surrey's Fire Department one of the largest composite fire departments in Canada. Surrey's fire fighting equipment includes a wide variety of emergency vehicles made up of fire trucks, rescue vehicles, hazardous response vehicles, aerial towers, an aerial platform, and a Mobile Incident Post which is shared with the RCMP and was used extensively in the summer Okanagan fires.

The Fire Prevention Division performs building inspections to ensure compliance to Code, and fire scene investigations for cause determination. The Public Education Division provides programs on fire prevention and survival skills to schools, businesses and community groups.

Surrey Fire Department
8767 – 132nd Street
Surrey, B.C. V3W 4P1
Telephone (604) 543-6700 (non-emergency)

Court Services

Provincial Courts
14340 - 57th Avenue
Surrey, B.C. V3X 1B2
Telephone (604) 572-2200

Family Court
14340 - 57th Avenue
Surrey, B.C. V3X 1B2
Telephone (604) 572-2220

Canadian Citizenship Court
#240 7093 King George Highway
Surrey, B.C. V3W 5A2
Telephone (604) 775-7005 (Vancouver #)

LAW ENFORCEMENT

The R.C.M.Police provide police services. Surrey is the largest Detachment in Canada with 491 authorized officers and 151 municipal employees.

R.C.M.P.
14355 – 57th Avenue
Surrey, B.C. V3X 1A9
Telephone (604) 599-0502 (non-emergency)

Surrey was incorporated as a District Municipality on November 14th, 1879, and as a City one hundred and fourteen years later, on September 11th, 1993.

Surrey Council is comprised of nine members, the Mayor and eight Councillors. All members of Council are elected "at large", meaning they do not represent specific geographic areas within the community.

The present Council will hold office until December 2005. Regular Council meetings are held on Monday evenings at 7:00 p.m. at the City Hall, 14245 - 56th Avenue. Current Council members and their office telephone numbers are:

Mayor

Doug W. McCallum	591-4126

Councillors

Robert Bose	591-4624
Judith E. Higginbotham	591-4633
J. Marvin Hunt	591-4635
Penny Priddy	591-4622
H. Barbara Steele	591-4623
Gary Tymoschuk	591-4626
Judy A. Villeneuve	591-4625
Dianne L. Watts	591-4634

Under Council's direction, our Senior Management Team oversees and directs the day-to-day activities of the City. This team is made up of the following:

City Manager	Umendra Mital, P. Eng	591-4122
City Solicitor	Craig MacFarlane, LLB	591-4255
General Manager, Engineering	Paul Ham, P. Eng.	591-4219
General Manager, Finance, Technology & HR	Vivienne Wilke, CGA, MBA	591-4817
Interim General Manager, Parks, Recreation & Culture	Gerry McKinnon	590-7211
General Manager, Planning & Development	Murray Dinwoodie, P. Eng, MBA	591-4474
Fire Chief	Len Garis	543-6701
Lower Mainland District Office Commander & Officer in Charge, Surrey RCMP Detachment	Assistant Commissioner Gary Forbes	599-7712
Chief Librarian	Beth Barlow, BLS	572-8269

OUR MISSION STATEMENT

**Working
Together to
Create a Great
City with a Heart**

SURREY'S VALUES

- Doing business with **honesty and integrity**
- Ensuring **effective and efficient** operations
- Creating a climate of **continuous improvement**
- Encouraging **open communications**
- **Working together**
- Creating **a strong corporate community spirit**
- **Customer client focus**

With a new Mayor taking office in December of 1996, Council began work in 1997 to established the following five guideposts, based on Surrey's values, to document the Future Vision and direction of Surrey:

GUIDEPOST #1	GUIDEPOST #2	GUIDEPOST #3	GUIDEPOST #4	GUIDEPOST #5
SUSTAINABLE TOURISM	AGILE, RESPONSIVE ADMINISTRATION	PEOPLE FRIENDLY TRANSPORTATION	DISTINCT VIBRANT CITY CENTRE	CLEAN, SAFE, BEAUTIFUL CITY IN WHICH TO DO BUSINESS

Mayor and Council began a new 3-year term in office December 2002, after which they reviewed the original Guideposts and the progress that had been made. The following identifies the specifics of how Council plans on achieving these guideposts. The next City Election will be held in November 2005. This Plan will be reviewed further after that time.

Making Progress on Surrey's Vision: Council's Action Ideas

Vision Guidepost #1: Sustainable Tourism

Facilities

- **Build more capacity for tourists such as ….**

  – Hotels and convention centre
  – RV Park
  – Golf Course
  – Hockey "dome"
  – Agriplex
  – Cultural centre
  – Heritage garden
  – Heritage rail
  – Squares, fountains, public places
  – Night life opportunities
  – Historical walks
  – Valley and waterfront revitalization
  – Farmer's market
  – Art Centre expansion/renovation

Event

- **Enhance Annual Calendar of Events to Attract Tourists (in partnership with other cities and municipalities wherever possible) such as …..**

  – Children's festival
  – Water-related competition
  – Rodeo expansion
  – Country music festival
  – Family biking adventure
  – Famous artists' exhibition

Promotions

- **Market Surrey more aggressively to its citizens, to Western Canada, to surrounding regions and to selected U.S. States such as……**

  – Golf as a lifestyle
  – Safety and security, and geographical attractions of city
  – A place for conventions
  – Attractive, informative website
  – Targeted newspaper, radio, and TV ads
  – Brochures on ferries; ads in provincial tourism books (& BCAA)
  – "Keepable" booklet for residents and business

Vision Guidepost #2: An Agile, Responsive Administration

Communication

- **Create forums and channels that better support interactivity and innovation among staff, Council, Surrey citizens and other cities such as …**

  – A "listening" website
  – All staff e-mail "literate"
  – Regular meetings of Council with senior management (discuss issues; identify needs)
  – Profiling Surrey's innovations internally
  – "Town Hall" meetings of staff

Culture

- **Be more deliberate in building a working environment that encourages/supports risk-taking, the constant generation of creative ideas, a "can do" attitude, a dislike for bureaucracy such as …..**

  – Getting input from customers on how to improve service (e.g., at front counters)
  – Providing integrated, one-stop shopping
  – Looking at processes to reduce inefficiencies/red tape
  – Aligning reward and recognition programs to foster the desired culture (a "thank-you" environment)
  – Giving managers and front-line employees the power, information and tools to make timely, sound decisions

Vision Guidepost #3: People-Friendly Transportation

Process

- **Build a better public or communal transportation system suited to diverse needs by…**

– Using technology to regulate flow of traffic
– Providing incentives for van/car pools
– Enforcing "disincentives" for single vehicles - tolls, parking fees
– Encouraging businesses to adapt flexible hours
– Improving public transportation access for the elderly and disabled
– Having a local and regional rapid transit bus system during work hours
– Adopting safe drop-off points (well lit)

Roads, Trails, Sidewalks

- **Develop alternative/improved modes of transit such as…**

– Public trail systems through parks
– Dedicated bike routes
– Better school crossings re: lights and signage
– Medians to discourage/eliminate unsafe traffic patterns
– Keeping trucks on perimeter highways
– Widening highway
– Building more sidewalks

Business

- **Make it easy and attractive for business to locate and operate in Surrey by…**

– Reducing "red tape"
– Refurbishing old, worn streets in areas of commerce
– Selling Surrey as a complete community (life/work/play)
– Developing quality business parks
– Getting input from existing businesses on how to support economic growth
– Developing educational opportunities

Vision Guidepost #4: An Active City That is Distinct, Vibrant and Beautiful

Activities

- **Expand the number of events/initiatives that encourage exercise such as….**

– "Run or bike ride" with council members
– Bicycle network/routes/trails
– Walking circuits
– More leash parks
– Group walking and activities that encourage youth and disabled to participate
– Promote competitive sporting events, support talented athletes and develop sports teams
– Encourage businesses to award employees who are physically active

Beautify/Clean-Up

- **Get 'tough on' eyesores; and reward beautifying such as …**

– Fines for graffiti
– Incentives for fast removal of graffiti
– Initiatives to clean up junk yards, City Centre and Bridgeview area
– Recognizing neighbourhood efforts at cleaning up
– Planting more trees, flowers, and shrubs (parking lots, medians, parks, roads)
– Improving attractiveness of major entrances

Vision Guidepost #5: A Clean, Safe City in Which to Do Business

Clean

- **Keep the streets clean through …**

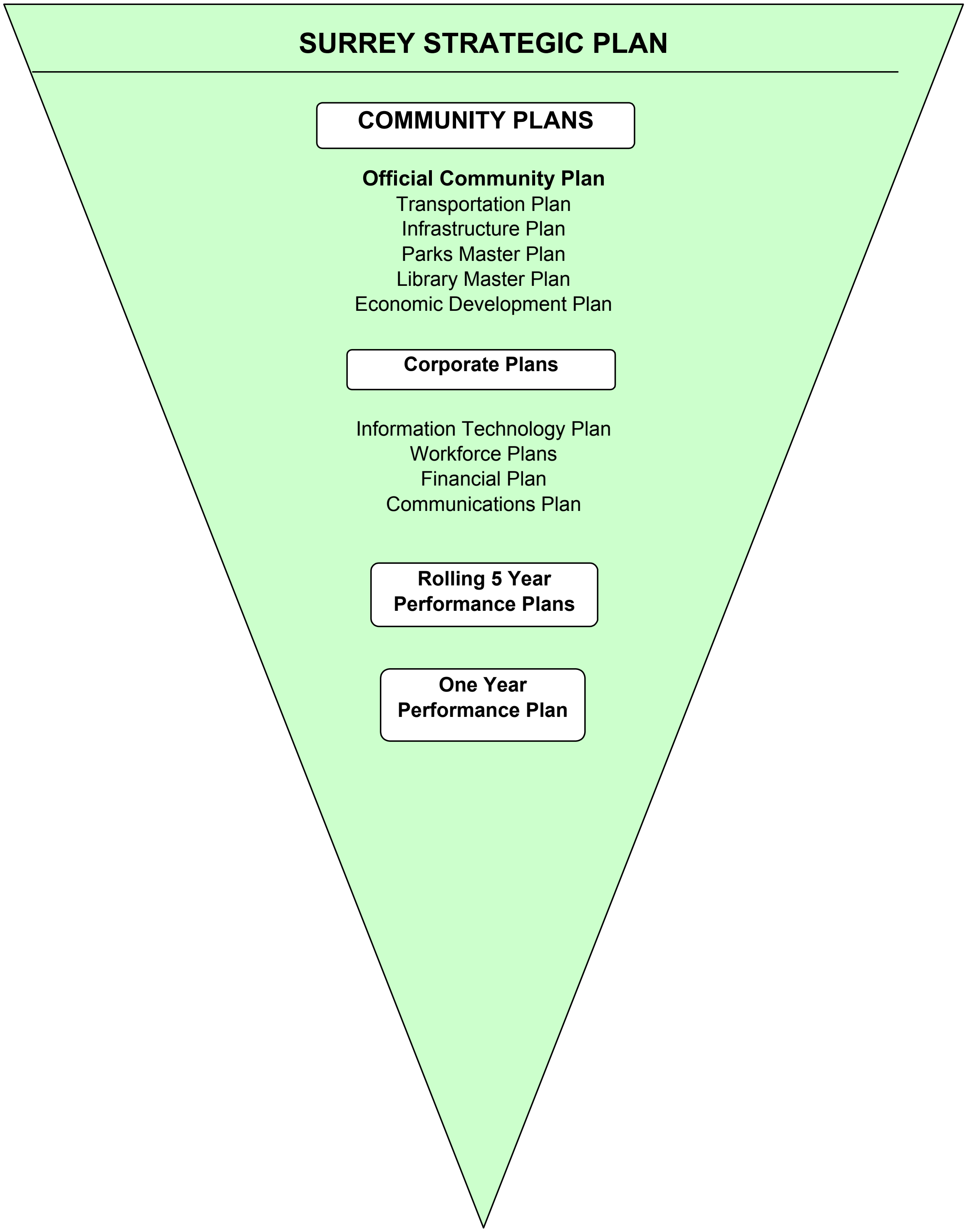
– Better timetabling of litter/junk pick up
– Improving cleaning of streets, sidewalks and gutters
– Special recognition of all participating volunteer groups who pick up litter
– Enforcing regulations on homeowners with unsightly properties
– A zero-tolerance graffiti policy
– Removing derelict buildings
– Adopt a street/park programs
– Reducing signage

Safe

- **Balance both 'weeding' and 'seeding' by ...**

– Implementing more restorative justice programs
– Involving citizens groups such as Surrey Crime Prevention Society (SCPS)
– Providing citizens with tips for safety in the city
– Adequately staffing the police and fire departments
– Cleaning out illegal activities in the parks
– "Cracking down on" drugs and prostitution, city-wide (not just City Centre)
– Increasing number of residents' associations
– Active street and bicycle patrol by RCMP
– Better coordinating neighbourhood and school watch programs

INTEGRATED PLANNING MODEL



SURREY'S OFFICIAL COMMUNITY PLAN

The Official Community Plan (OCP) is a statement of objectives and policies to guide City planning decisions over the next 5 to 20 years. Taking a comprehensive and long-term perspective, the Plan provides guidance for the physical structure of the City, land use management; economic and residential growth; transportation systems; community development, provision of City services and amenities, agricultural land use, environmental protection and enhanced social well being. The OCP is adopted by City Council as a City By-Law.

Every five years the Official Community Plan is subject to a major review to ensure that the plan contains relevant information and fully considers the evolving nature of City issues. The 2001 review incorporated changes that introduce a stronger business dimension to the plan, addressed the need to more fully integrate long term Economic Development planning and ensured that the goals and objectives of the City's subordinate Master Plans align with the goals and directions of the Official Community Plan.

Relationship Between the Official Community Plan and the 2004-2008 Financial Plan

Surrey's Financial Plan works in conjunction with the Official Community Plan by prioritizing and allocating the City's financial resources in support of Official Community Plan goals and objectives.

Official Community Plan Goals

The following goals provide the basis for the objectives, policies and provisions contained in the OCP:

- To accelerate business investment and development;
- To provide employment for working residents in Surrey;
- To create a complete and self-sufficient City and communities;
- To achieve a balance between residential and business development;
- To manage development in a fiscally sound and sustainable manner;
- To provide adequate opportunities for business and employment activities;
- To enhance the City's image and character;
- To enhance liveability and provide opportunities for a variety of housing in the City;
- To provide an effective and efficient transportation system that balances opportunities for walking, bicycling and public transit with opportunities for traveling by car within the City, and ensure the efficient movement of goods;
- To preserve and protect the natural environment and agricultural land;
- To support preservation of areas, sites and features that illustrate and enhance the City's heritage;
- To address the social and cultural needs of the community, and
- To enhance public safety by incorporating crime prevention principles in the built environment throughout the City.

Summary of Official Community Plan Policies

The Plan employs a series of objectives and policies to achieve City goals.

<u>A. Manage Growth for Compact Communities</u>

Efficient land use allows the City to continue growing while preserving open space and agricultural areas. A compact form of development contains future growth within planned areas, provides new opportunities for housing, business and mobility, and allows more efficient use of City utilities, amenities and finances.

The City will strengthen the model development pattern of City Centre, Town Centres, Neighbourhood Centres and Workplace Areas as the framework for future growth.

<u>B. Build a Sustainable Local Economy</u>

The Official Community Plan is committed to the concept of a complete city. A complete city builds upon a strong and sustainable local economy, and balances it with a high quality residential environment. A strong local economy provides livelihood for residents in terms of jobs, consumer goods and services, and business and investment opportunities. A strong local economy is also important for the fiscal health and functioning of the City in providing the public infrastructure, amenities, facilities and services that contribute to the quality of life in our City. A strong local economy and quality living are dependent upon the City developing a positive and attractive image and character that will enhance growth and investment. As a result more people and businesses will perceive Surrey as a desirable location to live, do business, and invest.

C. Build Complete Communities

Complete communities have a wide range of housing choice, opportunities for employment, business and investment opportunities, recreation, relaxation and a full range of services and leisure activities. In building complete communities, towns and neighbourhoods will be planned to accentuate their own distinct identity. Complete communities are liveable and energy efficient. Neighbourhoods will be designed to be a safe and attractive environment for residents to walk and cycle to a variety of places and activities close to home.

D. Enhance Image and Character

Based on Council's vision for the City as "A Great City with a Heart", the City intends to establish itself as a "very attractive" location to live, work, locate a business enterprise and visit not only within the region but also nationally and internationally. As this "image and character" objective is accomplished, the economic and other objectives of this Plan will be more attainable and ultimately all the citizens of the City will reap significant benefits. The City intends to develop a program of policies that will form the basis for addressing this strategy.

E. Increase Transportation Choice

The road network will be improved to move people and goods more effectively, and to support the development pattern of businesses, workplace centres, towns and neighbourhoods in the City. Other improvements include providing alternatives to car travel such as bicycles, walking routes and better transit service.

F. Areas Protect Agriculture and Agricultural

Effective buffering between the urban and agricultural areas, and maintenance of the existing agricultural lands, will protect the viability of farming and enhance its contribution to the local economy. Surrey's Agricultural Plan reinforces these objectives.

G. Protect Natural Areas

Natural areas are to be preserved, protected and used where appropriate for park and recreational purposes. Measures are needed to reduce the impact of development on the natural environment.

H. Provide Parks and Recreational Facilities

Good quality parks, open spaces and recreational facilities for residents and as an aspect of cultural resources and amenities are to be provided by the City in co-operation with other levels of government or the private sector. Policy directions outlined in the Parks, Recreation and Culture Department's Master Plan support these objectives.

I. Improve the "Quality of Community"

The "quality of community" is enhanced by preserving our heritage, providing community and cultural facilities, facilitating an adequate supply of rental and special needs housing, involving the public in decision making, and building community identity and pride. Quality of community is enhanced through directions established in the Parks, Recreation and Culture Department's Master Plan, the Surrey Public Library Facilities Master Plan, the 10-Year Capital Plan and the Surrey Transportation Plan.

J. Enhance Citizens' Safety and Well-being Through Crime Prevention

Design of the physical environment, which includes buildings and location of entrances, landscaping, street lighting, pathways and open spaces, reduces the opportunities for crime, nuisance behaviour and increases citizens' sense of well-being. Implementing Crime Prevention Through Environmental Design (CPTED) principles is a proactive approach to crime prevention, based on addressing crime-related issues at the design stage. Rather than responding to ongoing problems after project completion, it is more progressive and cost-effective to implement CPTED strategies prior to construction. CPTED measures are effective for the life of the development and have long-term benefits to the community: a safer environment reduces fear and crime and promotes a more desirable and attractive civic image.

The purpose of 'The City of Surrey's Policy Manual' is to express policy as adopted by Council. It is a guide for the General Managers of each Department in regard to the operation of their department and to enable them to make decisions within policies set by Council.

It is also a guide to members of Council, so that their decisions, where required, will be made within policy. It also assists members of Council when advising the general public on matters brought to their attention.

British Columbia Municipal Legislation and Generally Accepted Accounting Standards (GAAP) govern the City's Financial Plan and Financial Policies. These laws and standards set financial planning calendar dates, provide for financial planning controls, allow ways to amend the Financial Plan after adoption and prescribe appropriate methods for financial planning, accounting and reporting.

Policies affecting financial aspects of the City and adopted by Council follow.

AFFORDABLE HOME OWNERSHIP POLICY

The primary objective of the Affordable Home Ownership Policy is to assist individuals/families who live or work in Surrey and who would not typically be able to enter the housing market due to income constraints.

Funding to support the implementation of the policy will be provided from the Affordable Housing Statutory Reserve Fund and will be approved by Council on an annual basis. Funding will be limited to a maximum of the annual interest earned during the previous year on the principal contained in the Fund. The policy is focused on assisting current or new Surrey residents who are first time homebuyers with incomes at least 10% below the average household income in the City. The target reduction in the price of affordable housing units provided as a result of the application of this policy is 15% below the market price for a qualifying unit.

Any subsidy provided will be registered as an interest free 'silent' second mortgage on the unit and be recoverable by the Fund on any resale of the unit. The recoverable amount will decrease annually by 10% of the original value of the subsidy to a maximum of 50% of the original value.

DEVELOPMENT COST CHARGE (DCC) REFUND AND CREDIT POLICY

Where an applicant who has paid all instalments of their DCC's, chooses to cancel their building permit within 5 years of the initial payment, and where no development has taken place, the applicant has the following options:

- Any DCC's previously paid on a property, will be credited in full, for that portion of the property previously developed, upon further development of the remaining site, or
- Receive a 90% refund of DCC's paid with the deduction limited to a maximum of $50,000.

For developments with payments dating back more than 5 years, only the credit option will be permitted for the applicant. Where an applicant who has only paid the first instalment of their DCC's and chooses to cancel their building permit, they shall receive a full refund.

INVESTMENT POLICY

It is the policy of the City of Surrey to invest funds in a manner that will provide an optimal blend of investment return and security while meeting the daily cash flow demands of the City and complying with the statutory requirements of the Local Government Act. The policy details how and where City funds are invested. In 1995, this policy received the 'Certification of Excellence Award' from the Municipal Treasurer's Association of the United States and Canada.

MUNICIPAL GRANTS POLICY

There are basically two categories of grants; 'Ongoing' from year to year and 'One-Time' requests. All applications for grants must be received at the office of the City Clerk not later than 4:30pm., September 30th of each year. Grant applications received after that date will only be considered if the funding requirement is critical to the survival of the organization's programs, capital project or special event. In general, grants are not provided for travel or to cover deficits. In order to be eligible the organization must meet the requirements of the Local Government Act (Section 176(1)(c)). The organization must show evidence that it has fully explored all other viable sources of financial support. The organization must extend its service to the general public in Surrey and must not exclude anyone by reason of race, religion or ethnic background.

OPERATING FUNDS INTEREST REVENUE POLICY

This policy is intended to stabilize the revenues available for general operating purposes, establish rules for the application of any excess interest revenues and to identify a source of funds to accommodate any temporary interest revenue shortfall. The interest revenues reported in the Financial Plan should represent a rolling average of the expected interest revenues for the next five years. The Interest Stabilization Reserve is intended to temporarily offset any shortfall of revenues below the base level. Once interest revenues exceed the base, then any excess should first go to replenish the Reserve. Once the Reserve balance reaches the established level any excess interest revenues should be contributed to the Capital Fund.

PUBLIC ART POLICY

The purpose of a Public Art Policy for the City of Surrey is to:

- Ensure that the artwork and creative concepts of artists become part of the planning and design of publicly accessible spaces and contribute positively to making public art visually stimulating and community oriented;
- Guarantee an approved, fair, invested and consistent public selection process so that all citizens of Surrey can access and participate in the cultural, economic and social developmental opportunities afforded by public art, and
- Serve as an act of public trust and stewardship for public art.

The goal of the Public Art Policy is to establish a sustainable funding mechanism that supports the City's commitment to spend existing and future funds more creatively. The funding strategy for the Public Art Policy is a "Percentage for Public Art" strategy. The "Percentage for Public Art" is a flat rate of 1.25% of the total construction cost of selected City capital projects that have been processed through the Long Term Capital Planning Model and privately constructed projects for which the City has made significant contributions. The flat rate will not apply to non-construction components of identified projects (e.g. architects & consulting fees, City permits, DCC's etc.) Excluded properties would include roads, repaving, in-ground water, sewer & drainage structures and other structures with limited visual impact or public accessibility.

PURCHASING POLICY

All goods and services are to be acquired in accordance to this policy. The policy outlines the responsibilities of the City's Purchasing Team as well as the General Managers of each Department. There are specific limits set for each signing authority for the City. Anyone given acquisition authority under this policy is accountable and responsible to ensure that proper and adequate budget authorities exist and any purchase does not violate any City Policy, legal or statutory requirements.

RESERVE AND SURPLUS POLICY

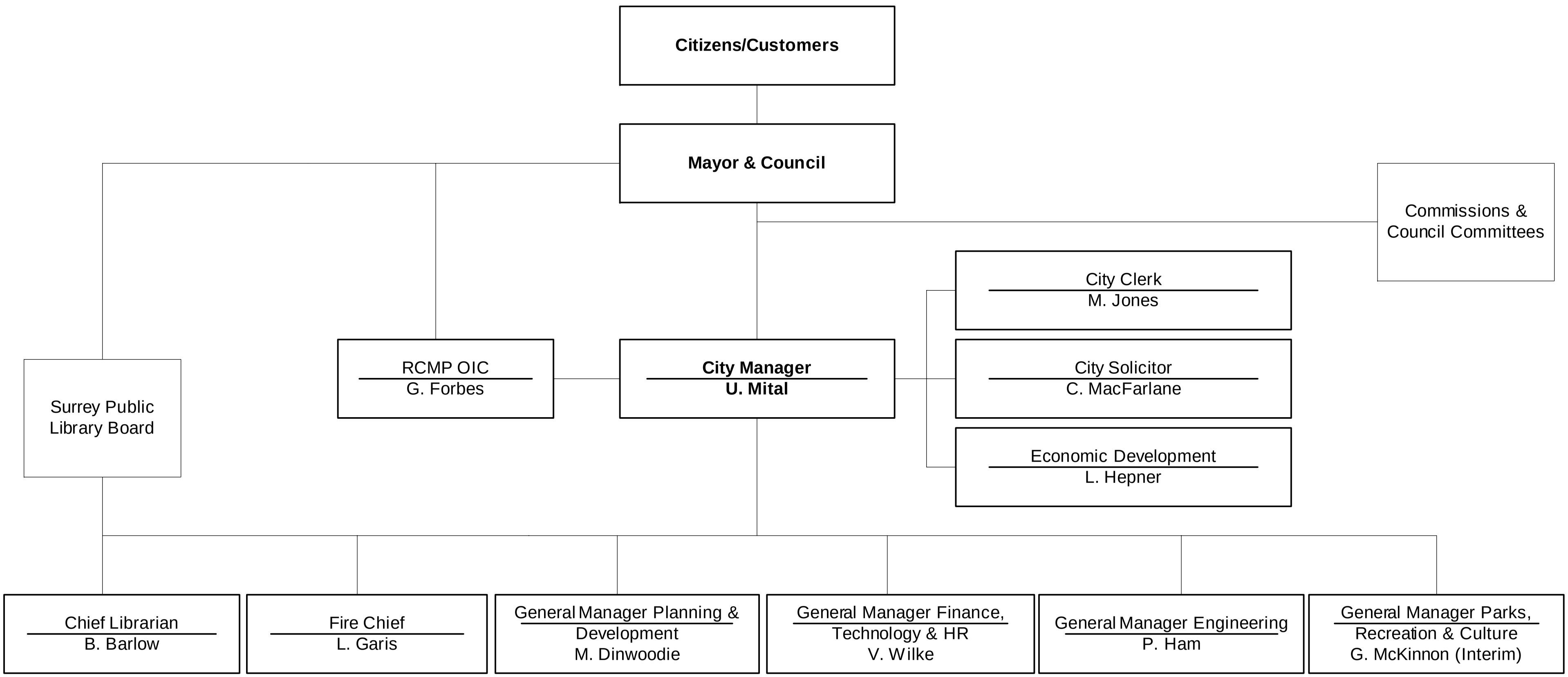
The primary objective of a Reserve and Surplus policy for the City of Surrey is to:

- Ensure stable and predicable tax levies by maintaining sufficient Appropriations of Surplus to buffer the impact of unusual or unplanned cost increases and revenue deductions;
- Provide for operating emergencies resulting from inclement weather, catastrophic events, law enforcement issues, environmental hazards, etc. by maintaining sufficient Appropriations of Surplus to respond to such emergencies and avoid extensive service interruptions and prevent risks to infrastructure and public safety;
- Provide for entrepreneurial opportunities that will promote non-traditional methods and alternative service delivery mechanisms to reduce costs and enhance non-tax revenue generations;

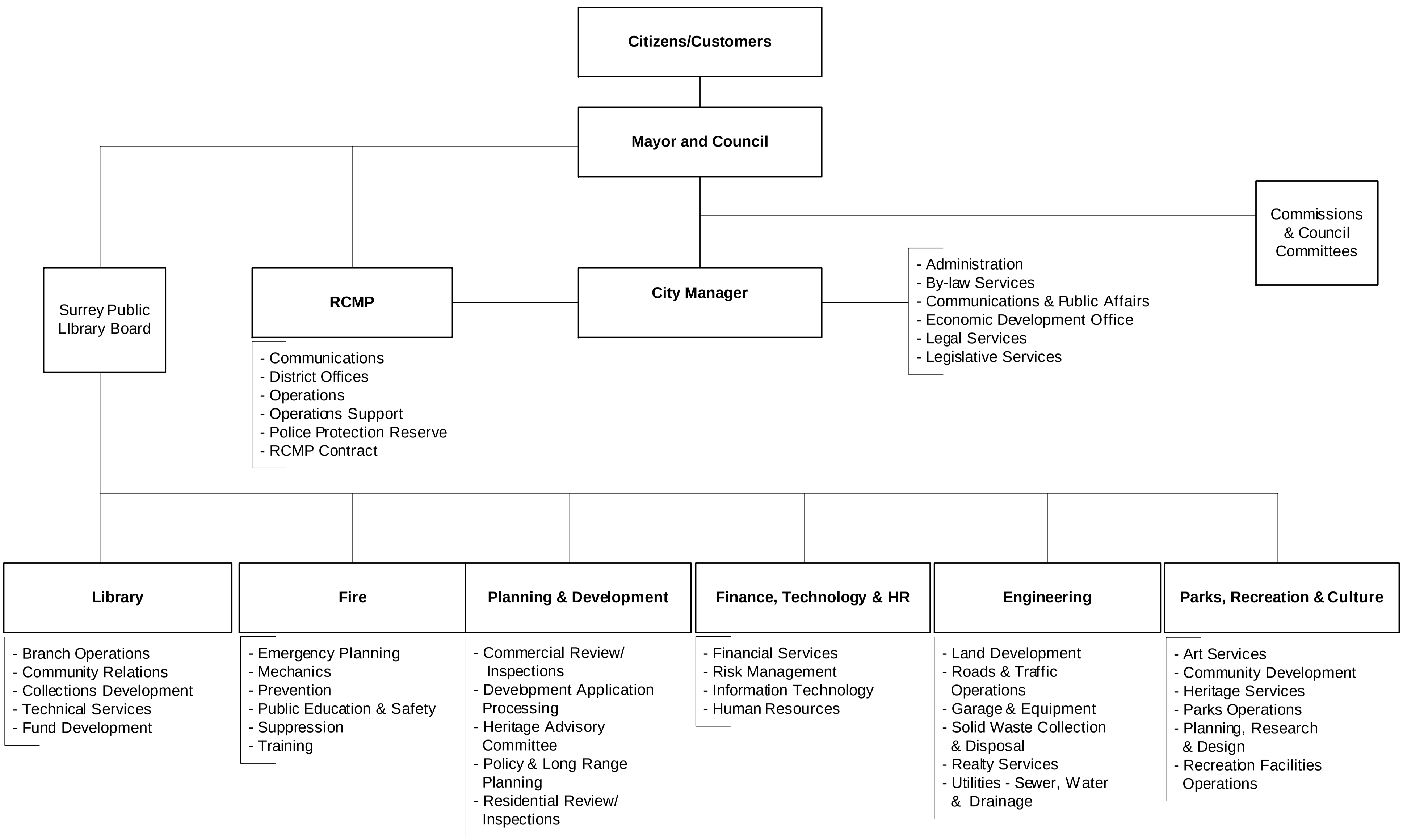
- Finance new and unique capital assets and allow the city to respond quickly when opportunities may present themselves such as through private sector partnerships and other alternative service delivery methods, and
- Safeguard and maximize existing assets by maintaining sufficient Appropriations of Surplus to replace the City's inventory of specialized machinery, equipment and technology systems and to safeguard the City's assets against unforeseen losses.

The goal of the Reserve and Surplus Policy is to establish and maintain reserves, unappropriated surplus and appropriations of surplus to meet the short-term and long-term financial goals of the City. The guiding principles of this policy will ensure that all reserves, unappropriated surplus and appropriations shall have a Corporate focus such that they serve the highest priority needs of the City and its citizens and must be established, maintained and used for a specified purpose mandated by Statute, City By-Law or Council Policy. Each reserve and appropriation with its unique and specific corporate purpose will have criteria that will define the establishment, use and replenishment of the specified reserve or appropriation.

2004 - 2008 FINANCIAL PLAN
CORPORATE STRUCTURE ORGANIZATIONAL CHART



2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL FUNCTION ORGANIZATIONAL CHART



STAFFING COMPLEMENT SUMMARY

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Office of the Mayor	4	4	5	**5**	5	5	5	5
City Manager								
Administration	3	3	4	**4**	4	4	4	4
Economic Development Office	3	3	4	**4**	4	4	4	4
By-law Services	29	31	31	**31**	31	31	31	31
Public Affairs	3	2	2	**2**	2	2	2	2
Legal Services	7	7	7	**7**	7	7	7	7
Legislative Services	23	22	23	**23**	23	23	23	23
	68	68	71	**71**	71	71	71	71
Finance, Technology & HR								
Administration	6	5	11	**11**	11	11	11	11
Finance	51	51	51	**49**	49	49	49	49
Information Technology	40	39	40	**40**	40	40	40	40
Human Resources	16	16	16	**16**	16	16	16	16
	113	111	118	**116**	116	116	116	116
Fire								
Administration	9	9	9	**9**	9	9	9	9
Mechanics	4	4	4	**4**	4	4	4	4
Prevention	10	10	10	**10**	10	10	10	10
Radio & Communications	14	14	14	**14**	14	14	14	14
Fire Operations	296	304	304	**312**	320	328	328	328
Training	3	3	3	**3**	3	3	3	3
	336	344	344	**352**	360	368	368	368
RCMP								
Administration	56	59	62	**62**	62	62	62	62
District Offices	6	6	6	**6**	6	6	6	6
Operations	44	46	47	**47**	47	47	47	47
Operations Support	17	19	24	**24**	24	24	24	24
Officer in Charge Mgmt Services	9	10	12	**12**	12	12	12	12
RCMP Contract	372	382	436	**491**	511	531	546	561
	504	522	587	**642**	662	682	697	712
Engineering Services								
Administration	46	33	39	**39**	39	39	39	39
Engineering Operations	211	211	211	**211**	211	211	211	211
Land Development	17	28	32	**32**	32	32	32	32
Real Estate	20	19	21	**21**	21	21	21	21
Traffic	17	17	19	**19**	19	19	19	19
Utilities & Construction	18	18	22	**22**	22	22	22	22
	329	326	344	**344**	344	344	344	344
Parks, Recreation & Culture								
Administration	15	13	15	**14**	14	14	14	14
Arenas	16	15	17	**17**	17	17	17	17
Art Centre	11	10	12	**10**	10	10	10	10
Community Development	3	4	3	**4**	4	4	4	4
Community Recreation Services	18	18	19	**19**	19	19	19	19
Heritage Services	7	7	7	**7**	7	7	7	7
Indoor Pools	17	17	17	**17**	17	17	17	17
Parks Division	79	81	86	**86**	86	86	86	86
Planning, Design & Facilities	33	32	37	**35**	35	35	35	35
Seniors Centres	3	3	3	**3**	3	3	3	3
Youth Centres	4	4	4	**4**	4	4	4	4
	206	204	220	**216**	216	216	216	216
Surrey Public Library								
Administration	5	5	5	**5**	5	5	5	5
Community Relations	2	2	2	**2**	2	2	2	2
Public Services	52	64	64	**64**	64	64	64	64
Technical Services	10	10	10	**10**	10	10	10	10
	69	81	81	**81**	81	81	81	81
Planning and Development								
Administration	25	27	28	**28**	28	28	28	28
Area Planning & Development	31	33	34	**34**	34	34	34	34
Building	57	57	60	**60**	60	60	60	60
Long Range Planning	9	10	12	**12**	12	12	12	12
	122	127	134	**134**	134	134	134	134
	1,751	**1,787**	**1,904**	**1,961**	**1,989**	**2,017**	**2,032**	**2,047**

Note: This table represents authorized full time positions and does not reflect vacancies.

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
STAFF COMPLEMENT

2003 ADOPTED BUDGET			**1,904**
Staff Complement Change			
Finance - Eliminate 2 Management Positions	………………………………	(2)	
Fire - Increase of 8 Firefighters	………………………………	8	
RCMP - Backfill 35 RCMP Members	………………………………	35	
RCMP - Increase of 20 RCMP Members	………………………………	20	
Art Centre - Eliminate 2 Management Positions	………………………………	(2)	
PRC - Eliminate 1 Admin Management Position	………………………………	(1)	
PRC - Increase of 1 Community Dev Coordinator	………………………………	1	
PRC - Eliminate 2 Facility Mgmt Positions	………………………………	(2)	**57**
2004 ADOPTED BUDGET			**1,961**
Staff Complement Change			
Fire - Increase of 8 Firefighters	………………………………	8	
RCMP - Increase of 20 RCMP Members	………………………………	20	**28**
2005 PLAN			**1,989**
Staff Complement Change			
Fire - Increase of 8 Firefighters	………………………………	8	
RCMP - Increase of 20 RCMP Members	………………………………	20	**28**
2006 PLAN			**2,017**
Staff Complement Change			
RCMP - Increase of 15 RCMP Members	………………………………	15	**15**
2007 PLAN			**2,032**
Staff Complement Change			
RCMP - Increase of 15 RCMP Members	………………………………	15	**15**
2008 PLAN			**2,047**

The global economy appears to be recovering, supported by strong economies in many Asian countries such as China, India, Korea and Japan. Significant growth in GDP by the Asian countries this past year is expected to continue into 2004. China's growth has been primarily due to an increase in the population relocating from smaller towns to the cities. This growth has put pressure on city infrastructures leading to a large demand for commodities worldwide.

GDP figures for Europe are expected to remain consistently low with unemployment and weak consumerism as being contributing factors. These are offset by increased capital spending from global mega-projects.

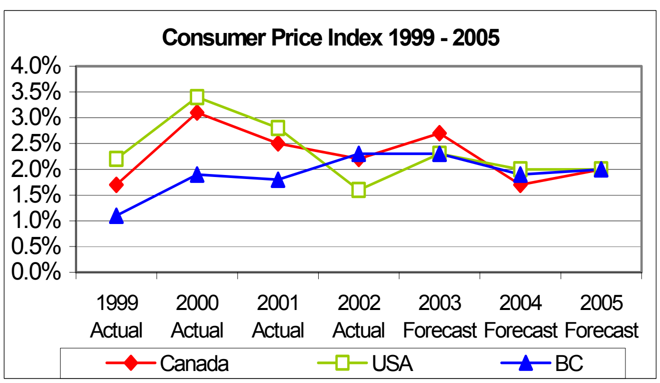
Overall world economies appear to be recovering from the past two years of slowdown.

UNITED STATES

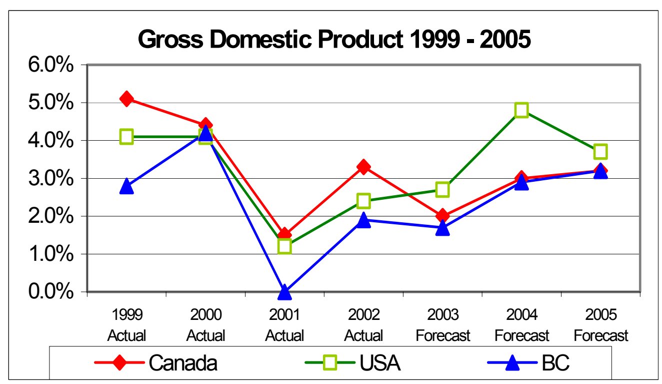
The US economy in the upcoming year will be looking to business investment to help offset a slowdown in consumer spending. Results from the third quarter of 2003 show that business investment has begun to improve and is expected to continue through the next year. Consumer spending is expected to improve later in the year through a combination of potential tax cuts, stimulated monetary policy, thawing of labour markets, and projected improvements in equity markets.

The US dollar is expected to slow its descent and stabilize over the next six months. With the help of Asian investors, the US dollar has not depreciated as much as it did in the 1980's. The Asian investors have invested in the US on the premise that they will purchase US exports. This export market has also helped boost the US economy.

US economy is expected to recover temporarily as illustrated by forecasted GDP.



The overall CPI trend for 2004 is expected to show some improvement



The US GDP is forecasted to be 2.7% in 2003 and is expected to temporarily improve in 2004.

CANADA

Canada' economic growth is now recovering from this year's negative shocks including the Ontario blackout, Severe-Acute Respiratory Syndrome (SARS), mad cow and numerous forest fires. Along with these shocks, the Canadian dollar rose 20% in the past year against the U.S. dollar, our major trading partner.

The Canadian economy is healthy despite the challenges it faced. The economy is benefiting from global economic recovery, low interest rates, and the market for commodities. In addition the dramatic cost cutting and job losses of the last few years have now produced healthy corporate earnings in 2003.

Canada's GDP is expected to be +3% in 2004 and remain stable through 2005.

BRITISH COLUMBIA

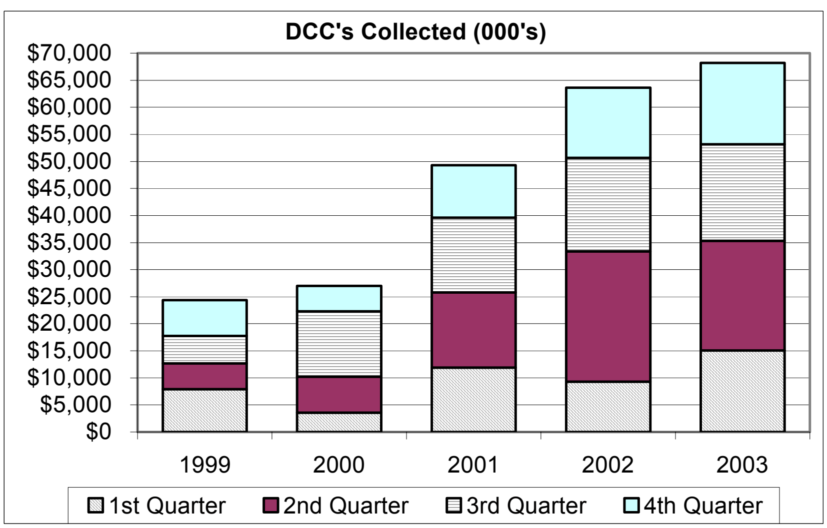
BC's economy is strong given the unexpected negative shocks in the past year. The fall out from mad cow, SARS, forest fires and the ongoing softwood lumber dispute have impacted the province adversely. However, global economic recovery, improved commodities market and low interest rates have contributed to better than expected economic results.

Moderate overall growth is expected for the BC economy next year. Continued US recovery, global recovery, residential housing starts, and higher commodity prices should help BC in 2004. On a cautionary note the rapidly appreciating Canadian dollar, the ongoing softwood lumber dispute, and a struggling tourism industry along with questionable sustainability of a US recovery may impact BC's performance in the upcoming year.

The low interest rates that are impacting residential housing starts are expected to continue in 2004.

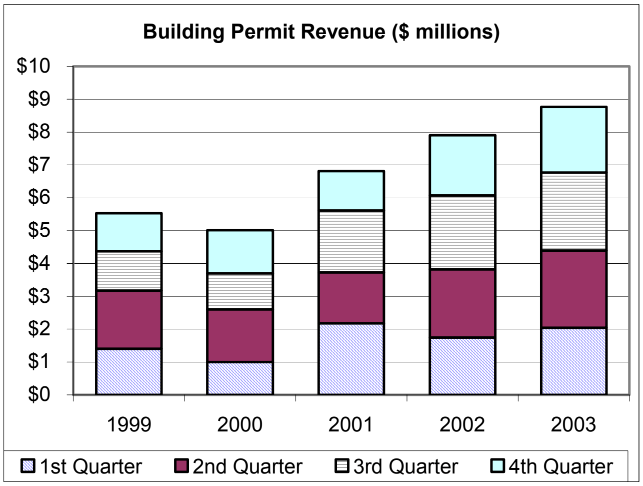
SURREY'S FINANCIAL PERFORMANCE

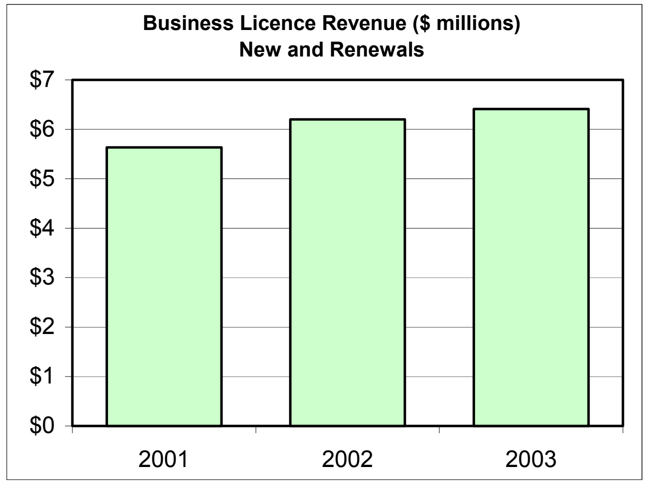
The level of development activity has remained strong through 2003. The major reason for this improvement may be attributed to the general economic condition of the Lower Mainland, compounded by low interest rates. This activity is expected to stabilize in 2004.



Building permit fees for 2003 surpassed those generate in 2002. With the residential housing market remaining strong and interest rates at an all time low, this trend is expected to continue into the new year.

As Surrey continues to grow as a community, more businesses are required to support that growth as seen through the increases in business licenses that are renewed and issued each year.





INFLATIONARY INCREASES

The 2004 inflation has been projected at 1.9% as measured by the 2004 Consumer Price Index for British Columbia. However, City departments have been cautioned to allow for inflationary increases only as necessary where uncontrollable cost increases may be anticipated.

For utility costs, departments have been provided with the following estimates as provided by the utility companies:

	2004	2005	2006	2007	2008
B.C. Hydro	0.0%	2.5%	2.5%	2.5%	2.5%
Teresan	25.0%	10.0%	5.0%	5.0%	5.0%
Telus	0.0%	1.0%	1.0%	1.0%	1.0%
Water	2.0%	2.0%	2.0%	2.0%	2.0%
Sewer	5.5%	5.5%	5.5%	5.5%	5.5%

MAJOR REVENUE SOURCES

Surrey has three major sources of revenue that contribute to the ongoing expenditures required for day-to-day City Operations. Property Taxation generates the most revenue for Surrey.

Revenue ($ millions)	2004 Budget	2003 Forecast
Property Tax	$143.6	$135.7
Departmental Revenues	$52.6	$54.7
Investments Portfolio	$9.7	$9.5

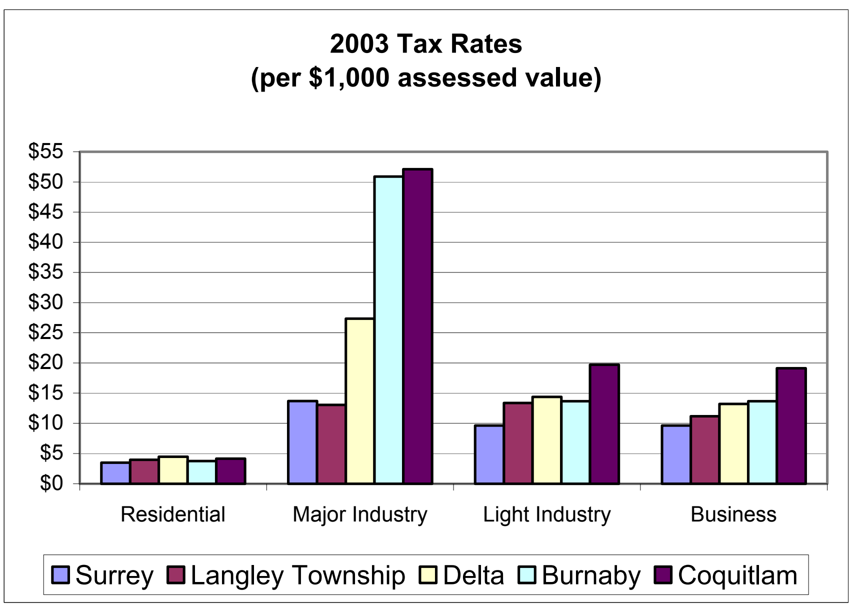
The 2004 Overall General Operating Revenue is expected to be $211.7 M ($205M – 2003 Forecast).

PROPERTY TAXATION

Surrey has had their first rate increase in 2003 after nine years of zero percent increases. To fund increasing costs related to protective services, as well as other City operations, the City will continue with the current 2.9% increase in 2004, as well as into the next four years.

Individual property taxes are calculated based on the assessed value of each property within the city. The average single-family dwelling is assessed at approximately $241,000. Assessment growth from new development is estimated at 3.3% for 2004, based on the completed assessment roll.

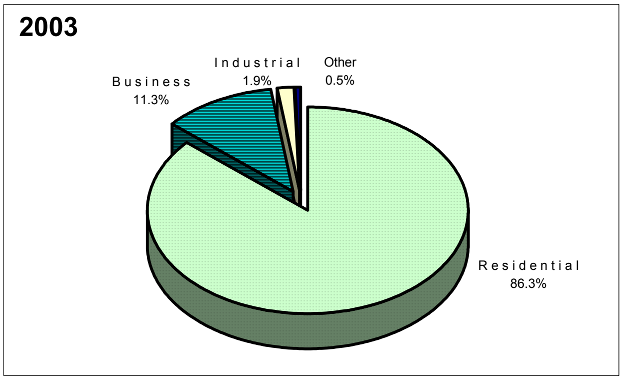
In addition to residential property taxation, Surrey generates approximately 30% of its property taxation from business and industry. Surrey's 2003 business, light industrial and major industrial tax rates compare favourably to neighbouring municipalities.

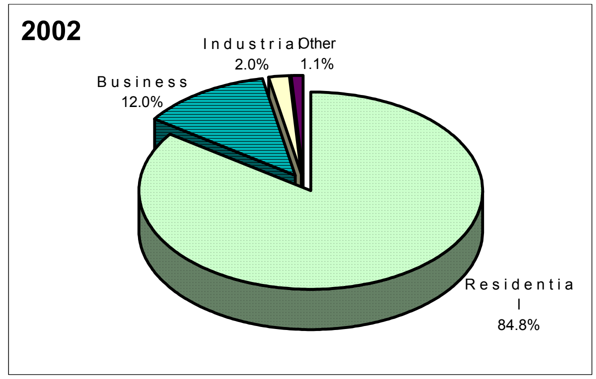


Surrey's rates are among the lowest, providing a climate conducive to attracting new commercial and industrial ventures.

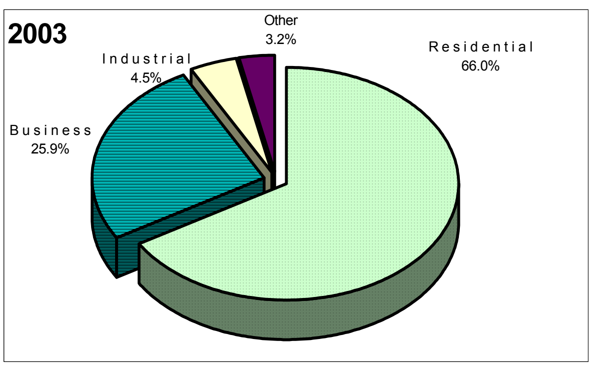
2003 AUTHENTICATED ROLL
ASSESSMENT AND TAXATION COMPARISON

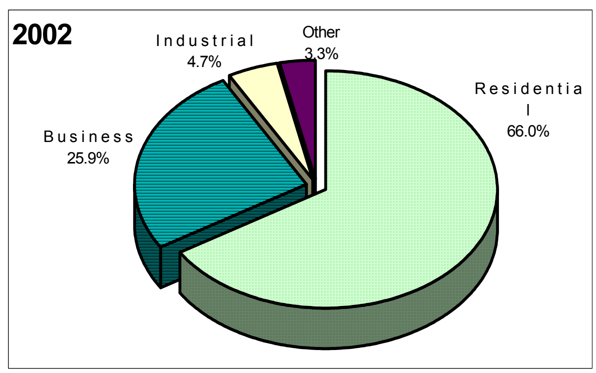
Assessment





Taxes



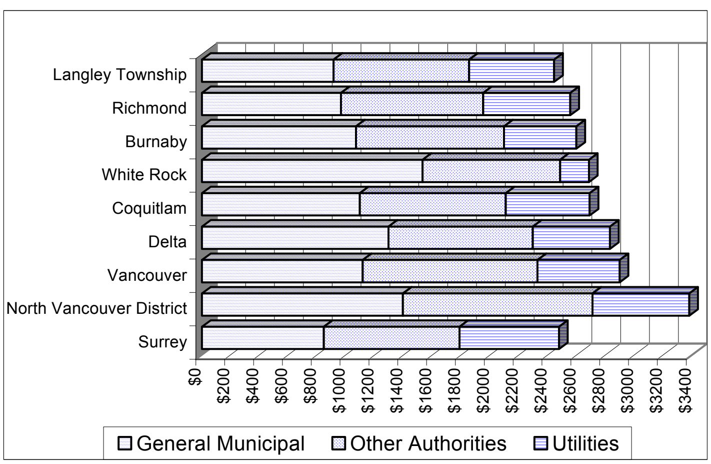


The above charts depict the relationship between assessment values and property taxes. Assessed values are divided by 1,000 and then mulitplied by the applicable tax rate to determine the annual tax levy. As shown, residential assessment values are over 86% of the total assessment values in the city but generate only 66% of the property tax revenue, reducing the residential tax burden.

COMPARATIVE CHARGES ON A RESIDENTIAL DWELLING
Based on Average Assessment of the Taxing Authority

	2003						Surrey		
	Langley (Township)	Richmond	Burnaby	White Rock	Coquitlam	Delta	2003	2002	% Change
Average Assessment	$ 229,500	$ 260,067	$283,146	$244,094	$ 262,787	$263,576	$241,227	$221,400	9%
	229,500	260,067	283,146	244,094	262,787	263,576	241,227	221,400	9%
Levies									
School	823	855	882	830	878	868	819	797	3%
GVTA	66	75	81	70	76	76	69	64	8%
BCAA	27	30	33	28	30	31	28	28	0%
GVRD	24	25	29	25	27	26	23	22	5%
	940	985	1,026	954	1,011	1,001	939	911	3%
General	913	965	1,069	1,530	1,095	1,293	844	799	6%
Total Taxes	**1,853**	**1,950**	**2,094**	**2,484**	**2,106**	**2,294**	**1,783**	**1710**	4%
User Rates									
Water Rates/Parcel Tax	229	246	211	0	189	232	220	187	18%
Sewer & Drainage Rates/Parcel Tax	234	181	291	200	238	208	352	357	-1%
Garbage Collection	126	177	0	0	155	95	177	177	0%
	589	**604**	**502**	**200**	**582**	**535**	**749**	**721**	4%
Total Taxes and User Rates	**2,442**	**2,554**	**2,596**	**2,684**	**2,688**	**2,829**	**2,532**	**2431**	4%

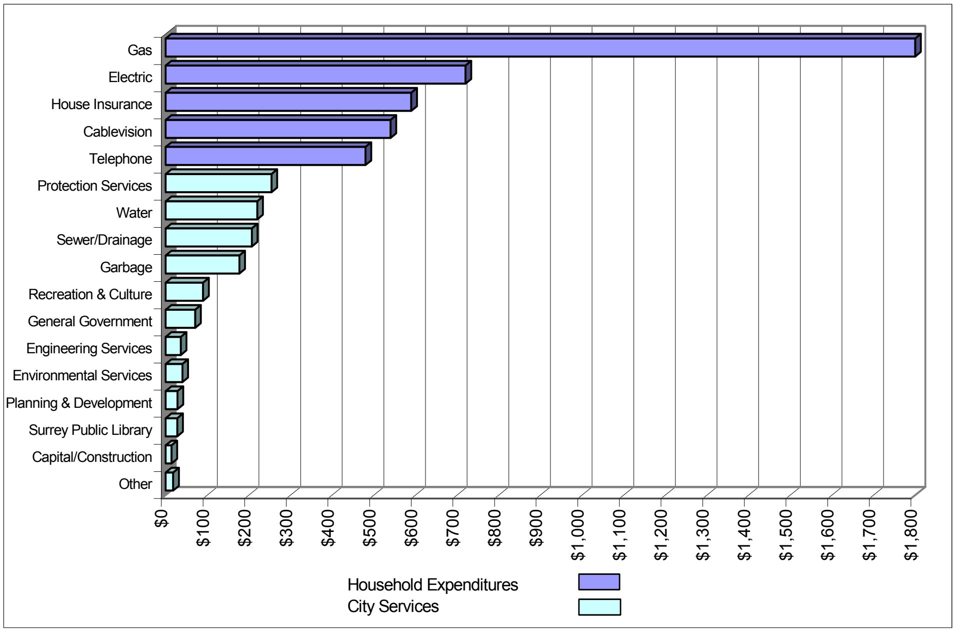
Comparison of 2003 Taxes
Average Single Family Dwelling



Surrey's combined property taxes and utilities are among the lowest in the region.

It is estimated the average taxpayer's combined City property taxes and utility billing, will increase approximately $75 in 2004. The increase reflects GVRD's initiatives regarding water enhancement and sewer treatment as well as funding improvements to the RCMP and Fire Protection services.

Household Expenditures vs City Services



The above graph illustrates the cost of city services for the average single family dwelling as compared with other household expenditures. For many taxpayers, these costs will be less than the cost of their hydro bills. As shown the cost of protective services (police and fire combined) is significantly lower than what many people pay for telephone services.

DEPARTMENTAL REVENUES

Examples of departmental revenues include items such as:

- User Fees - recreation facility fees, water fees and solid waste fees;
- Provincial Revenues - traffic fine sharing revenue and Surrey Public Library grants;
- Licences - business licences;
- Permits - building permits, electrical permits and road closure permits, and
- Other - reports, by-laws and maps.

As part of the budget process this year, there was a 2% fee increase approved by Council.

RETURN ON INVESTMENT (INTEREST REVENUE)

Funds invested in 2004 are projected to earn a rate of interest of 4.60%. This rate is consistent with projections from several major investment dealers including ScotiaMcLeod, CIBC Wood Gundy, and Nesbitt Burns.

For the last four years we have compared the performance of our investment portfolios with the Municipal Finance Authority investment pools and the ScotiaMcLeod indices. In order to most closely match performance with these indicators, we have split Surrey's investments into the following portfolios:

- Money Market Portfolio for securities maturing within 9 months;
- Intermediate Portfolio for securities maturing between 9 and 18 months, and
- Bond Portfolio for securities whose maturity date is over 18 months and less than 7 years.

Portfolio Performance

Our overall investment performance for 2003 was 4.63%. The City is restricted in the types of investments purchased by the Local Government Act and by the City's Investment Policy approved by Council February 12, 1996. The objective is to maximize returns with minimal risk and adequate diversification while adhering to these restrictions. When comparing performance with benchmarks, it is important to be cautious of drawing conclusions based on reported returns over short time lines.

Money Market Portfolio

Surrey's Money Market Portfolio captures earnings on investments that will be maturing within the next nine months. Approximately 34% of the investments that are held by the City will come due within the next nine months and are earning comparative market rates.

Intermediate Portfolio

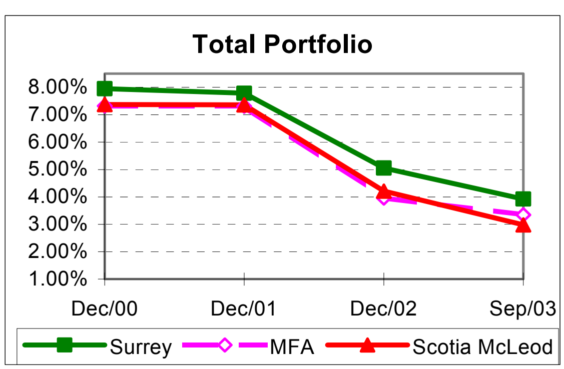
The intermediate portfolio held by Surrey encompasses investments that will mature within the next nine to eighteen months. Approximately 19% of Surrey's investments are included in this category and are currently earning a 2.70% return, which compares against the MFA and ScotiaMcLeod's one-year treasury bill index.

Bond Portfolio

Surrey's bond portfolio captures the remaining investments with a term greater than eighteen months and less than seven years as dictated by the City of Surrey Investment Policy. The current bond portfolio holds approximately 47% of the City's investments that are earning returns comparable to those of the Municipal Finance Authority (MFA) and the ScotiaMcLeod short-term bond index. Surrey's returns reflect a more conservative stance of shorter-term securities in its portfolio than either of the other indices. This tends to yield more moderate returns during periods of falling interest rates.

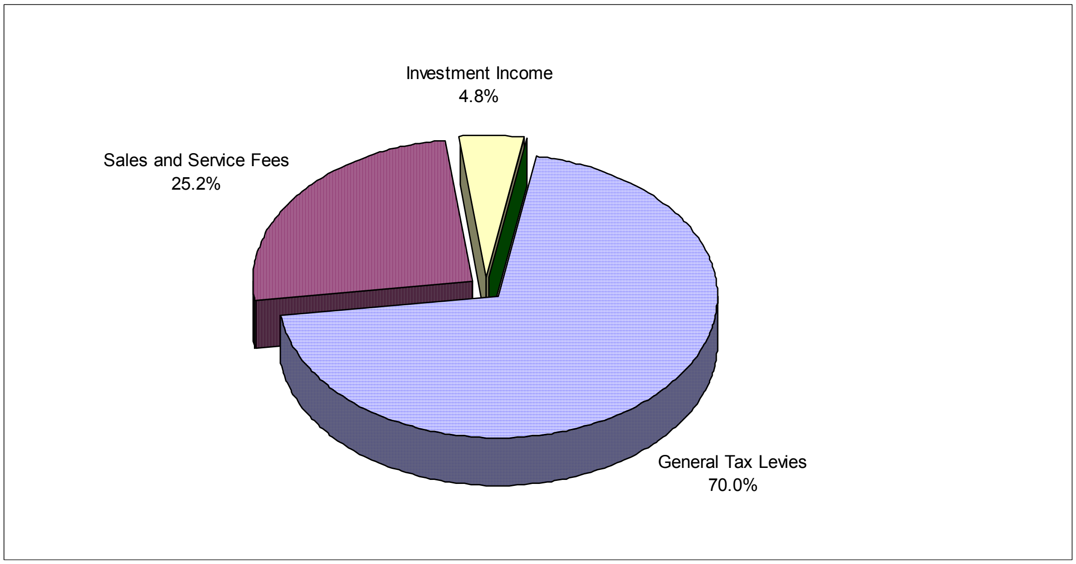
Overall Performance

The total portfolio combines the performance of the money market, intermediate and the bond portfolio. As shown in the graph below, the City's performance has consistently outperformed the MFA and the Scotia McLeod benchmarks.



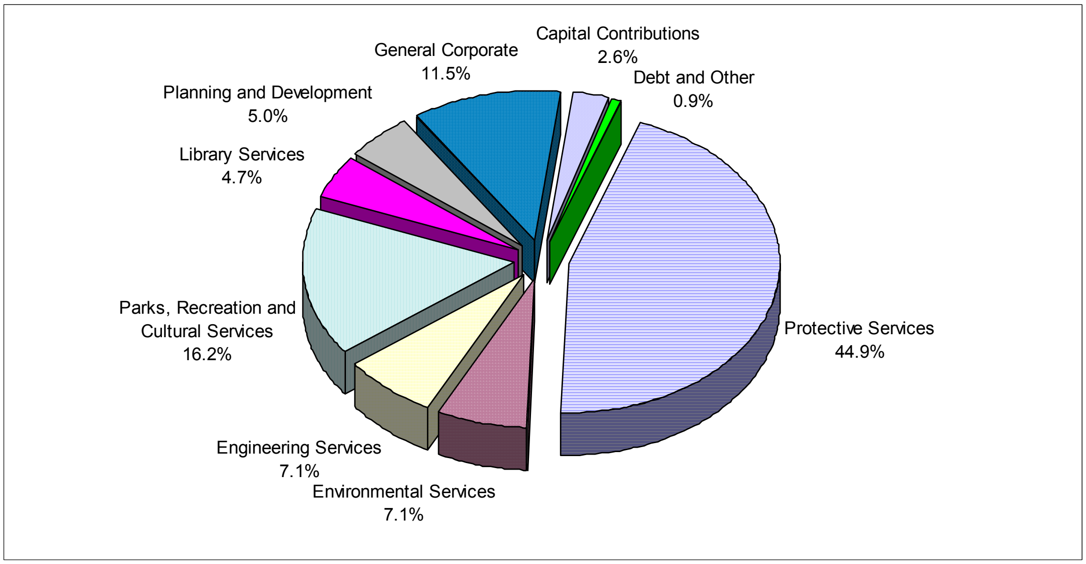
2003 BUDGET

WHERE THE MONEY COMES FROM



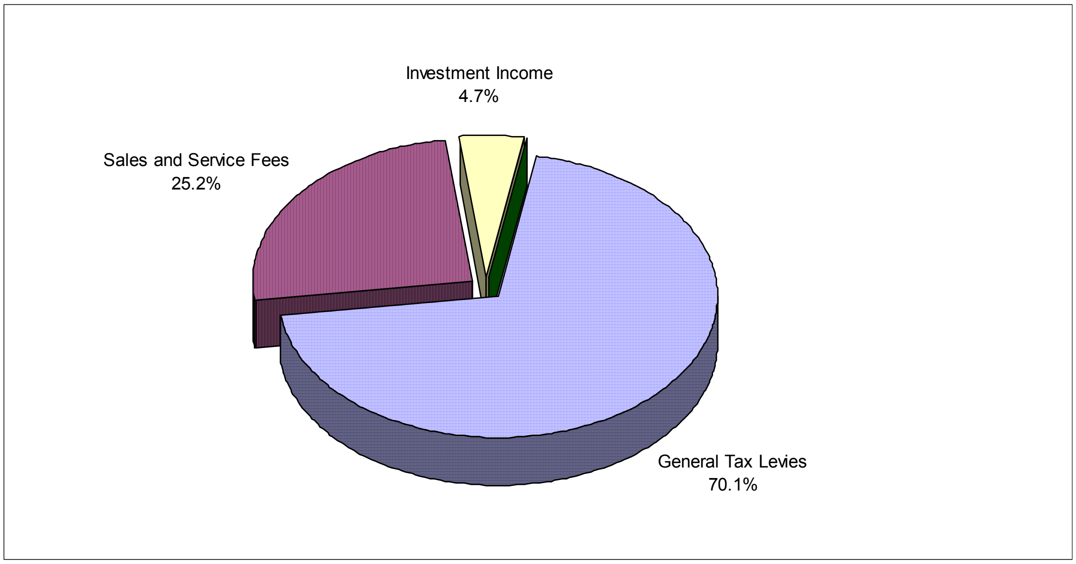
2003 BUDGET

WHERE THE MONEY GOES



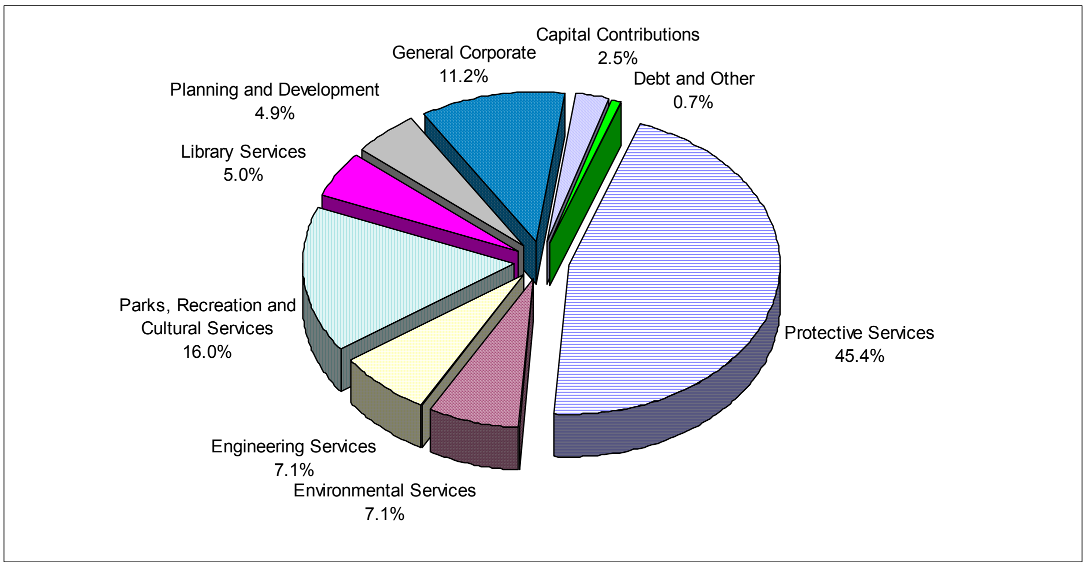
2004 BUDGET

WHERE THE MONEY COMES FROM



2004 BUDGET

WHERE THE MONEY GOES



OVERVIEW OF FUND STRUCTURE

The Financial Plan this year is in a consolidated format. The consolidation reflects a combination of the City's Operating, Capital and Reserve Funds.

OPERATING FUNDS

These funds include the following:

- General;
- Sewer/Drainage, and
- Water Operating Funds.

They are used to report the operating activities of the City.

CAPITAL FUNDS

These funds include the following:

- General;
- Sewer/Drainage, and
- Water Capital Funds.

They are used to record the acquisition of capital assets and any related long-term debt outstanding.

RESERVE FUNDS

Under the Local Government Act of B.C., City Council may by by-law establish special Reserve Funds for specified purposes. Money in a special Reserve Fund and interest earned on it, must be used only for the purpose for which the Fund was established. If the amount in a Reserve Fund is greater than required, City Council may, by by-law, transfer all or part of the amount to another Reserve Fund. Surrey currently has the following Reserve Funds:

- Equipment and Building Replacement;
- Tax Sale Land;
- Municipal Land;
- Parkland Acquisition;
- Capital Acquisition;
- Local Improvement Financing;
- Water Claims;
- Affordable Housing;
- Parking Space, and
- Development Cost Charges and Neighbourhood Concept Plans.

TRUST FUNDS

These funds have been created to hold assets, which are to be administered as directed by agreement or statute for certain beneficiaries. Trusts administered by the City are not included in the City's Consolidated Budget.

2004 - 2008 FINANCIAL PLAN
WORK IN PROGRESS & SURPLUS, OPERATIONS
$ 000'S

	2003 Actual Balance	2004 Work In Progress	2004 Interest	2004 Receipts	2004 Program	Available for Future Years
General Operating Fund						
Work in Progress						
Operating	$ 9,097	$ (5,502)	$ 0	$ 334	$ 0	$ 3,929
Capital	43,393	(42,135)	0	5,200	(5,200)	1,258
	52,490	(47,637)	0	5,534	(5,200)	5,187
Surplus						
Unappropriated	10,599	0	0	0	(2,939)	7,660
Appropriated						
- Operating Contingency	3,500	0	0	0	0	3,500
- Operating Emergency	1,000	0	0	0	0	1,000
- Environmental Emergencies	2,590	0	0	0	0	2,590
- Interest Revenue Stabilization	1,000	0	0	0	0	1,000
- Revenue Stabilization	4,000	0	0	0	0	4,000
- Self Insurance	12,643	0	537	0	(2,000)	11,180
- Innovation Funding	903	0	0	25	0	928
- Employee Sick	2,500	0	0	0	0	2,500
	28,136	0	537	25	(2,000)	26,698
	91,225	**(47,637)**	**537**	**5,559**	**(10,139)**	**39,545**
Surrey Public Library						
Work in Progress	631	0	0	0	0	631
Surplus						
Unappropriated	0	0	0	0	0	0
Appropriated	0	0	0	0	0	0
	0	0	0	0	0	0
	631	**0**	**0**	**0**	**0**	**631**
Water Operating Fund						
Work in Progress						
Operating	162	(162)	0	0	0	0
Capital	16,914	(9,244)	0	4,460	(8,660)	3,470
	17,076	(9,406)	0	4,460	(8,660)	3,470
Surplus						
Unappropriated	3,000	0	0	0	0	3,000
Appropriated						
- Operating Emergency	1,500	0	0	0	0	1,500
- Revenue Stabilization	8,073	0	0	492	(203)	8,362
- Self Insurance	3,655	0	155	0	0	3,810
- Infrastructure Replacement	8,528	0	362	0	0	8,890
- Capital Legacy	4,440	0	189	0	0	4,629
	26,196	0	706	492	(203)	27,191
	46,272	**(9,406)**	**706**	**4,952**	**(8,863)**	**33,661**
Sewer/Drainage Operating Fund						
Work in Progress						
Operating	331	(331)	0	0	0	0
Capital	24,771	(24,771)	0	8,015	(8,015)	0
	25,102	(25,102)	0	8,015	(8,015)	0
Surplus						
Unappropriated	3,000	0	0	0	0	3,000
Appropriated						
- Operating Emergency	1,500	0	0	0	0	1,500
- Revenue Stabilization	0	0	0	0	0	0
- Self Insurance	4,550	0	193	0	0	4,743
- Infrastructure Replacement	2,378	0	101	0	(1,500)	979
- Capital Legacy	4,449	0	189	300	(4,704)	234
	12,877	0	483	300	(6,204)	7,456
	40,979	**(25,102)**	**483**	**8,315**	**(14,219)**	**10,456**
	$ 179,107	**$ (82,145)**	**$ 1,726**	**$ 18,826**	**$ (33,221)**	**$ 84,293**

2004 - 2008 FINANCIAL PLAN
STATUTORY RESERVE FUNDS
$ 000'S

	2003 Actual Balance	2003 CarryForward	2004 Interest	2004 Receipts	2004 Program	Available for Future Years
Development Cost Charges						
Arterial Roads	$ 17,483	$ (7,623)	$ 743	$ 9,197	$ (14,310)	$ 5,490
Major Collector Roads	5,636	(3,204)	240	2,376	(3,470)	1,578
Drainage	10,412	(6,292)	443	5,777	(4,550)	5,790
Parkland Acquisition	34,646	(26,395)	0	10,190	(13,200)	5,241
Parkland Development	4,094	(2,605)	1,646	584	(3,720)	(0)
Parkland Cash in Lieu	3,316	0	141	2,500	(2,590)	3,367
Sanitary Sewer	11,926	(10,069)	507	1,794	(1,960)	2,198
Water	8,382	(5,973)	356	2,219	(3,410)	1,574
	95,896	(62,161)	4,076	34,637	(47,210)	25,238
City Land Reserves						
Unappropriated	14,491	0	1,166	(1,500)	0	14,157
Bear Creek Park Parking	0	0	0	485	(485)	0
Bridge Replacement	650	(650)	0	1,000	(1,000)	0
Bridgeview Industrial	1,385	(1,385)	0	0	0	0
Cranley Drive Reserve	895	0	38	0	(15)	918
Elgin Park	497	(497)	0	0	0	0
Erma Stephenson Water Park	50	(50)	0	0	0	0
Fraser Heights Multi-Purpose	0	0	0	3,000	(3,000)	0
Fraser Heights Preschool Playground	0	0	0	100	(100)	0
Fraser Heights Tennis Courts	0	0	0	200	(200)	0
Fraser Heights Youth Park	185	(185)	0	0	0	0
Greenways	92	(92)	0	255	(255)	0
Guildford/Hjorth Park Youth Park	0	0	0	240	(240)	0
Land Sales	0	0	0	300	(300)	0
Learning & Discovery Centre	1,938	(1,938)	0	1,000	(1,000)	0
Minor Paving	20	(20)	0	470	(470)	0
Municipal Subdivisions	836	(836)	0	0	0	0
Panorama Dr Srvc & Site Prep	428	(428)	0	0	0	0
Parkland Acquisition	2,963	(2,963)	0	0	0	0
RCMP Main Detachment	0	0	0	925	(925)	0
South Surrey Pool Upgrade	0	0	0	225	(225)	0
Surrey Sport & Leisure Upper Floor	0	0	0	300	(300)	0
Fraser Heights Drainage Pond	28	(28)	0	0	0	0
Surrey Lake	868	(868)	0	0	0	0
Whalley Revitalization Strategy	3,000	(3,000)	0	0	0	0
	28,326	(12,940)	1,204	7,000	(8,515)	15,075
Equipment & Buildings						
Vehicles and Equipment	27,746	(7,451)	(317)	4,755	(3,707)	21,026
City Buildings	1,221	(83)	(4)	0	0	1,134
	28,967	(7,534)	(320)	4,755	(3,707)	22,161
NCP - Amenities	6,382	(2,275)	271	0	(1,675)	2,703
Local Improvement Fund	7,124	0	303	0	(4,000)	3,427
Affordable Housing	8,624	(548)	367	0	0	8,443
Parking Space Reserve	1,147	0	49	0	0	1,195
Water Damage Claims	938	0	40	0	0	978
Tax Sale Land Reserve	136	0	6	0	0	141
Capital Legacy Fund	30,276	(715)	1,287	714	(1,500)	30,062
	54,626	(3,538)	2,322	714	(7,175)	46,949
	$ 207,815	**$ (86,173)**	**$ 7,281**	**$ 47,106**	**$ (66,607)**	**$ 109,422**

2004 - 2008 FINANCIAL PLAN
CONSOLIDATED FINANCIAL SUMMARY
$ 000's

REVENUE SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Taxation	$ 301,385	$ 317,860	$ 303,218	**$ 325,780**	$ 337,245	$ 349,202	$ 361,762	$ 374,861
Collections for Other Authorities	(155,536)	(163,905)	(151,653)	**(165,678)**	(168,862)	(172,239)	(175,551)	(179,060)
	145,849	153,955	151,565	**160,102**	168,383	176,963	186,211	195,801
Investment Income	16,999	14,008	12,761	**12,875**	12,457	13,313	13,403	13,433
Penalties and Interest on Taxes	2,634	2,773	2,715	**2,815**	2,915	2,915	2,915	2,915
MFA Debt Refund	213	7	2,705	**39**	66	0	1,937	410
	19,846	16,788	18,181	**15,729**	15,438	16,228	18,255	16,758
Utility Administration	2,683	2,694	3,200	**3,296**	3,395	3,497	3,602	3,674
Departmental Revenues	101,112	107,219	103,021	**109,418**	114,147	118,293	122,544	126,904
Sundry & Developer Contributions	10,335	11,693	51,755	**53,796**	53,397	52,536	53,345	53,094
	$ 279,825	**$ 292,349**	**$ 327,722**	**$ 342,341**	**$ 354,760**	**$ 367,517**	**$ 383,957**	**$ 396,231**

EXPENDITURE SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Fiscal Services	$ 663	$ 568	$ 435	**$ 403**	$ 413	$ 424	$ 436	$ 447
Council Projects	250	250	250	**250**	250	250	250	250
Departmental Expenditures	215,378	226,448	244,089	**259,116**	270,856	282,758	297,135	308,172
Capital Expenditures	81,585	93,120	126,532	**127,843**	121,889	120,654	120,547	122,952
	$ 297,876	**$ 320,386**	**$ 371,306**	**$ 387,612**	**$ 393,408**	**$ 404,086**	**$ 418,368**	**$ 431,821**
Interest Allocated to Approp. Surplus	$ 1,510	$ 1,410	$ 1,688	**$ 1,398**	$ 1,359	$ 1,466	$ 1,534	$ 1,602
Debt Principal Repaid	1,624	559	559	**0**	0	0	0	0
Net Tsf.To/(Fm) Surplus/Reserve	(21,996)	(24,777)	(42,887)	**(43,730)**	(37,116)	(35,208)	(33,166)	(34,469)
	$ (18,560)	**$ (28,037)**	**$ (40,640)**	**$ (42,332)**	**$ (35,757)**	**$ (33,742)**	**$ (31,632)**	**$ (32,867)**
Surplus/(Deficit)	$ 509	$ 0	$ (2,944)	**$ (2,939)**	$ (2,891)	$ (2,827)	$ (2,779)	$ (2,723)
Transfers (To)/From Surplus	(509)	0	2,944	**2,939**	2,891	2,827	2,779	2,723
	$ 0	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL SUMMARY
$ 000's

NET PROGRAMS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Mayor, Council & Grants	$ 1,470	$ 1,566	$ 1,716	**$ 1,754**	$ 1,782	$ 1,815	$ 1,848	$ 1,883
City Manager	3,224	3,289	4,542	**3,862**	4,113	4,552	5,079	5,609
Finance, Technology & HR	11,345	12,342	13,698	**14,565**	14,920	15,762	16,613	17,372
Fire	30,851	33,693	33,774	**35,379**	36,774	38,067	39,098	40,159
RCMP	43,545	48,608	53,837	**58,064**	61,188	64,926	69,165	72,812
Engineering Services	6,600	6,055	7,653	**7,776**	7,683	7,643	7,610	7,497
Parks, Recreation & Culture	22,337	22,462	22,952	**23,923**	24,876	25,894	26,427	26,977
Surrey Public Library	7,032	7,851	7,851	**8,989**	9,210	9,472	9,741	10,016
Planning & Development	(2,952)	(2,744)	(475)	**(210)**	(203)	(176)	(118)	(86)
Water Operations	(6,563)	(5,299)	(2,162)	**(3,102)**	(3,069)	(2,973)	(1,476)	(2,596)
Sewer & Drainage Operations	6,985	6,541	7,819	**6,661**	5,756	4,626	3,840	3,256
Operating Contingency	847	0	1,142	**962**	654	756	860	863
	$ 124,721	**$ 134,364**	**$ 152,347**	**$ 158,623**	**$ 163,684**	**$ 170,364**	**$ 178,687**	**$ 183,762**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (62,206)	$ (65,658)	$ (60,925)	**$ (64,181)**	$ (65,915)	$ (67,881)	$ (69,951)	$ (72,128)
Grants, Donations and Other	(38,906)	(41,561)	(42,096)	**(45,237)**	(48,232)	(50,412)	(52,593)	(54,776)
	(101,112)	(107,219)	(103,021)	**(109,418)**	(114,147)	(118,293)	(122,544)	(126,904)
Expenditures								
Salaries and Benefits	99,868	107,160	112,763	**117,721**	121,460	125,390	129,171	133,105
Operating Costs	127,642	132,733	141,881	**152,454**	160,524	168,741	179,601	187,067
Internal Services Used	29,003	28,096	29,332	**28,719**	29,267	29,808	30,365	30,940
Internal Services Recovered	(36,589)	(35,964)	(37,501)	**(37,216)**	(37,833)	(38,619)	(39,440)	(40,378)
External Recoveries	(4,546)	(5,577)	(2,386)	**(2,562)**	(2,562)	(2,562)	(2,562)	(2,562)
	215,378	226,448	244,089	**259,116**	270,856	282,758	297,135	308,172
Net Operations Total	**114,266**	**119,229**	**141,068**	**149,698**	**156,709**	**164,465**	**174,591**	**181,268**
Transfers								
Transfer From Own Sources	(2,201)	(779)	(2,308)	**(2,308)**	(2,740)	(2,308)	(2,435)	(4,062)
Transfer To Own Sources	12,656	15,914	13,586	**11,233**	9,715	8,207	6,531	6,556
	10,455	15,135	11,278	**8,925**	6,975	5,899	4,096	2,494
	$ 124,721	**$ 134,364**	**$ 152,346**	**$ 158,623**	**$ 163,684**	**$ 170,364**	**$ 178,687**	**$ 183,762**

2004 - 2008 FINANCIAL PLAN
CONSOLIDATED SIGNIFICANT CHANGES
$ 000's

2003 ADOPTED BUDGET		$ (2,944)
REVENUES		
Taxation		
Assessment Growth	$ 4,166	
Taxation Rate Increase	4,056	
Other Assessment Adjustments	(627)	
Drainage Parcel Tax Increase	942	**8,537**
Investment Income	114	
Penalties and Interest on Taxes	100	
MFA Debt Refund	(2,666)	**(2,452)**
Utility Administration	96	**96**
Departmental Revenues		
City Manager	893	
Finance, Technology & HR	23	
Fire	14	
RCMP	(103)	
Engineering Services	1,614	
Parks, Recreation & Culture	218	
Surrey Public Library	36	
Planning & Development	49	
Water	1,242	
Sewer	2,411	**6,397**
Sundry & Developer Contributions		
Developer Contributions	1,315	
Sundry Contributions	726	**2,041**
Total Change in Revenue		**14,619**
EXPENDITURES		
Fiscal Services	(32)	**(32)**
Departmental Expenditures		
Mayor, Council & Grants	38	
City Manager	213	
Finance, Technology & HR	825	
Fire	1,619	
RCMP	4,124	
Engineering Services	2,376	
Parks, Recreation & Culture	1,188	
Surrey Public Library	1,174	
Planning & Development	314	
Operating Contingency	(180)	
Water	2,082	
Sewer	1,254	**15,027**
Capital Expenditures		
Non-Discretionary Works	1,315	
Asset Maintenance	396	
Ranked Capital Projects	(400)	**1,311**
Interest Allocated to Appropriated Surplus	(290)	
Debt Principle	(559)	**(849)**
Net Transfers		
Repay Local Improvement Fund	(223)	
Appropriated Surplus for Operating Use	65	
Reserve Fund Contributions from Operating	(638)	
Water Utility Fund Transfers	(1,780)	
Sewer & Drainage Utility Fund Transfers	2,028	
Appropriated Surplus for Capital Use	3,150	
Reserve Funds for Capital Use	(3,445)	**(843)**
Total Change in Expenditures		**14,614**
2004 BUDGET		**$ (2,939)**

2004 - 2008 FINANCIAL PLAN
CONSOLIDATED SIGNIFICANT CHANGES
$ 000's

2004 ADOPTED BUDGET		**$ (2,939)**
REVENUES		
Taxation		
Assessment Growth	$ 16,747	
Taxation Rate Increase	17,694	
Other Assessment Adjustments	24	
Drainage Parcel Tax Increase	1,234	**35,699**
Investment Income	558	
Penalties and Interest on Taxes	100	
MFA Debt Refund	371	**1,029**
Utility Administration	378	**378**
Departmental Revenues		
City Manager	320	
Fire	49	
RCMP	853	
Engineering Services	2,347	
Parks, Recreation & Culture	787	
Planning & Development	1,109	
Water	5,306	
Sewer	6,715	**17,486**
Sundry & Developer Contributions		
Developer Contributions	(677)	
Sundry Contributions	(25)	**(702)**
Total Change in Revenue		**53,890**
EXPENDITURES		
Fiscal Services	44	**44**
Departmental Expenditures		
Mayor, Council & Grants	129	
City Manager	2,499	
Finance, Technology & HR	2,806	
Fire	4,829	
RCMP	15,601	
Engineering Services	1,968	
Parks, Recreation & Culture	3,841	
Surrey Public Library	1,027	
Planning & Development	1,233	
Operating Contingency	(99)	
Water	11,912	
Sewer	3,310	**49,056**
Capital Expenditures		
Non-Discretionary Works	(677)	
Asset Maintenance	(2,564)	
Ranked Capital Projects	(1,650)	**(4,891)**
Interest Allocated to Appropriated Surplus	204	**204**
Net Transfers		
Repay Local Improvement Fund	(474)	
Appropriated Surplus for Operating Use	(431)	
Reserve Fund Contributions from Operating	100	
Water Utility Fund Transfers	(6,110)	
Sewer & Drainage Utility Fund Transfers	3,379	
Appropriated Surplus for Capital Use	10,838	
Reserve Funds for Capital Use	1,959	**9,261**
Total Change in Expenditures		**53,674**
2008 BUDGET		**$ (2,723)**

2004 - 2008 FINANCIAL PLAN
GENERAL OPERATING - FINANCIAL SUMMARY
$ 000's

REVENUE SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Taxation	$ 284,334	$ 300,183	$ 287,621	**$ 309,241**	$ 320,414	$ 332,078	$ 344,320	$ 357,088
Collections for Other Authorities	(155,536)	(163,905)	(151,653)	**(165,678)**	(168,862)	(172,239)	(175,551)	(179,060)
	128,798	136,278	135,968	**143,563**	151,552	159,839	168,769	178,028
Investment Income	12,114	10,249	9,447	**9,726**	9,583	10,107	10,107	10,107
Penalties and Interest on Taxes	2,163	2,212	2,400	**2,500**	2,600	2,600	2,600	2,600
	14,277	12,461	11,847	**12,226**	12,183	12,707	12,707	12,707
Utility Administration	2,683	2,694	3,200	**3,296**	3,395	3,497	3,602	3,674
Departmental Revenues	52,539	55,749	49,879	**52,623**	54,597	55,743	56,902	58,088
	$ 198,297	**$ 207,182**	**$ 200,894**	**$ 211,708**	**$ 221,727**	**$ 231,786**	**$ 241,980**	**$ 252,497**
EXPENDITURE SUMMARY								
Fiscal Services	$ 292	$ 539	$ 400	**$ 403**	$ 413	$ 424	$ 436	$ 447
Council Projects	250	250	250	**250**	250	250	250	250
Departmental Expenditures	169,247	177,534	192,099	**203,790**	212,103	220,506	229,252	237,624
	$ 169,789	**$ 178,323**	**$ 192,749**	**$ 204,443**	**$ 212,766**	**$ 221,180**	**$ 229,938**	**$ 238,321**
Interest Allocated to Approp. Surplus	$ 531	$ 486	$ 686	**$ 597**	$ 562	$ 597	$ 597	$ 597
Contribution to Capital	19,122	16,947	5,200	**5,200**	7,500	8,700	10,200	12,700
Net Tsf.To/(Fm) Surplus/Reserve	8,481	11,426	5,203	**4,407**	3,790	4,136	4,024	3,602
	$ 28,549	**$ 28,859**	**$ 11,089**	**$ 10,204**	**$ 11,852**	**$ 13,433**	**$ 14,821**	**$ 16,899**
Surplus/(Deficit)	$ (41)	$ 0	$ (2,944)	**$ (2,939)**	$ (2,891)	$ (2,827)	$ (2,779)	$ (2,723)
Transfers (To)/From Surplus	41	0	2,944	**2,939**	2,891	2,827	2,779	2,723
	$ 0	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

2004 - 2008 FINANCIAL PLAN
GENERAL OPERATING - REVENUE SUMMARY
$ 000's

REVENUE SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Taxation								
Base Levy	$ 272,496	$ 284,544	$ 272,295	**$ 293,024**	$ 304,171	$ 315,739	$ 327,269	$ 339,549
Assessment Growth (City's Portion)	3,679	3,553	3,488	**4,166**	4,059	3,948	4,248	4,492
Property Tax Rate Increase	0	3,499	3,816	**4,056**	4,132	4,270	4,522	4,770
Provision for Adjustments	0	0	(150)	**(150)**	(150)	(150)	(67)	(150)
	276,175	291,596	279,449	**301,096**	312,212	323,807	335,972	348,661
Grants in Lieu	8,064	8,575	8,100	**8,100**	8,181	8,262	8,345	8,427
Special Assessments	95	12	72	**45**	21	9	3	0
	284,334	300,183	287,621	**309,241**	320,414	332,078	344,320	357,088
Collections for Other Authorities								
Provincial School Taxes	(127,350)	(133,763)	(129,724)	**(135,198)**	(137,902)	(140,660)	(143,473)	(146,342)
Greater Vcr Transit Auth.	(13,779)	(14,664)	(14,035)	**(14,957)**	(15,256)	(15,561)	(15,872)	(16,189)
Greater Vcr Regional Dist.	(3,408)	(3,524)	(3,470)	**(3,594)**	(3,666)	(3,739)	(3,814)	(3,890)
Greater Vcr Sewer Dist.	(6,294)	(6,613)	0	**(6,481)**	(6,481)	(6,611)	(6,611)	(6,743)
B.C. Assessment Authority	(4,337)	(4,352)	(4,416)	**(4,439)**	(4,528)	(4,619)	(4,711)	(4,805)
Other	(368)	(989)	(8)	**(1,009)**	(1,029)	(1,049)	(1,070)	(1,091)
	(155,536)	(163,905)	(151,653)	**(165,678)**	(168,862)	(172,239)	(175,551)	(179,060)
Net Taxation	128,798	136,278	135,968	**143,563**	151,552	159,839	168,769	178,028
Other								
Investment Income	12,114	10,249	9,447	**9,726**	9,583	10,107	10,107	10,107
Penalties and Interest on Taxes	2,163	2,212	2,400	**2,500**	2,600	2,600	2,600	2,600
	14,277	12,461	11,847	**12,226**	12,183	12,707	12,707	12,707
Total Corporate Revenues	**143,075**	**148,739**	**147,815**	**155,789**	**163,735**	**172,546**	**181,476**	**190,735**
Utility Administration	2,683	2,694	3,200	**3,296**	3,395	3,497	3,602	3,674
Departmental Revenues								
General Government								
City Manager	4,296	4,647	4,285	**5,178**	5,258	5,338	5,418	5,498
Finance, Technology & HR	1,064	1,205	839	**862**	862	862	862	862
	5,360	5,852	5,124	**6,040**	6,120	6,200	6,280	6,360
Protection Services								
Fire	582	601	593	**607**	619	631	643	656
RCMP	1,749	1,848	1,657	**1,554**	2,367	2,380	2,393	2,407
	2,331	2,449	2,250	**2,161**	2,986	3,011	3,036	3,063
Other								
Engineering Services	21,793	23,188	20,838	**22,452**	23,063	23,634	24,208	24,799
Parks, Recreation & Culture	9,391	9,721	9,642	**9,860**	10,052	10,248	10,447	10,647
Surrey Public Library	1,361	1,460	1,360	**1,396**	1,396	1,396	1,396	1,396
Planning & Development	12,303	13,079	10,665	**10,714**	10,980	11,254	11,535	11,823
	44,848	47,448	42,505	**44,422**	45,491	46,532	47,586	48,665
	52,539	**55,749**	**49,879**	**52,623**	54,597	55,743	56,902	58,088
	$ 198,297	**$ 207,182**	**$ 200,894**	**$ 211,708**	**$ 221,727**	**$ 231,786**	**$ 241,980**	**$ 252,497**

2004 - 2008 FINANCIAL PLAN
GENERAL OPERATING - EXPENDITURE SUMMARY
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EXPENDITURE SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Interest Paid on Prepaid Taxes	$ 137	$ 217	$ 200	**$ 203**	$ 208	$ 214	$ 221	$ 226
Fiscal Charges	155	322	200	**200**	205	210	215	221
	292	539	400	**403**	413	424	436	447
Council Projects	250	250	250	**250**	250	250	250	250
Departmental Expenditures								
General Government								
Mayor, Council & Grants	1,470	1,566	1,716	**1,754**	1,782	1,815	1,848	1,883
City Manager	7,695	7,602	8,683	**8,896**	9,659	9,746	10,353	11,395
Finance, Technology & HR	10,713	10,924	14,926	**15,751**	16,105	16,947	17,798	18,557
	19,878	20,092	25,325	**26,401**	27,546	28,508	29,999	31,835
Protection Services								
Fire	29,856	31,917	32,790	**34,409**	35,816	37,121	38,164	39,238
RCMP	45,291	50,256	55,494	**59,618**	63,555	67,306	71,558	75,219
	75,147	82,173	88,284	**94,027**	99,371	104,427	109,722	114,457
Other								
Engineering Services	25,831	26,293	25,941	**28,317**	28,810	29,316	29,832	30,285
Parks, Recreation & Culture	30,675	30,565	32,006	**33,194**	34,339	35,553	36,285	37,035
Surrey Public Library	8,206	9,131	9,211	**10,385**	10,606	10,868	11,137	11,412
Planning & Development	8,663	9,280	10,190	**10,504**	10,777	11,078	11,417	11,737
Operating Contingency	847	0	1,142	**962**	654	756	860	863
	74,222	75,269	78,490	**83,362**	85,186	87,571	89,531	91,332
Total Departmental Expend.	**169,247**	**177,534**	**192,099**	**203,790**	**212,103**	**220,506**	**229,252**	**237,624**
Approp. Surplus re: Interest	531	486	686	**597**	562	597	597	597
Contribution to Capital	19,122	16,947	5,200	**5,200**	7,500	8,700	10,200	12,700
Net Tsf. To/(Fm) Surplus/Reserve								
Repay Local Improvement Fund	890	733	733	**510**	299	188	51	36
Appropriated Surplus	2,272	3,634	(345)	**(280)**	(711)	(279)	(279)	(711)
Reserve Funds	5,319	7,059	4,815	**4,177**	4,202	4,227	4,252	4,277
	8,481	11,426	5,203	**4,407**	3,790	4,136	4,024	3,602
	$ 198,338	**$ 207,182**	**$ 203,838**	**$ 214,647**	**$ 224,618**	**$ 234,613**	**$ 244,759**	**$ 255,220**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAM SUMMARY
GENERAL GOVERNMENT

NET PROGRAMS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Mayor, Council & Grants								
Office of the Mayor	$ 448	$ 482	$ 621	**$ 644**	$ 663	$ 685	$ 707	$ 730
Council	444	486	497	**512**	521	532	543	555
City Grants	578	598	598	**598**	598	598	598	598
	1,470	1,566	1,716	**1,754**	1,782	1,815	1,848	1,883
City Manager								
Administration	516	582	714	**749**	719	1,138	1,562	1,882
Business Development Office	348	322	456	**467**	481	496	512	528
By-law Services	(1,120)	(1,202)	(570)	**(1,335)**	(1,351)	(1,354)	(1,355)	(1,354)
Communications & Public Affairs	342	364	402	**436**	440	450	455	465
Legal Services	820	861	862	**1,009**	1,024	1,057	1,086	1,121
Legislative Services	2,318	2,362	2,678	**2,536**	2,800	2,765	2,819	2,967
	3,224	3,289	4,542	**3,862**	4,113	4,552	5,079	5,609
Finance, Technology & HR								
Leadership	857	592	1,315	**1,280**	1,310	1,751	2,189	2,532
Finance	2,027	2,143	2,561	**2,580**	2,638	2,731	2,811	2,909
Human Resources	1,797	1,886	1,885	**1,902**	1,941	1,987	2,034	2,082
Information Technology	5,609	6,378	6,593	**7,329**	7,381	7,536	7,694	7,856
Risk Management	1,055	1,343	1,344	**1,474**	1,650	1,757	1,885	1,993
	11,345	12,342	13,698	**14,565**	14,920	15,762	16,613	17,372
	$ 16,039	**$ 17,197**	**$ 19,956**	**$ 20,181**	**$ 20,815**	**$ 22,129**	**$ 23,540**	**$ 24,864**

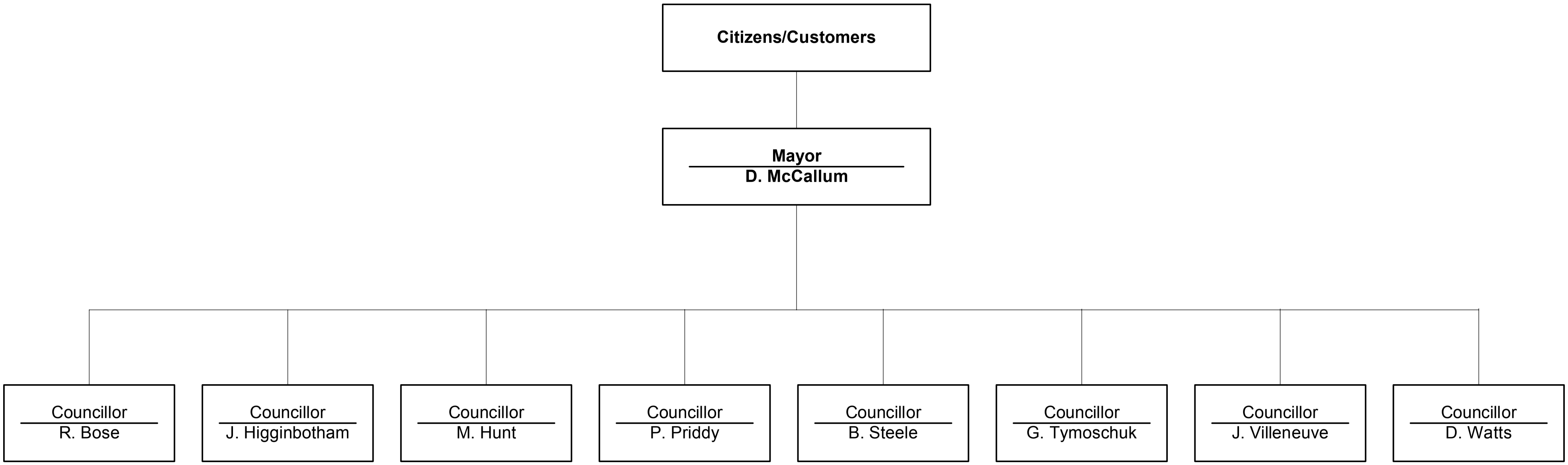
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAM SUMMARY
PROTECTION SERVICES

NET PROGRAMS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Fire								
Administration	$ 836	$ 1,923	$ 983	**$ 1,052**	$ 1,077	$ 1,107	$ 1,138	$ 1,170
Emergency Planning	93	78	86	**87**	88	89	90	91
Fire Operations	27,175	28,825	28,986	**30,187**	31,481	32,650	33,554	34,485
Mechanics	591	639	713	**716**	730	747	764	781
Prevention	719	714	706	**881**	903	930	958	987
Radio & Communications	926	964	1,694	**1,826**	1,856	1,894	1,933	1,972
Training	0	0	0	**0**	0	0	0	0
	30,851	33,693	33,774	**35,379**	36,774	38,067	39,098	40,159
RCMP								
Administration	2,985	3,674	3,881	**3,979**	3,266	3,390	3,517	3,647
District Offices	1,228	1,352	1,285	**1,330**	1,373	1,403	1,433	1,464
Operations	3,366	3,561	3,670	**4,021**	4,267	4,432	4,582	4,717
Operations Support	880	1,114	1,240	**1,304**	1,337	1,377	1,418	1,460
RCMP Contract	34,510	38,358	42,962	**46,563**	50,056	53,409	57,273	60,554
Officer In Charge Mgmt Services	576	549	799	**867**	889	915	942	970
	43,545	48,608	53,837	**58,064**	61,188	64,926	69,165	72,812
	$ 74,396	**$ 82,301**	**$ 87,611**	**$ 93,443**	**$ 97,962**	**$ 102,993**	**$ 108,263**	**$ 112,971**

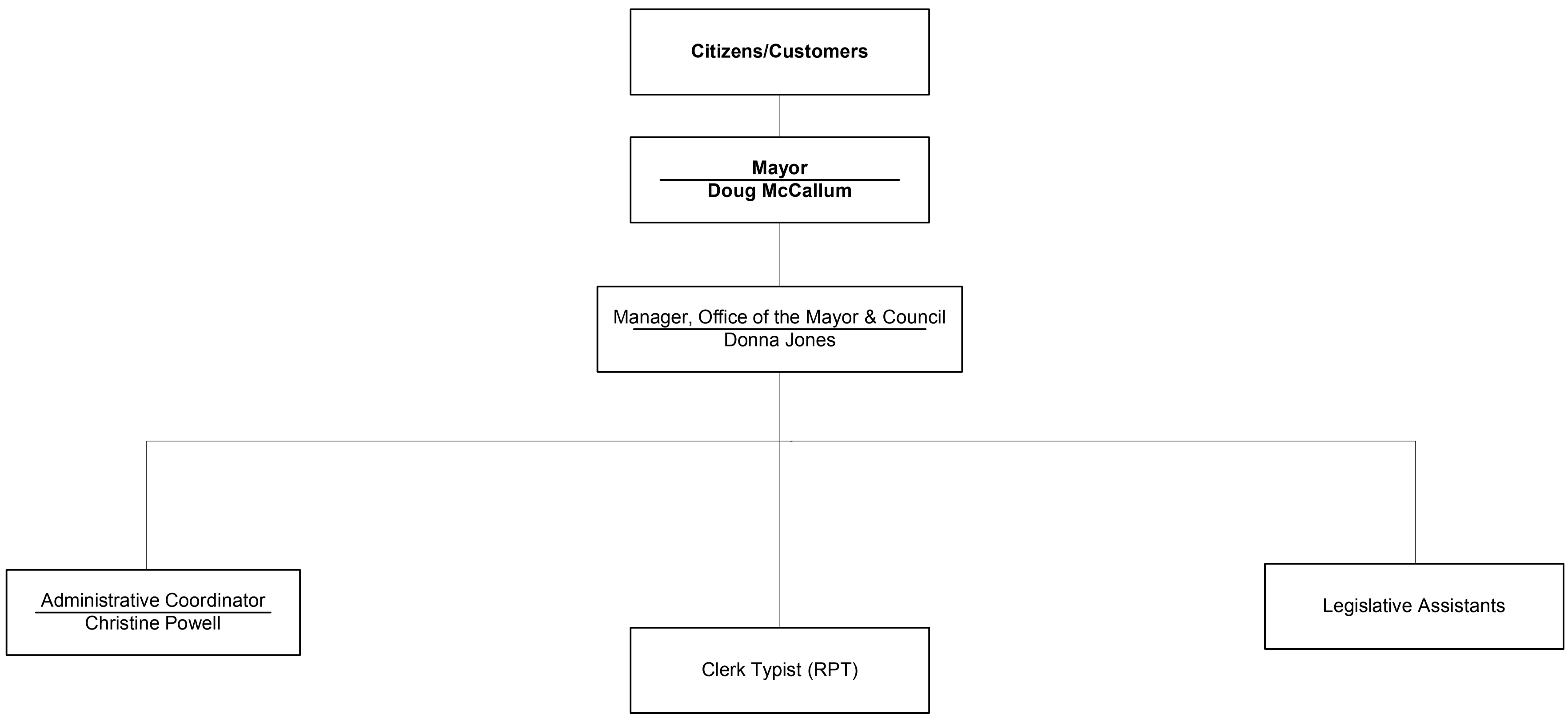
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAM SUMMARY
OTHER DEPARTMENTS

NET PROGRAMS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Engineering Services								
Administration	$ (49)	$ 25	$ 507	**$ 0**	$ 0	$ 0	$ 0	$ 0
Engineering Operations	5,487	5,844	5,697	**6,035**	6,114	6,211	6,311	6,311
Land Development	(832)	(1,103)	0	**0**	0	0	0	0
Real Estate	(1,429)	(1,525)	(1,527)	**(1,688)**	(1,651)	(1,619)	(1,587)	(1,555)
Solid Waste	(297)	(994)	(823)	**(700)**	(892)	(1,092)	(1,302)	(1,522)
Traffic	3,720	3,808	3,799	**4,129**	4,112	4,143	4,188	4,263
	6,600	6,055	7,653	**7,776**	7,683	7,643	7,610	7,497
Parks, Recreation & Culture								
Administration	1,888	1,798	1,804	**1,320**	1,275	1,239	1,202	1,165
Arenas	1,242	1,116	973	**1,170**	1,202	1,245	1,290	1,336
Art Centre	1,178	1,149	1,314	**1,344**	1,372	1,398	1,425	1,453
Community Development	439	378	446	**547**	498	511	524	537
Community Halls	38	37	27	**25**	25	25	25	25
Community Recreation Office	1,690	1,573	1,916	**2,091**	2,637	3,145	3,205	3,267
Heritage Services	675	701	721	**769**	886	957	979	1,002
Indoor Pools	2,082	2,218	2,118	**2,339**	2,396	2,469	2,545	2,624
Outdoor Pools	716	747	766	**791**	796	801	806	811
Parks Division	3,049	3,148	3,162	**3,229**	3,308	3,401	3,496	3,593
Planning, Design & Facilities	8,252	8,563	8,544	**9,077**	9,237	9,430	9,628	9,832
Seniors Centres	539	528	564	**594**	607	623	638	654
Youth Centres	549	506	597	**627**	637	650	664	678
	22,337	22,462	22,952	**23,923**	24,876	25,894	26,427	26,977
Surrey Public Library								
Administration	(73)	(55)	(167)	**(187)**	(172)	(158)	(144)	(129)
Community Relations	233	243	138	**242**	247	253	259	265
Public Services	4,853	5,694	5,814	**6,597**	6,717	6,911	7,111	7,316
Technical Services	2,019	1,969	2,066	**2,337**	2,418	2,466	2,515	2,564
	7,032	7,851	7,851	**8,989**	9,210	9,472	9,741	10,016
Planning and Development								
Administration	2,241	2,160	2,642	**1,857**	1,907	1,961	2,026	2,084
Area Planning & Development	779	635	1,730	**1,391**	1,434	1,481	1,539	1,589
Building	(6,012)	(5,773)	(4,887)	**(4,469)**	(4,579)	(4,678)	(4,769)	(4,871)
Long Range Planning & Policy	0	194	0	**971**	995	1,020	1,046	1,072
Heritage Advisory Committee	40	40	40	**40**	40	40	40	40
	(2,952)	(2,744)	(475)	**(210)**	(203)	(176)	(118)	(86)
Operating Contingency	847	0	1,142	**962**	654	756	860	863
	$ 33,864	**$ 33,624**	**$ 39,123**	**$ 41,440**	**$ 42,220**	**$ 43,589**	**$ 44,520**	**$ 45,267**

MAYOR AND COUNCIL ORGANIZATION CHART



2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
MAYOR'S OFFICE ORGANIZATION CHART



MAYOR & COUNCIL DEPARTMENTAL OVERVIEW

Surrey Council, the governing body of the City, is comprised of the Mayor and eight council members. A City election is held every three years, with the next being in the Fall of 2005.

The key functions of City Council are, to adopt by-laws governing matters delegated to local government through the Local Government Act and other Provincial statutes, to adopt administrative policy, and to levy taxes for these purposes. City Council is also authorized to acquire, dispose of and manage City assets. The daily operation of the City is delegated by Council to the City Manager.

Members of City Council are closely involved in issues affecting Surrey through their work on local, regional, provincial and federal committees, boards and commissions. Creating a prosperous, safe, clean and active City, a City that inspires pride in citizens, remains the paramount goal of Council.

The Mayor is empowered to establish standing committees and may appoint non-Council members to those committees, though the majority of standing committee members are members of Council. Currently there are three standing committees: Finance Committee, Police Committee, and Gaming Committee. The role of standing committees is primarily deliberative and all standing committees take their recommendations forward to Council for ratification.

There are also a total of fourteen select committees, boards and commissions appointed by Council. At least one Council member sits on each of the select committees, boards and commissions with the majority of the members being non-Council members. All findings and recommendations generated by select committees, boards and commissions are taken forward to Council for ratification.

In 2004 and beyond, Surrey City Council will continue to use its authority to establish policies related to growth, development and the operation of the City, while working closely with City Administration which is responsible for implementing Council policies, by-laws and resolutions.

Back Row: B. Steele, J.M. Hunt, G.Tymoschuk, R. Bose
Front Row: J.A. Villeneuve, P. Priddy, Mayor D.W. McCallum, J.E. Higginbotham, D.L. Watts

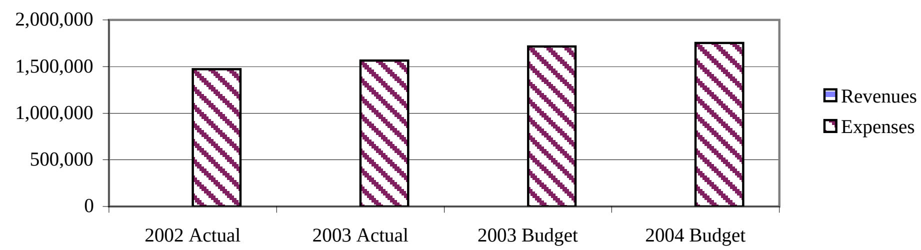
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
MAYOR, COUNCIL & CITY GRANTS

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Office of the Mayor	$ 448,000	$ 482,000	$ 621,000	**$ 644,000**	$ 663,000	$ 685,000	$ 707,000	$ 730,000
Council	444,000	486,000	497,000	**512,000**	521,000	532,000	543,000	555,000
City Grants	578,000	598,000	598,000	**598,000**	598,000	598,000	598,000	598,000
	$ 1,470,000	**$ 1,566,000**	**$ 1,716,000**	**$ 1,754,000**	**$ 1,782,000**	**$ 1,815,000**	**$ 1,848,000**	**$ 1,883,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	$ 731,000	$ 772,000	$ 870,000	**$ 900,000**	$ 923,000	$ 951,000	$ 979,000	$ 1,009,000
Operating Costs	726,000	781,000	833,000	**841,000**	846,000	851,000	856,000	861,000
Internal Services Used	13,000	13,000	13,000	**13,000**	13,000	13,000	13,000	13,000
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	1,470,000	1,566,000	1,716,000	**1,754,000**	1,782,000	1,815,000	1,848,000	1,883,000
Net Operations Total	**1,470,000**	**1,566,000**	**1,716,000**	**1,754,000**	**1,782,000**	**1,815,000**	**1,848,000**	**1,883,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 1,470,000	**$ 1,566,000**	**$ 1,716,000**	**$ 1,754,000**	**$ 1,782,000**	**$ 1,815,000**	**$ 1,848,000**	**$ 1,883,000**

Mayor, Council & City Grants Departmental Operations



OFFICE OF THE MAYOR	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	388,000	422,000	519,000	**541,000**	555,000	572,000	589,000	607,000
Operating Costs	47,000	47,000	89,000	**90,000**	95,000	100,000	105,000	110,000
Internal Services Used	13,000	13,000	13,000	**13,000**	13,000	13,000	13,000	13,000
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	448,000	482,000	621,000	**644,000**	663,000	685,000	707,000	730,000
Net Operations Total	**448,000**	**482,000**	**621,000**	**644,000**	**663,000**	**685,000**	**707,000**	**730,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 448,000	**$ 482,000**	**$ 621,000**	**$ 644,000**	**$ 663,000**	**$ 685,000**	**$ 707,000**	**$ 730,000**

COUNCIL	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	343,000	350,000	351,000	**359,000**	368,000	379,000	390,000	402,000
Operating Costs	101,000	136,000	146,000	**153,000**	153,000	153,000	153,000	153,000
Internal Services Used	0	0	0	**0**	0	0	0	0
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	444,000	486,000	497,000	**512,000**	521,000	532,000	543,000	555,000
Net Operations Total	**444,000**	**486,000**	**497,000**	**512,000**	**521,000**	**532,000**	**543,000**	**555,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 444,000	**$ 486,000**	**$ 497,000**	**$ 512,000**	**$ 521,000**	**$ 532,000**	**$ 543,000**	**$ 555,000**

APPROVED CITY GRANTS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
City Leases								
Action BMX Association	$ 4,000	$ 4,000	$ 4,000	**$ 4,000**	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Crescent Beach Swim Club	600	600	600	**600**	600	600	600	600
Fraser Valley Heritage Rail Society	0	20,400	20,400	**20,400**	20,400	20,400	20,400	20,400
L.M. German Shepherd Dog Club	3,600	3,600	3,600	**3,600**	3,600	3,600	3,600	3,600
Panorama Ridge Riding Club	22,500	22,500	22,500	**22,500**	22,500	22,500	22,500	22,500
Sunnyside Saddle Club	38,400	38,400	38,400	**38,400**	38,400	38,400	38,400	38,400
Surrey Sailing Club	24,000	24,000	24,000	**24,000**	24,000	24,000	24,000	24,000
Valley Curling Club	60,000	60,000	60,000	**60,000**	60,000	60,000	60,000	60,000
	153,100	173,500	173,500	**173,500**	173,500	173,500	173,500	173,500
2002 Property Taxes								
Miscellaneous Taxes	1,800	0	300	**0**	0	0	0	0
Unallocated Taxes	0	5,000	4,700	**5,000**	5,000	5,000	5,000	5,000
	1,800	5,000	5,000	**5,000**	5,000	5,000	5,000	5,000
Chamber of Commerce								
Cloverdale Chamber of Commerce	10,000	10,000	10,000	**10,000**	10,000	10,000	10,000	10,000
Surrey Chamber of Commerce	10,000	10,000	10,000	**10,000**	10,000	10,000	10,000	10,000
White Rock & South Surrey Chamber	10,000	10,000	10,000	**10,000**	10,000	10,000	10,000	10,000
	30,000	30,000	30,000	**30,000**	30,000	30,000	30,000	30,000
Dyking Districts								
Surrey Dyking District	163,000	171,000	171,000	**100,000**	100,000	100,000	100,000	100,000
Mud Bay District	64,000	74,000	74,000	**36,000**	36,000	36,000	36,000	36,000
Colebrook Dyking District	31,000	15,000	15,000	**15,000**	15,000	15,000	15,000	15,000
Transfer from Engineering	(258,000)	(260,000)	(260,000)	**(151,000)**	(151,000)	(151,000)	(151,000)	(151,000)
	0	0	0	**0**	0	0	0	0
Lower Fraser Valley Exhibition	280,000	280,000	280,000	**280,000**	280,000	280,000	280,000	280,000
Crime Stoppers of Greater Vancouver	12,500	12,500	12,500	**12,500**	12,500	12,500	12,500	12,500
South Fraser Community Services	24,000	24,000	24,000	**24,000**	24,000	24,000	24,000	24,000
Surrey Community Crime Prevention	43,500	43,500	43,500	**43,500**	43,500	43,500	43,500	43,500
Dry Grad Events	1,200	500	1,700	**1,800**	1,800	1,800	1,800	1,800
Special Recognition	2,500	500	5,000	**5,000**	5,000	5,000	5,000	5,000
One-time Grants								
One-time Grants	32,600	22,400	35,000	**41,000**	22,700	22,700	22,700	22,700
Carry Forward Funding from Prior Year	(15,400)	(12,200)	(12,200)	**(18,300)**	0	0	0	0
Carry Forward Funding to Next Year	12,200	18,300	0	**0**	0	0	0	0
	29,400	28,500	22,800	**22,700**	22,700	22,700	22,700	22,700
	$ 578,000	**$ 598,000**	**$ 598,000**	**$ 598,000**	**$ 598,000**	**$ 598,000**	**$ 598,000**	**$ 598,000**

APPROVED ONE-TIME GRANTS	DESCRIPTION	2004 APPROVED	COMMENTS, ACTIONS OR RECOMMENDATIONS
"Caring Hearts" for Underprivileged Children Society	Health & Social	1,000	Materials & operating support
1st Central Surrey Scouting	Culture & Recreation	500	Help with operating costs & replacing aging equipment
2812 RCACC Parent Sponsoring Committee	Culture & Recreation	500	Promotion of cadet education program in Army Cadet Corps.
Arts Council of Surrey	Culture & Recreation	500	Surrey Sings Choral Workshop
Atira Women's Resource Society	Health & Social	1,500	First transition house for senior women
BEST (Better Environmentally Sound Transportation)	Community Promotions	1,000	Bike Month Campaign
Big Sisters of BC Lower Mainland	Health & Social	750	Expanding the existing program in Surrey
Camp Kwomais Society	Culture & Recreation	1,000	In Harmony Music Festival
Green Timbers Community Society	Culture & Recreation	500	7th Annual Teddy Bears Picnic
Jamaican/Canadian Cultural Association of BC	Community Promotions	1,000	Recreation day in celebration of Jamaican Culture
Learning Disabilities Fraser South	Health & Social	1,000	Resource & Information Kit on "Learning Disabilities"
Newton Community Festival	Community Promotions	1,500	Newton Community Festival
Optimist Junior Interclub Curling League	Culture & Recreation	1,000	International U18 Curling Championship at Cloverdale
Options: Services to Communities Society	Health & Social	2,500	Neighbourhood Family Resource centre - School Site Installation
Peace Arch Community Services	Health & Social	2,000	Replace cooler in the food bank
Scouts Canada Clovervalley	Culture & Recreation	750	Clover Valley Soapbox Derby - 2003
Scouts Canada Clovervalley	Culture & Recreation	750	Clover Valley Soapbox Derby - 2004
Semiahmoo Peninsula Marine Rescue Society	Community Promotions	500	Rescue Equipment - Defibulator
South Fraser Track & Field Club	Culture & Recreation	1,000	New shed for storage & new equipment
South Fraser Women's Services Society	Health & Social	1,000	Equipment for Community kitchen
St. Helen's Anglican Church	Culture & Recreation	500	Supplies & materials for Summer Day Camp Program
Surrey Cultural & Arts Festivals Assoc.	Community Promotions	500	"Colour It Surrey Festival" on Canada Day.
Surrey Festival of Dance Society	Culture & Recreation	1,000	Dance Festival Mar 28 - May 1, 2004
Surrey Gymnastic Society	Culture & Recreation	500	Training equipment & kitchen repairs.
Surrey International Writers' Conference	Community Promotions	1,000	12th Annual Surrey International Writers' Conference

APPROVED ONE-TIME GRANTS	DESCRIPTION	2004 APPROVED	COMMENTS, ACTIONS OR RECOMMENDATIONS
Surrey Knights Swim Club	Culture & Recreation	1,000	Video & Equipment
Surrey Off Road Cycling Enthusiasts (SORCE)	Community Promotions	500	Community Bike Festival
Surrey Outdoor Sports Society (Surrey Sport Collection Committee)	Culture & Recreation	500	Oral interview regarding Surrey's History
Surrey Search & Rescue	Community Promotions	1,000	20 pagers
Surrey Social Futures	Health & Social	2,500	Family resource guides for Newton, Fleetwood & Cloverdale.
Surrey Symphony Society	Culture & Recreation	750	"Symphony Fantastique" in the Bell Centre
Twisters AAA Women's Hockey	Culture & Recreation	500	AAA Provincial Championships
Whalley Community Festival	Community Promotions	1,500	Whalley Community Festival
Valley Curling Club	Ongoing	60,000	Lease in Kind
Sunnyside Saddle Club	Ongoing	38,400	Lease in Kind
Surrey Sailing Club	Ongoing	24,000	Lease in Kind
Panorama Ridge Riding Club	Ongoing	22,500	Lease in Kind
Fraser Valley Heritage Railway Society	Ongoing	20,400	Lease in Kind
Action BMX Association	Ongoing	4,000	Lease in Kind
Lower Mainland German Shepherd Dog Club	Ongoing	3,600	Lease in Kind
Crescent Beach Swim Club	Ongoing	600	Lease in Kind
Surrey Sailing Club	Ongoing	300	50% of property taxes
Cloverdale District Chamber of Commerce	Ongoing	10,000	Promote Tourism
Surrey Chamber of Commerce	Ongoing	10,000	3 Specified Projects
White Rock / South Surrey Chamber of Commerce	Ongoing	10,000	Tourism Kiosk
Cloverdale Rodeo - Operating	Ongoing	180,000	Fairground Operations
Cloverdale Rodeo - Capital	Ongoing	100,000	Fairground Capital Maintenance
Colebrook Dyking District	Ongoing	15,000	Drainage Upgrades
Mud Bay Dyking District	Ongoing	36,000	Drainage Upgrades
Surrey Dyking District	Ongoing	100,000	Drainage Upgrades

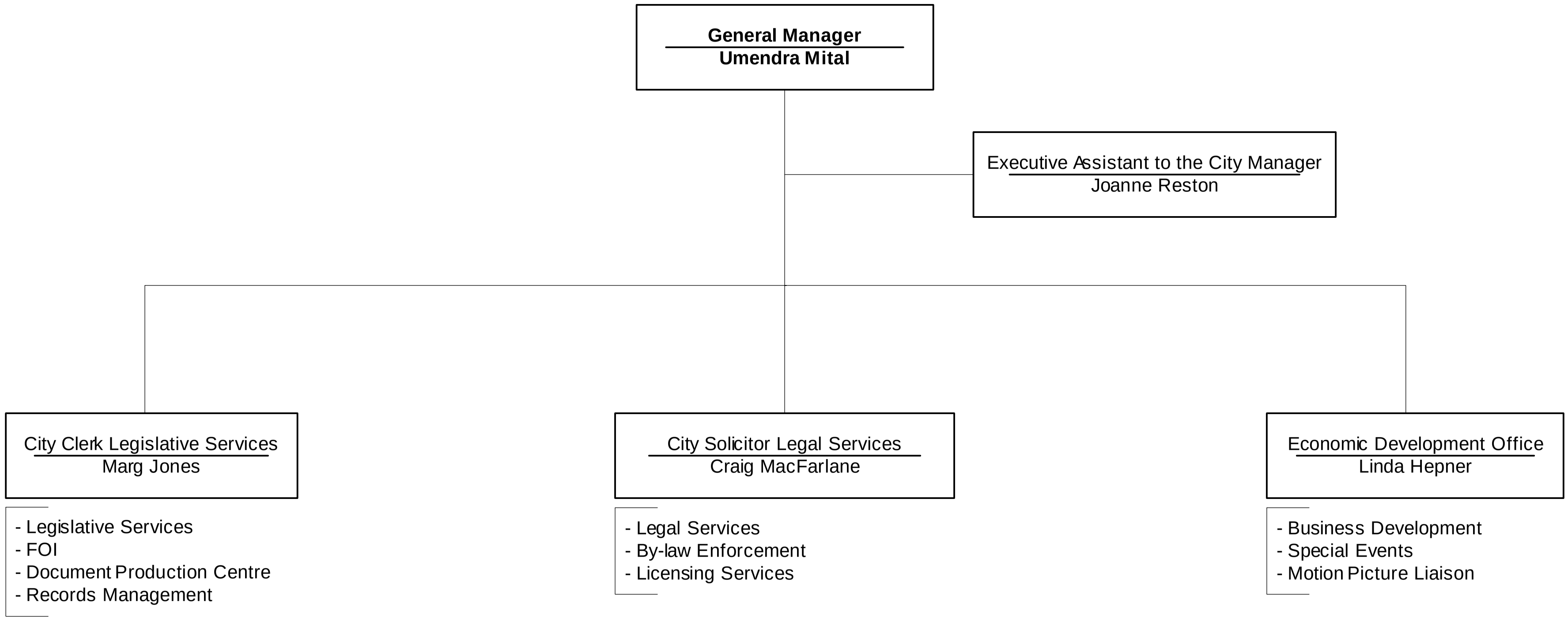
APPROVED ONE-TIME GRANTS	DESCRIPTION	2004 APPROVED	COMMENTS, ACTIONS OR RECOMMENDATIONS
Crime Stoppers of Greater Vancouver	Ongoing	**12,500**	Tips Hot Line
South Fraser Community Services Society - Surrey Street Youth Services	Ongoing	**24,000**	Street Youth At-Risk (Reconnect program)
Surrey Crime Prevention Society	Ongoing	**43,500**	Crime Prevention Programs
Clayton Heights Secondary School	Ongoing	**100**	Dry Grad
Ecole Kwantlen Park Secondary School	Ongoing	**100**	Dry Grad
Enver Creek Secondary School	Ongoing	**100**	Dry Grad
Fleetwood Park Secondary School	Ongoing	**100**	Dry Grad
Frank Hurt Secondary School	Ongoing	**100**	Dry Grad
Semiahmoo Secondary School	Ongoing	**100**	Dry Grad
Special Recognition	Unallocated	**5,000**	
Unallocated - Taxes	Unallocated	**4,700**	
Unallocated - Dry Grads	Unallocated	**1,200**	
Unallocated - One-time	Unallocated	**9,000**	
Total		**$ 767,300**	

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
MAYOR, COUNCIL & CITY GRANTS

2003 ADOPTED BUDGET			$ 1,716,000
REVENUES			
Sales and Services	…………………………………	$ 0	**0**
Taxation and Other	…………………………………	0	**0**
Total Change in Revenues			**0**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate in Mayor Office	…………………………………	22,000	
Increase Indemnities for Councillors	…………………………………	8,000	**30,000**
Operating Costs			
FCM & UBCM Membership	…………………………………	7,000	
Increase in Print Costs	…………………………………	1,000	**8,000**
Internal Services Used	…………………………………	0	**0**
Internal Services Recovered	…………………………………	0	**0**
External Recoveries	…………………………………	0	**0**
Transfer From Own Sources	…………………………………	0	**0**
Transfer To Own Sources	…………………………………	0	**0**
Total Change in Expenditures			**38,000**
2004 BUDGET			**$ 1,754,000**

2004 ADOPTED BUDGET			**$ 1,754,000**
REVENUES	…………………………………	$ 109,000	**109,000**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	…………………………………	20,000	**20,000**
Operating Costs			
Increase Due to Inflation	…………………………………	0	**0**
2008 BUDGET			**$ 1,883,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
CITY MANAGER'S FUNCTIONS



The City Manager's office is responsible for setting the overall direction for short and long term corporate objectives. The office provides advice to City Council related to policies and emerging issues as well as offers direction to the City department's General Managers to achieve implementation of Council policy and to ensure Council resolutions are acted upon. The City Manager's office ensures effective financial management through development of the annual budget and the 5-year Financial Plan and by monitoring performance, ensures that standards are met, priorities are pursued and high quality City services are consistently delivered.

The City Manager's office includes responsibility for the following operational divisions:

- Economic Development Office (EDO)
- Legal Services
- By-law Enforcement and licensing services
- Legislative Services and City Clerk

ECONOMIC DEVELOPMENT OFFICE

Surrey maintains a growing mix of business and residential, providing a safe city in which to live, and an industrious one in which to grow. The Economic Development Office provides business development services to the business community and promotes Surrey as a good place in which to do business.

The Economic Development Office is focused on retaining existing business and supporting expansion plans as well as recruiting new business, investment and jobs to Surrey. This is achieved through marketing programs and the provision of business related information to prospective investors to Surrey.

2003 Accomplishments

- Produced "Celebration of a City" publication for the City's 10th Anniversary;
- Organized National Association of Office Properties' bus tour of the industrial and commercial areas of the City to 100 representatives of some of the industry's most prominent site selectors who influence business and relocation decisions;
- Participated with the Invest BC Team at the Hydrogen and Fuel Cells Conference held in Vancouver and the Corenet Global Congress in Atlanta, GA. The Invest BC Team promotes the economic benefits and advantages of business investment to British Columbia;
- Compilation of 2001 Census information in the form of a comprehensive statistical overview of the City produced in partnership with HRDC, available in both hard copy and on the web site;
- Expansion of data base regarding available properties for sale or lease;
- Partnered with the Fraser Valley Technology Network on four-keynote speaker forums and two workshops. The FVTN produced the first "Technology Industry Capabilities Guide" which serves as a resource guide to its members and in the promotion of sector, produced with support from Industry Canada, Western Diversification and Deloitte & Touche;
- Produced the Farm Fresh Guide;

- Produced the 2003/2004 Visitor's Guide and Map;
- Organized several business events including a Mayor's Business Breakfast, two Surrey Success Team meetings and a "How to Start a Business " forum specific to the Indo-Canadian community;
- Advertising program that includes BC Business Magazine, B.C. Advantage, Canadian Property Guide and Business in Vancouver promoting Surrey and the services provided by the EDO to the local market;
- Support to the newly constituted Whalley BIA providing advice and assistance during the start-up phase;
- A monthly column for the Surrey Chamber of Commerce's "City Business" publication is provided and highlights economic development issues to the business community. The EDO's "Business Fax News" is developed as a communiqué to the larger manufacturing/exporting community and is sent out by fax broadcast to more than 1,500 businesses in Surrey, and
- Participation in the Inter-Divisional Teams for Campbell Heights, South Westminster and Grandview/Hwy. 99 Corridor Local Planning Area initiatives.

2004 Objectives

- To proactively reinforce and promote Surrey as a prime location for business in the Lower Mainland and to create a climate and awareness for business through the promotion of industrial and commercial land development opportunities;
- Build on a team approach between departments in order to facilitate non-residential development applications and early identification of issues that might impede the process;
- Continue to collaborate on investment initiatives and opportunities in partnership with Invest BC, the Ministry of Competition, Science & Enterprise and other public and private sector stakeholders;
- Continue to establish and reinforce linkages through business associations of targeted sectors and provide support to the existing business community;
- Co-ordinate business forums and events (including Mayor's Breakfasts, Surrey Success Team and educational forums);
- Create a higher profile of the City of Surrey and the businesses community through targeted promotion and activity;
- Enhancement to the City web page for the business and investment visitor looking for quality information and statistics for Surrey;
- To encourage, support and promote the development of film production related facilities and services, and
- Promote and enhance tourism and cultural activities and opportunities.

<u>Special Events & Filming Office</u>

The Special Events & Film Liaison Office plays host to events throughout the year, provides advice to community event organizers, provides graphic services to the corporation and is a one-stop agency for filming within the City of Surrey. These key services include:

- Special Events: promotes and co-ordinates Canada Day, Chip-In, and processes through F.E.S.T, community event applications;
- Film Liaison and Promotion: promotes and co-ordinates motion picture film industry activities in the City;
- Graphic Design Services: co-ordinates corporate graphic standards and provides in-house graphic design services and expertise, and
- Marketing and Promotion: manages and co-ordinates statutory and non-statutory corporate and departmental advertising.

2003 Accomplishments

- Provided advice and administrative support to over 100 events held in the City;
- Organized and supported high quality community events such as Canada Day, the Mayor's Annual Charity Gala;
- Produced and co-coordinated bi-monthly "CityPage" communication published through community newspaper;
- Provided design assistance to internal corporate communications tax newsletter and Annual report;
- Promoted and coordinated over 70 Surrey filming projects and
- Built upon the digital photo library of Surrey locations for corporate use and for the BC Film Commission library.

2004 Objectives

- Promote a positive image of Surrey through the organization and management of well attended, positive community events with attractions for all of our residents and visitors;
- Effectively manage the City of Surrey's statutory advertising, and
- Build on the filming activity occurring within the City of Surrey.

LEGAL SERVICES

The Legal Services Division provides legal services to Council and the City Departments. City Solicitors act as Court Counsel in both prosecuting and defending legal actions, providing legal advice and rendering legal opinions on a wide variety of matters, as well as drafting or reviewing all forms of legal and legislative documentation required by the City.

The Division is also responsible for By-law Enforcement & Licensing Services and for assisting in the drafting and enforcement of a myriad of City By-laws, regulations and business licenses; it is further responsible for regulating animal control and for administering the operation of the City Pound, parking enforcement and the City Tow Yard.

2003 Accomplishments

- Success rate of 98% in new proactive by-law prosecutions and proactive enforcement efforts, including: illegal land uses, overweight vehicles, illegal dumping, building offences, dog and animal offences, parks offences, cutting of protected tree offences, operating without business licenses and unsightly premises;
- Increased By-law Section revenue through substantial increases in new business and dog licenses;
- By-law Section implemented a new in-house animal control program; false alarm billing system, administrative amendments to the illegal substance by-law, school safety enforcement initiatives and Crime Free Multi-Housing implementation;
- Completed Campbell Heights Agreement;
- Negotiated agreements with Ministry of Health and College of Pharmacists and Physicians and Surgeons to regulate methadone dispensing and drafted by-law to implement those agreements;
- Settled the Methadone Business License Fee litigation in the City's favour;
- Completed review of joint and several liability for submission to the Attorney General as part of the Civil Law Review Consultation Process;
- Election of one Assistant City Solicitor as Chair of the Municipal Law Section of the B.C. Branch of the Canadian Bar Association and another as a Director for the B.C. Expropriation Association;
- Expropriation claim of $450,000 settled for legal costs only in the amount of $29,000; and
- Ongoing Projects:
  - Fraser Downs Casino and new base Cloverdale Mall litigation and redevelopment;
  - Defence of 14 complex leaky condominium claims;
  - Settlement of landslide claim and acquisition of waterfront property for park purposes adjacent to Crescent Park;
  - Amending City By-laws to conform to Community Charter;
  - Diversity Task Force;
  - RFP Contract Task Force;
  - New building regulation and inspection by-law and policies, and
  - Revision of Fire Services By-laws.

2004 Objectives

- Implementation of a Surrey By-law Enforcement Mediation Process (By-law Court);
- Successful conclusion of negotiations on Casino Agreements;
- Successful conclusion to Safeway case;
- Litigation settlement and implementation of Methadone Clinic Business Licensing Program and monitoring of clinic prescriptions;
- Assume responsibility for animal control from the SPCA resulting in a positive revenue basis to the City;
- Implement new Fire Alarm ticketing system, improving ticket revenue collections to a 95% collection rate from 20%;
- Continue to manage loss payout claims against the City;

- Continue to settle leaky condo files on favourable terms;
- Revise City policies and by-laws to align with the new Community Charter;
- Update administrative procedures for Illegal Substance By-law enforcement;
- Support Whalley Revitalization Strategy;
- Expand Crime Free Multi-Housing program;
- New graffiti clean up procedures, and
- Continue to explore new initiatives to increase revenue and reduce operating costs.

BY-LAWS & LICENSING SERVICES

2003 Accomplishments

- Coordinate Police and By-law procedures, improving the enforcement of the illegal substance by-law;
- Commercial Vehicle Enforcement of truck routes and Morgan Creek construction issues;
- School Safety Enforcement Initiatives;
- Summer Parks Program and Dog Licensing Campaign;
- Introduced Surrey Central Enhancement Program;
- Implementation of Crime Free Multi-Housing (CFMH);
- Proactive Business Licensing Campaign;

CFMH Logo

- City Wide sign restriction enforcement;
- Improvements to license tracking and communication systems, and
- Secondary Suite monitoring and enforcement.

2004 Objectives

- Implementation of new billing procedures for illegal substance by-law enforcement;
- Implementation of electronic data for False Alarm invoicing;
- Implementation of electronic and automated Ticketing programs;
- Expansion of Crime Free Multi-Housing program; continue to explore new initiatives to increase revenue and reduce operating costs;
- New initiatives to be undertaken regarding graffiti clean up procedures (Clean City), and
- Continue to work with Engineering on addressing traffic issues, parking and traffic flow.

LEGISLATIVE SERVICES

The Legislative Services Division is a service-oriented team providing management, information and co-ordination services in accordance with all statutory, legislative and administrative requirements to City Council, the Public and City Departments in a timely and effective manner.

2003 Accomplishments

<u>Administration</u>

- Added committee reports, corporate reports, planning reports and public hearing notices to the internet along with agendas linked to documents and reports;
- Reviewed property tax exemption information and drafted policy;
- Streamlined office procedures, developing a core group of staff dedicated to support the Council/Committee meeting schedule and legislated process for land use applications;
- Met all statutory requirements relating to Council and development processes, and
- Prepared systems and documents to accommodate Community Charter legislation, which comes into effect January 1, 2004.

Internal Corporate Services

- Provided services corporately for records management, reprographics, and mail. A number of corporate services are provided to internal users under the records management section, some of which include microfiche services, records storage and retrieval, and Freedom of Information and Protection of Privacy advice. Volumes for most services provided were up significantly from 2002.

Records Management

- Continued to respond to Freedom of Information and Protection of Privacy requests, with a volume consistent to 2002.

2004 Objectives

Administration

- The major focus for 2004 will be ensuring all processes comply with the Community Charter;
- Continue to monitor all potential legislative changes, ensuring that the City has a clear understanding of what the potential implications may be, and
- Undertake a review of polling division boundaries, to ensure that they are aligned with population changes.

Records Management/Reprographics/Corporate Mail

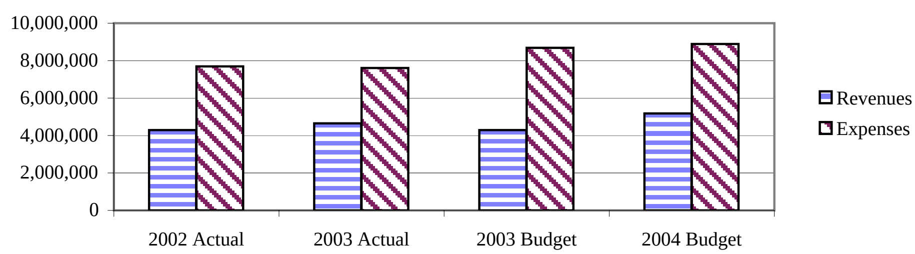
- Commence a review of record retention and destruction schedules for record management, and
- Continue to meet the volume challenges in areas of corporate mail and reprographics.

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Administration	$ 516,000	$ 582,000	$ 714,000	**$ 749,000**	$ 719,000	$ 1,138,000	$ 1,562,000	$ 1,882,000
Business Development Office	348,000	322,000	456,000	**467,000**	481,000	496,000	512,000	528,000
By-law Services	(1,120,000)	(1,202,000)	(570,000)	**(1,335,000)**	(1,351,000)	(1,354,000)	(1,355,000)	(1,354,000)
Public Affairs	342,000	364,000	402,000	**436,000**	440,000	450,000	455,000	465,000
Legal Services	820,000	861,000	862,000	**1,009,000**	1,024,000	1,057,000	1,086,000	1,121,000
Legislative Services	2,318,000	2,362,000	2,678,000	**2,536,000**	2,800,000	2,765,000	2,819,000	2,967,000
	$ 3,224,000	**$ 3,289,000**	**$ 4,542,000**	**$ 3,862,000**	**$ 4,113,000**	**$ 4,552,000**	**$ 5,079,000**	**$ 5,609,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (4,291,000)	$ (4,644,000)	$ (4,285,000)	**$ (5,178,000)**	$ (5,258,000)	$ (5,338,000)	$ (5,418,000)	$ (5,498,000)
Grants, Donations and Other	(5,000)	(3,000)	0	**0**	0	0	0	0
	(4,296,000)	(4,647,000)	(4,285,000)	**(5,178,000)**	(5,258,000)	(5,338,000)	(5,418,000)	(5,498,000)
Expenditures								
Salaries and Benefits	$ 4,454,000	$ 4,732,000	$ 5,545,000	**$ 5,733,000**	$ 5,931,000	$ 6,054,000	$ 6,236,000	$ 6,482,000
Operating Costs	3,427,000	3,194,000	3,082,000	**2,996,000**	3,566,000	3,534,000	3,959,000	4,751,000
Internal Services Used	313,000	260,000	310,000	**311,000**	314,000	310,000	310,000	314,000
Internal Services Recovered	(332,000)	(252,000)	(249,000)	**(139,000)**	(147,000)	(147,000)	(147,000)	(147,000)
External Recoveries	(167,000)	(332,000)	(5,000)	**(5,000)**	(5,000)	(5,000)	(5,000)	(5,000)
	7,695,000	7,602,000	8,683,000	**8,896,000**	9,659,000	9,746,000	10,353,000	11,395,000
Net Operations Total	**3,399,000**	**2,955,000**	**4,398,000**	**3,718,000**	**4,401,000**	**4,408,000**	**4,935,000**	**5,897,000**
Transfers								
Transfer From Own Sources	(410,000)	(90,000)	0	**0**	(432,000)	0	0	(432,000)
Transfer To Own Sources	235,000	424,000	144,000	**144,000**	144,000	144,000	144,000	144,000
	(175,000)	334,000	144,000	**144,000**	(288,000)	144,000	144,000	(288,000)
	$ 3,224,000	**$ 3,289,000**	**$ 4,542,000**	**$ 3,862,000**	**$ 4,113,000**	**$ 4,552,000**	**$ 5,079,000**	**$ 5,609,000**

City Manager Departmental Operations



ADMINISTRATION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	467,000	514,000	620,000	**655,000**	620,000	639,000	658,000	678,000
Operating Costs	48,000	56,000	94,000	**94,000**	99,000	499,000	904,000	1,204,000
Internal Services Used	2,000	13,000	0	**0**	0	0	0	0
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	(1,000)	(1,000)	0	**0**	0	0	0	0
	516,000	582,000	714,000	**749,000**	719,000	1,138,000	1,562,000	1,882,000
	516,000	**582,000**	**714,000**	**749,000**	**719,000**	**1,138,000**	**1,562,000**	**1,882,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 516,000	**$ 582,000**	**$ 714,000**	**$ 749,000**	**$ 719,000**	**$ 1,138,000**	**$ 1,562,000**	**$ 1,882,000**

BUSINESS DEVELOPMENT OFFICE	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (5,000)	$ (4,000)	$ (5,000)	**$ (5,000)**	$ (5,000)	$ (5,000)	$ (5,000)	$ (5,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(5,000)	(4,000)	(5,000)	**(5,000)**	(5,000)	(5,000)	(5,000)	(5,000)
Expenditures								
Salaries and Benefits	209,000	214,000	331,000	**340,000**	349,000	359,000	370,000	381,000
Operating Costs	156,000	111,000	130,000	**132,000**	137,000	142,000	147,000	152,000
Internal Services Used	1,000	1,000	0	**0**	0	0	0	0
Internal Services Recovered	(13,000)	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	353,000	326,000	461,000	**472,000**	486,000	501,000	517,000	533,000
Net Operations Total	**348,000**	**322,000**	**456,000**	**467,000**	**481,000**	**496,000**	**512,000**	**528,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 348,000	**$ 322,000**	**$ 456,000**	**$ 467,000**	**$ 481,000**	**$ 496,000**	**$ 512,000**	**$ 528,000**

BY-LAW SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (4,054,000)	$ (4,471,000)	$ (4,130,000)	**$ (5,020,000)**	$ (5,099,000)	$ (5,179,000)	$ (5,259,000)	$ (5,339,000)
Grants, Donations and Other	(5,000)	(3,000)	0	**0**	0	0	0	0
	(4,059,000)	(4,474,000)	(4,130,000)	**(5,020,000)**	(5,099,000)	(5,179,000)	(5,259,000)	(5,339,000)
Expenditures								
Salaries and Benefits	1,674,000	1,863,000	2,068,000	**2,179,000**	2,233,000	2,300,000	2,369,000	2,440,000
Operating Costs	1,287,000	1,328,000	1,264,000	**1,278,000**	1,287,000	1,297,000	1,307,000	1,317,000
Internal Services Used	168,000	185,000	228,000	**228,000**	228,000	228,000	228,000	228,000
Internal Services Recovered	(29,000)	(51,000)	0	**0**	0	0	0	0
External Recoveries	(161,000)	(309,000)	0	**0**	0	0	0	0
	2,939,000	3,016,000	3,560,000	**3,685,000**	3,748,000	3,825,000	3,904,000	3,985,000
Net Operations Total	**(1,120,000)**	**(1,458,000)**	**(570,000)**	**(1,335,000)**	**(1,351,000)**	**(1,354,000)**	**(1,355,000)**	**(1,354,000)**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	256,000	0	**0**	0	0	0	0
	0	256,000	0	**0**	0	0	0	0
	$ (1,120,000)	**$ (1,202,000)**	**$ (570,000)**	**$ (1,335,000)**	**$ (1,351,000)**	**$ (1,354,000)**	**$ (1,355,000)**	**$ (1,354,000)**

PUBLIC AFFAIRS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (215,000)	$ (150,000)	$ (133,000)	**$ (135,000)**	$ (136,000)	$ (136,000)	$ (136,000)	$ (136,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(215,000)	(150,000)	(133,000)	**(135,000)**	(136,000)	(136,000)	(136,000)	(136,000)
Expenditures								
Salaries and Benefits	135,000	124,000	145,000	**159,000**	163,000	168,000	173,000	178,000
Operating Costs	312,000	369,000	326,000	**347,000**	349,000	354,000	354,000	359,000
Internal Services Used	123,000	49,000	70,000	**71,000**	70,000	70,000	70,000	70,000
Internal Services Recovered	(10,000)	(11,000)	(1,000)	**(1,000)**	(1,000)	(1,000)	(1,000)	(1,000)
External Recoveries	(3,000)	(18,000)	(5,000)	**(5,000)**	(5,000)	(5,000)	(5,000)	(5,000)
	557,000	513,000	535,000	**571,000**	576,000	586,000	591,000	601,000
Net Operations Total	**342,000**	**363,000**	**402,000**	**436,000**	**440,000**	**450,000**	**455,000**	**465,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	1,000	0	**0**	0	0	0	0
	0	1,000	0	**0**	0	0	0	0
	$ 342,000	**$ 364,000**	**$ 402,000**	**$ 436,000**	**$ 440,000**	**$ 450,000**	**$ 455,000**	**$ 465,000**

LEGAL SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	792,000	839,000	885,000	**916,000**	939,000	967,000	996,000	1,026,000
Operating Costs	236,000	170,000	217,000	**223,000**	223,000	228,000	228,000	233,000
Internal Services Used	6,000	7,000	8,000	**8,000**	8,000	8,000	8,000	8,000
Internal Services Recovered	(232,000)	(154,000)	(248,000)	**(138,000)**	(146,000)	(146,000)	(146,000)	(146,000)
External Recoveries	(2,000)	(4,000)	0	**0**	0	0	0	0
	800,000	858,000	862,000	**1,009,000**	1,024,000	1,057,000	1,086,000	1,121,000
Net Operations Total	**800,000**	**858,000**	**862,000**	**1,009,000**	**1,024,000**	**1,057,000**	**1,086,000**	**1,121,000**
Transfers								
Transfer From Own Sources	0	(20,000)	0	**0**	0	0	0	0
Transfer To Own Sources	20,000	23,000	0	**0**	0	0	0	0
	20,000	3,000	0	**0**	0	0	0	0
	$ 820,000	**$ 861,000**	**$ 862,000**	**$ 1,009,000**	**$ 1,024,000**	**$ 1,057,000**	**$ 1,086,000**	**$ 1,121,000**

LEGISLATIVE SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (17,000)	$ (19,000)	$ (17,000)	**$ (18,000)**	$ (18,000)	$ (18,000)	$ (18,000)	$ (18,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(17,000)	(19,000)	(17,000)	**(18,000)**	(18,000)	(18,000)	(18,000)	(18,000)
Expenditures								
Salaries and Benefits	1,177,000	1,178,000	1,496,000	**1,484,000**	1,627,000	1,621,000	1,670,000	1,779,000
Operating Costs	1,388,000	1,160,000	1,051,000	**922,000**	1,471,000	1,014,000	1,019,000	1,486,000
Internal Services Used	13,000	5,000	4,000	**4,000**	8,000	4,000	4,000	8,000
Internal Services Recovered	(48,000)	(36,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	2,530,000	2,307,000	2,551,000	**2,410,000**	3,106,000	2,639,000	2,693,000	3,273,000
Net Operations Total	**2,513,000**	**2,288,000**	**2,534,000**	**2,392,000**	**3,088,000**	**2,621,000**	**2,675,000**	**3,255,000**
Transfers								
Transfer From Own Sources	(410,000)	(70,000)	0	**0**	(432,000)	0	0	(432,000)
Transfer To Own Sources	215,000	144,000	144,000	**144,000**	144,000	144,000	144,000	144,000
	(195,000)	74,000	144,000	**144,000**	(288,000)	144,000	144,000	(288,000)
	$ 2,318,000	**$ 2,362,000**	**$ 2,678,000**	**$ 2,536,000**	**$ 2,800,000**	**$ 2,765,000**	**$ 2,819,000**	**$ 2,967,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
CITY MANAGER

2003 ADOPTED BUDGET			**$ 4,542,000**
REVENUES			
Sales and Services			
False Alarms & New Revenue	....	$ (503,000)	
Increase in Dog Licenses & Pound Revenue	....	(8,000)	
Increase in By-law Enforcement Fines	....	(21,000)	
Increase in Filming Revenue	....	(3,000)	
Increase in Business License Allocation & Revenue	....	(358,000)	**(893,000)**
Taxation and Other	....	0	**0**
Total Change in Revenues			**(893,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	213,000	
Increase By-law Part-time for Secondary Suites	....	25,000	
Ongoing Savings	....	(50,000)	**188,000**
Operating Costs			
Advertising - 15% Increase	....	21,000	
SPCA Contract Fees - 2% Increase	....	12,000	
Legal Memberships	....	3,000	
Printer Lease	....	54,000	
Printing & Publications Inflationary Increase	....	9,000	
Photocopy Charges to IT	....	(185,000)	**(86,000)**
Internal Services Used			
Increase for Filming Operation	....	1,000	**1,000**
Internal Services Recovered			
Legal Salary Recovery	....	110,000	**110,000**
External Recoveries	....	0	**0**
Transfer From Own Sources	....	0	**0**
Transfer To Own Sources	....	0	**0**
Total Change in Expenditures			**213,000**
2004 BUDGET			**$ 3,862,000**

2004 ADOPTED BUDGET			**$ 3,862,000**
REVENUES			
Sales and Service			
Increase in Business License Fees	....	$ (320,000)	**(320,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	749,000	**749,000**
Operating Costs			
Increase Due to Inflation	....	1,758,000	**1,758,000**
Internal Services Used			
Increase for Filming Operation	....	(8,000)	**(8,000)**
Transfer To Own Sources	....	(432,000)	**(432,000)**
2008 BUDGET			**$ 5,609,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
FINANCE, TECHNOLOGY & HR FUNCTIONS

General Manager
Vivienne Wilke

Risk Management
Steve Matterson

Finance
Philip Leong

- Financial Planning
- Audit Reviews
- Commodity Tax. Admin.
- Financial Reporting
- Purchasing
- Accounts Payable
- Accounts Receivable
- Payroll
- Cash Management
- Property Tax/Utility

Human Resources
Brian Merryweather

- Compensation
- Benefits
- Occupational Health and Safety
- Employee Wellness
- Employment
- Training
- Labour Relations

Information Technology
Geoff Samson

- Integration Planning
- Technology Deployment
- Infrastructure Services
- Network Maintenance
- Telecommunications
- Database Maintenance
- Client IT Support

MISSION STATEMENT

We strive to provide expert service, advice and innovation – above expectations as it relates to the City's future vision and direction to provide an 'Agile, Responsive Administration'.

The Finance, Technology & HR Department provides financial expertise, information technology and human resource services, advice and guidance to support City operations. It provides responsive service to its clients and leadership in streamlining city processes.

2003 Departmental Accomplishments

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

- Exceeded the Council-directed departmental target of $300,000 in one-time expenditure reductions by contributing $700,000 to the corporate 'bottom-line';
- Recommended potential synergies to senior management through the coordination of resources between various departments that resulted in on-going expenditure reductions of over $100,000;
- Produced a Departmental newsletter to provide an effective communication tool for the entire organization, and
- Began implementation of a new payroll/HRIS system to be completed in mid-2004. This project has key involvement from all three divisions in the department.

2004 – 2008 Departmental Future Initiatives

- Continue to build relationships with our customers by identifying their needs and ensuring that we continue to exceed their expectations;
- Meet the Council-directed target by reducing departmental expenditures on a one-time basis to be contributed to the corporate 'bottom-line' ($276,000 for 2004);
- Continue to make recommendations to senior management on potential synergies through the coordination of resources between various departments and corporate-wide processes;
- Develop a succession plan that will ensure continuation of the high quality expertise within the department as more mature employees retire;
- Complete the implementation of a new payroll/HRIS system and streamline the current process, and
- Conduct a review of all Finance, Technology and HR policies to ensure that they properly align with current Corporate Policies.

FINANCE DIVISION

The key programs and services include:

- Providing superior quality customer service to other departments and external stakeholders who conduct financial business with the City;
- Presenting a viable Five Year Financial Plan that establishes financial and programmatic priorities annually, enabling Council to assess the City's progress and restate goals;
- Updating senior staff and Council on the City's financial performance at least quarterly;
- Recording and reporting all financial activity – processing payments to vendors, payrolls and associated fringe benefits for all City employees;
- Reporting the City's annual financial results in a format that is compliant with Public Sector Accounting and Auditing Board (PSAB) and the Local Government Act;

- Coordinating the procurement of quality, cost-effective goods and services through a competitive and fair process;
- Billing and collection of taxes, utilities and other accounts receivable for over 100,000 City properties;
- Overseeing the City's risk management program and insurance portfolio, which includes assisting departments with risk assessments, awareness training and loss control;
- Investigating and settling property, crime and liability claims, managing the City's $450 million investment portfolio and tracking $130 million in Letters of Credit, and
- Analyzing actual performances and developing forecasts to ensure that the City is on track to meet its current annual budget commitments.

2003 Accomplishments

- Presented both the 2003-2007 Financial Plan and the 2004-2008 Financial Plans to Council for final adoption;
- Prepared 3 quarterly financial corporate reports to Council that projected substantial expenditure reductions allowing Council to re-direct a portion of 2003 one-time savings towards essential capital needs prior to year end;
- Received the Canadian Award for Financial Reporting from the GFOA (Government Finance Officer's Association) of the United States and Canada for the 6th consecutive year;
- Conducted a City-wide business audit review of printing processes that resulted in more efficient use of corporate owned assets and identified ongoing savings resulting from the elimination of leased equipment;
- Implemented a more streamline property tax/utility billing and collection system resulting in more efficient use of staff and an enhanced level of customer service through the introduction of on-line inquiries;
- Switched the provider for all of the City's banking services through a competitive RFP process, then coordinated a smooth transition to the new institution;
- Met the investment revenue figures outlined in the current year's Financial Plan even though interest rates remained lower than originally projected. Overall, the investment portfolio yielded returns that exceeded Scotia McLeod & MFA benchmarks;
- Automated several purchasing processes that included electronic tendering and Request For Proposal processes, developed standard templates for corporate use and established an inventory store at the North Surrey works yard;
- Renewed the City's insurance at favourable rates, compared to municipal benchmarks, and
- Developed a standard municipal wavier program in conjunction with other cities.

2004 – 2008 Future Initiatives

- Provide sound financial advice and support to the organization;
- Present the Five-Year Financial Plan to Council by December of each year;
- Prepare 3 quarterly financial corporate reports to Council that include projections to the end of the current year;
- Ensure that the City's financial reporting meets the requirements of both PSAB and the new Community Charter;
- Apply for the Canadian Award for Financial Reporting from the GFOA (Government Finance Officer's Association) of the United States and Canada;
- Apply for the Multi-Year Distinguished Budget Presentation Award from GFOA;
- Further streamline property tax/utility billing and collection system by taking advantage of e-government opportunities such as electronic home owner grant applications;
- Meet all previously established benchmarks as outlined in various documents such as the investment policy;
- Further automate several purchasing processes that include the standardization of bid documents and contract templates;
- Assist other departments with the establishment of several performance indicators for the next 5 years;
- Partner with Engineering Department to analyse the feasibility of establishing a drainage user pay charge;
- Develop a Long Term Risk Financing Strategy that will balance the needs of the organization with industry-wide increasing insurance premiums, and

- Develop security/loss control standards for several selected City buildings.

HUMAN RESOURCES DIVISION

The key programs and services include:

- Working in partnership with other departments to attract and maintain a qualified, diverse workforce;
- Achieving a balance between the corporate goals and objectives with the individual departmental needs and the satisfaction and welfare of all city employees;
- Providing consulting services to line departments and staff in the areas of labour relations, recruitment, retention, training, corporate health, safety, compensation and benefits;
- Advising on and developing policies and programs relating to human resource management as it impacts the various classifications of City employees, including:
  - Exempt (City and Library);
  - Retired (City and Library);
  - Canadian Union of Public Employees (CUPE 402 & 404-2);
  - International Association of Fire Fighters (IAFF – 1271), and
  - Volunteer firefighters.
- Maintaining and enhancing open communications and positive workplace relationships with all three unions.

2003 Accomplishments

- Implemented a corporate-wide Diversity Task Force, which is responsible for exploring ways of improving the ethnic diversity representation in the city's workforce at all levels;
- Developed and delivered the City's Respectful Workplace Program to all full time employees in the organization; received positive feedback from participants;
- Realigned the City's recruitment efforts (to reflect) effective sourcing and marketing strategies to support the hiring needs of the city. This changed strategy, together with the introduction of automated tools, has increased internal efficiencies and at the same time has reduced costs;
- Automated the distribution of CUPE benefit books by posting them electronically to the Corporate bulletin board;
- Created and delivered personalized benefit statements for all exempt staff, positive feedback was received;
- Informed all City staff of the legislated changes to the 'Fair Pharmacare Program' and assisted them through the transition;
- Assisted employees to return to work safely and in a timely manner following illness or injury (WCB, Sick Leave, LTD or ICBC);
- Responded to changing regulations with regard to "Duty to Accommodate" by implementing a placement process and procedure for employees requiring workplace accommodation;
- Reduced WCB lost time incidents by 47% in the last three years and achieved lowest injury rate of all municipalities with a minimum of 1,000 employees which has resulted in a reduction of our WCB assessments;
- Actively promoted the Active City Employee Wellness program, by offering flu shots to all City staff;

- Developed and distributed Employee Safety handbooks to our outside workforce and conducted ongoing safety training sessions;
- Refined the City's Attendance Management Policy and rolled it out to part of the organization on a pilot basis;
- Co-ordinated the recruitment, hiring and termination for all City positions;
- Reviewed and received approval for job descriptions and classification changes for union positions;
- In conjunction with all 3 unions, jointly administered the Employee & Family Assistance Program (EFAP), to assist employees in times of need, and
- Negotiated and ratified a new 4-year collective agreement with CUPE 402 (Inside/Outside).

2004 – 2008 Future Initiatives

- Work with the Diversity Task Force, to significantly increase the ethnic diversity representation in the city's workforce at all levels;
- Negotiate and ratify new collective agreement with CUPE 402-02 (Library) and IAFF (Fire);
- Finalize the amendments to the City's Attendance Management Policy and introduce it to the rest of the organization, providing training sessions where required;
- Develop and implement an Employee Orientation Package that will help new employees feel welcome in the organization, and
- Develop training programs in partnership with departmental requests.

INFORMATION TECHNOLOGY DIVISION

The key programs and services include:

- Recommending strategies to meet business challenges and optimally leverage rapidly changing technology;
- Enabling internal and external customers with appropriate technology, information and applications to maximize business effectiveness from the City's investment in information technology;
- Providing expertise to customers in business process improvements and business case development associated with IT investments and alternatives;
- Performing technology product research and architecture for the development of corporate and departmental plans and ensuring that systems are available, secure, operating at optimal levels of performance and also offering the necessary flexibility for anticipated capacity needs;
- Developing data architecture models and ensuring data safety and integrity;
- Installing, managing and supporting the City's computing networks that include over 1400 workstations located in over 50 sites throughout the City;
- Facilitating training to help customers obtain maximum benefits from standard office and enterprise computer applications, and
- Responding to over 16,000 service calls per year.

2003 Accomplishments

- Completed the 2004 IT Work Plan through facilitation with the Information Technology Investment Committee (ITIC);
- Implemented the new Property Taxation and Utility Billing System and retired Wang mainframe Property Taxation and Utility Billing applications;
- Implemented on-line business license and dog license renewal payment e-Government services;
- Replaced the Museum and Archives Collection Management system and the Surrey Arts Centre Ticketing Management system;
- Prepared for the delivering of the new Payroll and Human Resource system and for the retiring of the existing legacy systems;
- Prepared for the delivering of the Engineering Land Development system and for retiring the Wang mainframe Engineering Land Development application;
- Optimized the use of technology by extending the life of existing assets through replacements and upgrades of network, servers and telephony infrastructures, and

- Replaced the existing IT Help Desk and computer asset management systems and implemented improved IT service delivery practices.

2004 – 2008 Future Initiatives

- Facilitate the development of the Corporate IT Strategic Plan;
- Estimate the cost and useful life of all existing IT hardware and software components, with a

view of ensuring that the Corporate Equipment Replacement Program is adequate to meet future needs;

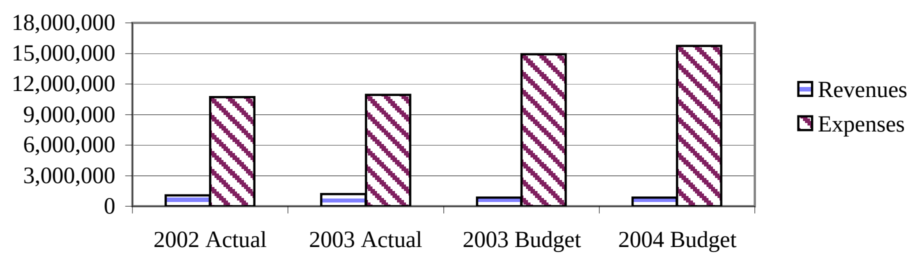
- Work with the corporate Investment Technology Implementation Committee (ITIC) to re-align IT priorities with corporate initiatives and to communicate these changes to the rest of the organization;
- Complete the implementation of the new Payroll and Human Resource systems and retire the Wang mainframe Payroll application;
- Complete the implementation of the Engineering Land Development system and retire the Wang mainframe Engineering Land Development application;
- Research, scope, design and prepare for the implementation of remaining Wang applications and prepare for the retirement of the existing legacy systems;
- Optimize the use of technology by extending the life of existing assets through replacements and upgrades of network, servers, and telephony infrastructures;
- Research, scope, design and implement e-Government initiatives that align to corporate objectives, and
- Assist with the Fire Dispatch and Records Management system replacement and with the Surrey Public Library system replacement.

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Leadership	$ 857,000	$ 592,000	$ 1,315,000	**$ 1,280,000**	$ 1,310,000	$ 1,751,000	$ 2,189,000	$ 2,532,000
Finance	2,027,000	2,143,000	2,561,000	**2,580,000**	2,638,000	2,731,000	2,811,000	2,909,000
Human Resources	1,797,000	1,886,000	1,885,000	**1,902,000**	1,941,000	1,987,000	2,034,000	2,082,000
Information Technology	5,609,000	6,378,000	6,593,000	**7,329,000**	7,381,000	7,536,000	7,694,000	7,856,000
Risk Management	1,055,000	1,343,000	1,344,000	**1,474,000**	1,650,000	1,757,000	1,885,000	1,993,000
	$ 11,345,000	**$ 12,342,000**	**$ 13,698,000**	**$ 14,565,000**	**$ 14,920,000**	**$ 15,762,000**	**$ 16,613,000**	**$ 17,372,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (941,000)	$ (1,055,000)	$ (735,000)	**$ (758,000)**	$ (758,000)	$ (758,000)	$ (758,000)	$ (758,000)
Grants, Donations and Other	(123,000)	(150,000)	(104,000)	**(104,000)**	(104,000)	(104,000)	(104,000)	(104,000)
	(1,064,000)	(1,205,000)	(839,000)	**(862,000)**	(862,000)	(862,000)	(862,000)	(862,000)
Expenditures								
Salaries and Benefits	$ 7,699,000	$ 7,810,000	$ 9,089,000	**$ 9,229,000**	$ 9,459,000	$ 9,742,000	$ 10,035,000	$ 10,337,000
Operating Costs	5,011,000	4,706,000	7,324,000	**7,936,000**	8,092,000	8,671,000	9,261,000	9,740,000
Internal Services Used	249,000	189,000	226,000	**233,000**	233,000	233,000	233,000	233,000
Internal Services Recovered	(2,159,000)	(1,716,000)	(1,661,000)	**(1,594,000)**	(1,626,000)	(1,646,000)	(1,678,000)	(1,700,000)
External Recoveries	(87,000)	(65,000)	(52,000)	**(53,000)**	(53,000)	(53,000)	(53,000)	(53,000)
	10,713,000	10,924,000	14,926,000	**15,751,000**	16,105,000	16,947,000	17,798,000	18,557,000
Net Operations Total	**9,649,000**	**9,719,000**	**14,087,000**	**14,889,000**	**15,243,000**	**16,085,000**	**16,936,000**	**17,695,000**
Transfers								
Transfer From Own Sources	(581,000)	0	(2,308,000)	**(2,308,000)**	(2,308,000)	(2,308,000)	(2,308,000)	(2,308,000)
Transfer To Own Sources	2,277,000	2,623,000	1,919,000	**1,984,000**	1,985,000	1,985,000	1,985,000	1,985,000
	1,696,000	2,623,000	(389,000)	**(324,000)**	(323,000)	(323,000)	(323,000)	(323,000)
	$ 11,345,000	**$ 12,342,000**	**$ 13,698,000**	**$ 14,565,000**	**$ 14,920,000**	**$ 15,762,000**	**$ 16,613,000**	**$ 17,372,000**

Finance, Technology & HR Departmental Operations



2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
FINANCE, TECHNOLOGY & HR

LEADERSHIP	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	842,000	526,000	1,219,000	**1,184,000**	1,214,000	1,250,000	1,288,000	1,327,000
Operating Costs	15,000	62,000	96,000	**96,000**	96,000	501,000	901,000	1,205,000
Internal Services Used	0	4,000	0	**0**	0	0	0	0
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	857,000	592,000	1,315,000	**1,280,000**	1,310,000	1,751,000	2,189,000	2,532,000
Net Operations Total	**857,000**	**592,000**	**1,315,000**	**1,280,000**	**1,310,000**	**1,751,000**	**2,189,000**	**2,532,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 857,000	**$ 592,000**	**$ 1,315,000**	**$ 1,280,000**	**$ 1,310,000**	**$ 1,751,000**	**$ 2,189,000**	**$ 2,532,000**

FINANCE	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (935,000)	$ (1,045,000)	$ (732,000)	**$ (752,000)**	$ (752,000)	$ (752,000)	$ (752,000)	$ (752,000)
Grants, Donations and Other	(7,000)	(25,000)	(4,000)	**(4,000)**	(4,000)	(4,000)	(4,000)	(4,000)
	(942,000)	(1,070,000)	(736,000)	**(756,000)**	(756,000)	(756,000)	(756,000)	(756,000)
Expenditures								
Salaries and Benefits	2,829,000	3,107,000	3,239,000	**3,213,000**	3,293,000	3,392,000	3,494,000	3,599,000
Operating Costs	244,000	368,000	632,000	**624,000**	634,000	648,000	658,000	673,000
Internal Services Used	139,000	164,000	116,000	**123,000**	123,000	123,000	123,000	123,000
Internal Services Recovered	(529,000)	(426,000)	(385,000)	**(318,000)**	(350,000)	(370,000)	(402,000)	(424,000)
External Recoveries	(33,000)	(38,000)	(27,000)	**(28,000)**	(28,000)	(28,000)	(28,000)	(28,000)
	2,650,000	3,175,000	3,575,000	**3,614,000**	3,672,000	3,765,000	3,845,000	3,943,000
Net Operations Total	**1,708,000**	**2,105,000**	**2,839,000**	**2,858,000**	**2,916,000**	**3,009,000**	**3,089,000**	**3,187,000**
Transfers								
Transfer From Own Sources	0	0	(278,000)	**(278,000)**	(278,000)	(278,000)	(278,000)	(278,000)
Transfer To Own Sources	319,000	38,000	0	**0**	0	0	0	0
	319,000	38,000	(278,000)	**(278,000)**	(278,000)	(278,000)	(278,000)	(278,000)
	$ 2,027,000	**$ 2,143,000**	**$ 2,561,000**	**$ 2,580,000**	**$ 2,638,000**	**$ 2,731,000**	**$ 2,811,000**	**$ 2,909,000**

HUMAN RESOURCES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	1,096,000	967,000	1,153,000	**1,170,000**	1,199,000	1,235,000	1,272,000	1,310,000
Operating Costs	762,000	585,000	795,000	**795,000**	805,000	815,000	825,000	835,000
Internal Services Used	7,000	2,000	0	**0**	0	0	0	0
Internal Services Recovered	(53,000)	(52,000)	(38,000)	**(38,000)**	(38,000)	(38,000)	(38,000)	(38,000)
External Recoveries	(29,000)	(24,000)	(25,000)	**(25,000)**	(25,000)	(25,000)	(25,000)	(25,000)
	1,783,000	1,478,000	1,885,000	**1,902,000**	1,941,000	1,987,000	2,034,000	2,082,000
Net Operations Total	**1,783,000**	**1,478,000**	**1,885,000**	**1,902,000**	**1,941,000**	**1,987,000**	**2,034,000**	**2,082,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	14,000	408,000	0	**0**	0	0	0	0
	14,000	408,000	0	**0**	0	0	0	0
	$ 1,797,000	**$ 1,886,000**	**$ 1,885,000**	**$ 1,902,000**	**$ 1,941,000**	**$ 1,987,000**	**$ 2,034,000**	**$ 2,082,000**

INFORMATION TECHNOLOGY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (6,000)	$ (10,000)	$ (3,000)	**$ (6,000)**	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(6,000)	(10,000)	(3,000)	**(6,000)**	(6,000)	(6,000)	(6,000)	(6,000)
Expenditures								
Salaries and Benefits	2,674,000	2,967,000	3,216,000	**3,419,000**	3,504,000	3,609,000	3,717,000	3,829,000
Operating Costs	1,790,000	1,672,000	1,878,000	**2,349,000**	2,315,000	2,365,000	2,415,000	2,465,000
Internal Services Used	5,000	0	0	**0**	0	0	0	0
Internal Services Recovered	(671,000)	(314,000)	(317,000)	**(317,000)**	(317,000)	(317,000)	(317,000)	(317,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	3,798,000	4,325,000	4,777,000	**5,451,000**	5,502,000	5,657,000	5,815,000	5,977,000
Net Operations Total	**3,792,000**	**4,315,000**	**4,774,000**	**5,445,000**	**5,496,000**	**5,651,000**	**5,809,000**	**5,971,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	1,817,000	2,063,000	1,819,000	**1,884,000**	1,885,000	1,885,000	1,885,000	1,885,000
	1,817,000	2,063,000	1,819,000	**1,884,000**	1,885,000	1,885,000	1,885,000	1,885,000
	$ 5,609,000	**$ 6,378,000**	**$ 6,593,000**	**$ 7,329,000**	**$ 7,381,000**	**$ 7,536,000**	**$ 7,694,000**	**$ 7,856,000**

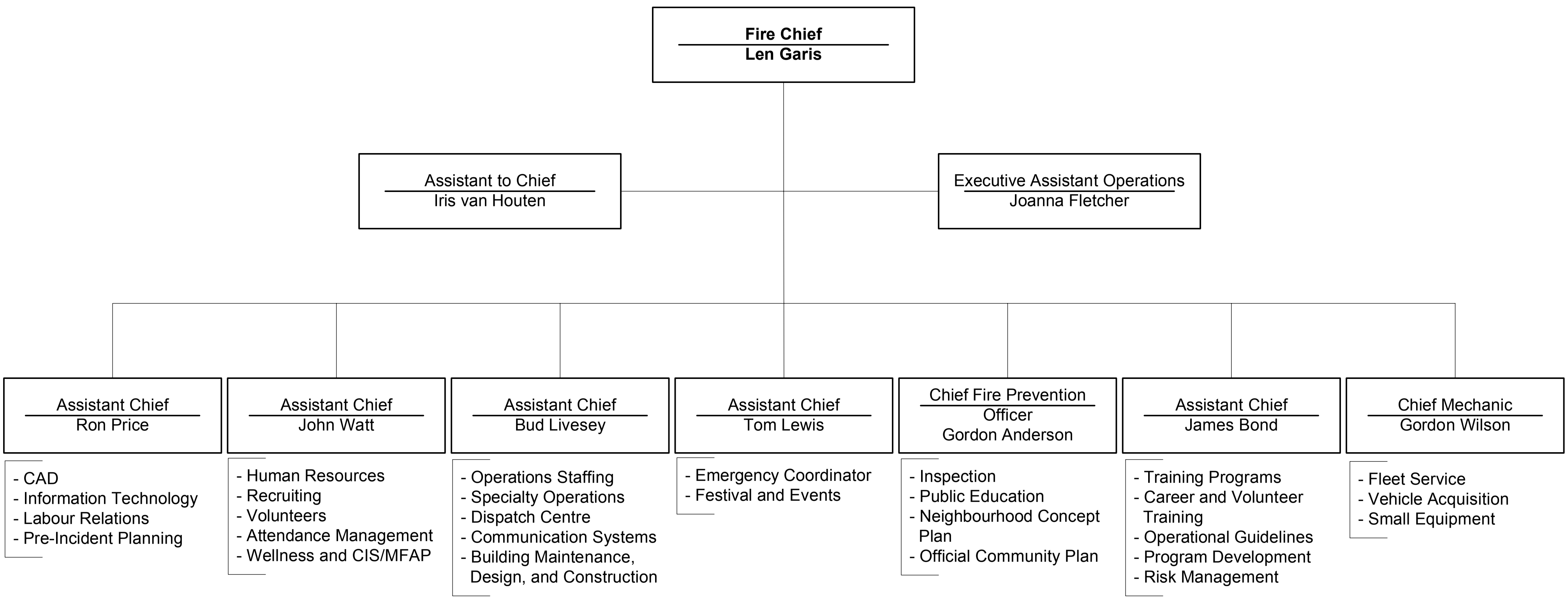
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
FINANCE, TECHNOLOGY & HR

RISK MANAGEMENT	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	(116,000)	(125,000)	(100,000)	**(100,000)**	(100,000)	(100,000)	(100,000)	(100,000)
	(116,000)	(125,000)	(100,000)	**(100,000)**	(100,000)	(100,000)	(100,000)	(100,000)
Expenditures								
Salaries and Benefits	258,000	243,000	262,000	**243,000**	249,000	256,000	264,000	272,000
Operating Costs	2,200,000	2,019,000	3,923,000	**4,072,000**	4,242,000	4,342,000	4,462,000	4,562,000
Internal Services Used	98,000	19,000	110,000	**110,000**	110,000	110,000	110,000	110,000
Internal Services Recovered	(906,000)	(924,000)	(921,000)	**(921,000)**	(921,000)	(921,000)	(921,000)	(921,000)
External Recoveries	(25,000)	(3,000)	0	**0**	0	0	0	0
	1,625,000	1,354,000	3,374,000	**3,504,000**	3,680,000	3,787,000	3,915,000	4,023,000
Net Operations Total	**1,509,000**	**1,229,000**	**3,274,000**	**3,404,000**	**3,580,000**	**3,687,000**	**3,815,000**	**3,923,000**
Transfers								
Transfer From Own Sources	(581,000)	0	(2,030,000)	**(2,030,000)**	(2,030,000)	(2,030,000)	(2,030,000)	(2,030,000)
Transfer To Own Sources	127,000	114,000	100,000	**100,000**	100,000	100,000	100,000	100,000
	(454,000)	114,000	(1,930,000)	**(1,930,000)**	(1,930,000)	(1,930,000)	(1,930,000)	(1,930,000)
	$ 1,055,000	**$ 1,343,000**	**$ 1,344,000**	**$ 1,474,000**	**$ 1,650,000**	**$ 1,757,000**	**$ 1,885,000**	**$ 1,993,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
FINANCE, TECHNOLOGY & HR

2003 ADOPTED BUDGET			**$ 13,698,000**
REVENUES			
Sales and Services			
Accounting Service Sundry Revenue	....	$ (800)	
Tax Inquiry & Royalty Fees	....	(19,000)	
Financial Reporting Sundry Revenue	....	(3,200)	**(23,000)**
Taxation and Other	....	0	**0**
Total Change in Revenues			**(23,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	331,600	
Decrease Positions in CWM & Risk	....	(147,000)	
Transfer Accounting Clerk to Parks	....	(45,600)	
Position Reclassification in IT & Taxation	....	51,000	
Ongoing Savings in Leadership	....	(50,000)	**140,000**
Operating Costs			
Increase in Risk Insurance	....	144,000	
Increase in Risk Consulting	....	7,200	
Increase in IT Maintenance Contract	....	286,100	
Increase in Printing Cost	....	181,000	
Decrease in CWM Cost	....	(4,100)	
Risk transfer to RCMP	....	(2,200)	**612,000**
Internal Services Used			
Increase in Colour Printing for Budget Publication	....	4,000	
Increase in Joint Works Yard Allocation	....	3,000	**7,000**
Internal Services Recovered			
CWM Allocation Removal	....	69,800	
Salary Rate Adjustment	....	(2,800)	**67,000**
External Recoveries	....	(1,000)	**(1,000)**
Transfer From Own Sources	....	0	**0**
Transfer To Own Sources			
IT Equipment Replacement Contribution	....	65,000	**65,000**
Total Change in Expenditures			**890,000**
2004 BUDGET			**$ 14,565,000**
2004 ADOPTED BUDGET			**$ 14,565,000**
REVENUES			
Sales and Service			
Tax Inquiry Fee	....	$ 0	**0**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	1,108,000	**1,108,000**
Operating Costs			
Increase Due to Inflation	....	1,699,000	**1,699,000**
2008 BUDGET			**$ 17,372,000**

DEPARTMENTAL OPERATIONS
FIRE FUNCTIONS



Surrey Fire Service is dedicated to protecting life, property, and the environment by providing emergency response, community education, and ensuring regulatory compliance. Community safety is enhanced by our programs, which synthesize the efforts of employees, volunteers, and the community itself.

In our growing City, the Fire Department must continually evaluate the needs of the population and make sure we meet them satisfactorily in all of our activities. This is our constant challenge.

FIRE SUPPRESSION 2003

Location	Hall No.	Full-Time	Volunteers	Special Equipment
Bear Creek	1	28	7	132' aerial ladder
Whalley	2	24	18	Rescue
Royal Heights	3		17	
Guildford	4	24	18	Rescue, Quint
Fraser Heights	5	16	13	Mobile Incident Command Unit
Fleetwood	6	16	18	Technical Rescue
Port Kells	7		19	
Cloverdale	8		29	Rescue
Sullivan	9	16	15	Air Truck
Newton	10	16	23	
Boundary Park	11	16		Rescue
Crescent Beach	12	16	14	
Sunnyside	13	16	20	
Hazelmere	14		27	
East Clayton	15	16	17	100' aerial ladder, Rescue
Rosemary Heights	17	16		Hazardous Materials Unit, Quint
Fleetwood	18	16		Quint

RADIO COMMUNICATIONS 2003

After extensive preparations to ensure that the new system will meet our needs, Surrey Fire Service is moving to the E-Comm radio system in January 2004. The system promises to provide increased radio coverage and shorter queuing times, improving communications during emergency situations when every second counts.

	2002	2003
Emergency Calls within Surrey	15,589	15,876
Emergency Calls for other Municipalities	7,922	7,501
After Hours Calls for City Engineering	2,224	2,842
After hours calls for Other Engineering Departments	1,946	2,016

RESPONSE PATTERN 2003

In 2003, 19 career firefighters were hired and 86 volunteer firefighters joined the force. The department also met its goal of four person pumper crews consistently.

	2002	2003
Medical Emergency Assistance Calls	7,211	7,037
Motor Vehicles Accidents	3,018	3,373
Structure Fires	540	547
Vehicle Fires	493	476
Brush Fires	758	875
Alarms	1,590	1,780
Hazardous Materials Incidents	329	303
Burning Complaints	581	821
Miscellaneous	1,069	1,091

SURREY EMERGENCY PROGRAM 2003

Our volunteer and community programs are well represented by the following:

- Neighbourhood Emergency Preparedness Program (NEPP);
- Surrey Emergency Program Amateur Radio (SEPAR),
- Surrey Search and Rescue (SAR), and
- Emergency Social Services (ESS).

These programs are reliant upon the contribution of City staff and the large network of volunteers needed to provide these valuable community services in the event of small or large-scale emergencies.

Staff Training is underway in Emergency Management, Incident Command and Plan Development, with tabletop and field scenarios planned as the program develops.

.	2002	2003
Emergency Social Services Volunteers	93	122
Amateur Radio Volunteers	41	52
Search and Rescue Volunteers	27	42
Neighbourhood Emergency Preparedness Program # Pres.	68	52
Neighbourhood Emergency Preparedness Program # of people	2174	2126

To reduce loss of life, property and environmental damage due to fire or hazardous materials, 2003 Fire Prevention Officers activities include:

PREVENTION 2003

	2002	2003
Routine Fire Safety Inspections	6,419	5,696
Re-inspections to ensure deficiencies have been corrected	609	999
Reviews (new buildings, renovations, site plans, fire safety)	256	282
Fire Safety Complaints	115	142
Occupancy Approval and Business License Inspections	437	330
Fire Investigations	693	700
Pre-fire Plans - completed	258	347
Pre-fire Plans - in progress	303	783

To reduce the burden on our citizens from fire and injuries and to help improve their quality of life by advocating fire, burn, and life safety education, Public Educators conducted these activities:

PUBLIC EDUCATION 2003

	2002	2003
Adult Programs	17	26
Fire Hall Tours	198	203
Attendance at Open House	17	17
Families utilized Youth Fire Setter Intervention Program	75	107
Trauma Pups distributed	200	200
Pump Crew Band Performances	6	6
Public Events/Mall Displays	10	9

TRAINING 2003

The Training Branch directly delivered or co-ordinated many diverse programs in 2003 for new career or volunteer personnel and existing staff. Training was given on the new Quint apparatus as well as in support of our existing programs. To assist career officers with inspections, the NFPA Fire Inspector 1 program and Local Assistant to the Fire Commissioner courses were completed. On scene safety and emergency operations were enhanced through Incident Safety Officer (ISO) training.

The Training Division benefits greatly from partnerships and relationships with other City Departments and other jurisdictions. Technical Rescue Instructors from Calgary worked with our instructors to finalize the curriculum for Trench/Shoring Rescue with Canadian Waste Management, Surrey's Engineering Department and Mega Crane become major contributors in the construction of a unique trench rescue and shoring prop. RCMP and Fire personnel trained jointly in the operation of the Mobile Command Centre. The RCMP EDU attended for scenario-based training with the Hazardous Materials Team. Scenarios are designed specifically to challenge and refresh the skills for both groups while fostering a strong working relationship.

ASSISTING OTHER COMMUNITIES

On August 1, 2003, a State of Emergency was declared in the Thompson-Nicola Regional District. There were serious threats to life and property in Chase, Penticton, Kelowna, Kamloops, and Barriere. Surrey Fire Service was called on to provide structural firefighting in these communities throughout August and early September. Surrey firefighters jumped at the opportunity to help out, and at the same time, learn from this extremely severe fire incident. Surrey Fire Service sent 153 personnel and their equipment to assist in the Okanagan region.

Surrey Fire Service was able to dedicate 5,804 man hours, and net $750,000 in equipment rentals, to the aid effort. Service levels in the City were fully maintained throughout the provincial emergency.

HAZMAT RESPONSE

There are two hazardous materials teams in the Lower Mainland – one in Vancouver Fire and Rescue and one in Surrey Fire Service. Due to recent terrorism threats in North America, and the need to stay constantly updated on the latest terrorist techniques and ways to combat them is vital.

TECHNICAL INNOVATIONS

Surrey Fire Service uses high-performing computer software modeling tools that can use the past to predict the future. We use CAD-ADAM to determine where to place fire equipment and personnel in the City, and which resources should be dispatched to every address, to produce the fastest and most appropriate responses to every call for help. Our prize-winning Staffing Solution Model was developed in-house in order to make sure that there are always enough firefighters on duty without overstaffing.

EXEMPLARY AND LONG SERVICE AWARDS NIGHT

On March 18, 2003, Surrey Fire Service welcomed Her Honour Lieutenant Governor Iona Campognolo to the Surrey Arts Centre with full Honour Guard. Her Honour presented 118 awards to Surrey career and volunteer firefighters, to recognize the dedication and selflessness with which these individuals have served their communities and the province in the protection of life and property.

2004 ISSUES AND OBJECTIVES

- Installation of career staff at Hall 8 (Cloverdale);
- Reduction of repeated false alarm calls from identified locations;
- Improve training programs for regular and new volunteers;
- Implement new Records Management System;
- Implement new Computer Aided Dispatch system;
- Continue to create emergency response pre-incident plans for commercial/industrial locations, and
- Continue to evaluate resource deployment and adjust as required

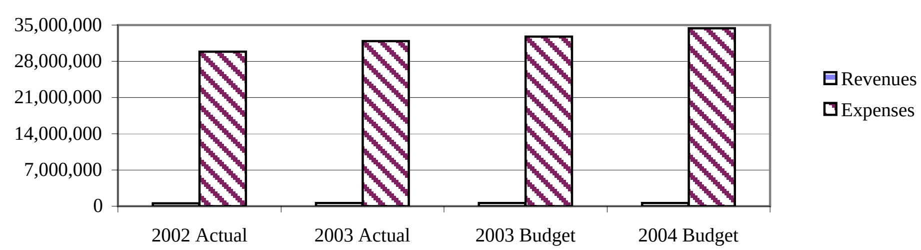
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
FIRE

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Administration	$ 836,000	$ 1,923,000	$ 983,000	**$ 1,052,000**	$ 1,077,000	$ 1,107,000	$ 1,138,000	$ 1,170,000
Emergency Planning	93,000	78,000	86,000	**87,000**	88,000	89,000	90,000	91,000
Fire Operations	27,175,000	28,825,000	28,986,000	**30,187,000**	31,481,000	32,650,000	33,554,000	34,485,000
Mechanics	591,000	639,000	713,000	**716,000**	730,000	747,000	764,000	781,000
Prevention	719,000	714,000	706,000	**881,000**	903,000	930,000	958,000	987,000
Radio & Communications	926,000	964,000	1,694,000	**1,826,000**	1,856,000	1,894,000	1,933,000	1,972,000
Training	511,000	550,000	606,000	**630,000**	639,000	650,000	661,000	673,000
	$ 30,851,000	**$ 33,693,000**	**$ 33,774,000**	**$ 35,379,000**	**$ 36,774,000**	**$ 38,067,000**	**$ 39,098,000**	**$ 40,159,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (582,000)	$ (599,000)	$ (593,000)	**$ (607,000)**	$ (619,000)	$ (631,000)	$ (643,000)	$ (656,000)
Grants, Donations and Other	0	(2,000)	0	**0**	0	0	0	0
	(582,000)	(601,000)	(593,000)	**(607,000)**	(619,000)	(631,000)	(643,000)	(656,000)
Expenditures								
Salaries and Benefits	$ 27,766,000	$ 29,987,000	$ 29,939,000	**$ 31,445,000**	$ 32,832,000	$ 34,117,000	$ 35,140,000	$ 36,194,000
Operating Costs	2,104,000	2,260,000	2,835,000	**2,988,000**	3,008,000	3,028,000	3,048,000	3,068,000
Internal Services Used	484,000	566,000	622,000	**582,000**	582,000	582,000	582,000	582,000
Internal Services Recovered	(320,000)	(341,000)	(414,000)	**(416,000)**	(416,000)	(416,000)	(416,000)	(416,000)
External Recoveries	(178,000)	(555,000)	(192,000)	**(190,000)**	(190,000)	(190,000)	(190,000)	(190,000)
	29,856,000	31,917,000	32,790,000	**34,409,000**	35,816,000	37,121,000	38,164,000	39,238,000
Net Operations Total	**29,274,000**	**31,316,000**	**32,197,000**	**33,802,000**	**35,197,000**	**36,490,000**	**37,521,000**	**38,582,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	1,577,000	2,377,000	1,577,000	**1,577,000**	1,577,000	1,577,000	1,577,000	1,577,000
	1,577,000	2,377,000	1,577,000	**1,577,000**	1,577,000	1,577,000	1,577,000	1,577,000
	$ 30,851,000	**$ 33,693,000**	**$ 33,774,000**	**$ 35,379,000**	**$ 36,774,000**	**$ 38,067,000**	**$ 39,098,000**	**$ 40,159,000**

Fire Departmental Operations



ADMINISTRATION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (4,000)	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	(2,000)	0	**0**	0	0	0	0
	(4,000)	(2,000)	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	788,000	1,130,000	919,000	**988,000**	1,013,000	1,043,000	1,074,000	1,106,000
Operating Costs	54,000	55,000	64,000	**64,000**	64,000	64,000	64,000	64,000
Internal Services Used	0	0	0	**0**	0	0	0	0
Internal Services Recovered	(2,000)	(60,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	840,000	1,125,000	983,000	**1,052,000**	1,077,000	1,107,000	1,138,000	1,170,000
Net Operations Total	**836,000**	**1,123,000**	**983,000**	**1,052,000**	**1,077,000**	**1,107,000**	**1,138,000**	**1,170,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	800,000	0	**0**	0	0	0	0
	0	800,000	0	**0**	0	0	0	0
	$ 836,000	**$ 1,923,000**	**$ 983,000**	**$ 1,052,000**	**$ 1,077,000**	**$ 1,107,000**	**$ 1,138,000**	**$ 1,170,000**

EMERGENCY PLANNING	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (16,000)	$ (12,000)	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(16,000)	(12,000)	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	25,000	23,000	25,000	**28,000**	29,000	30,000	31,000	32,000
Operating Costs	87,000	75,000	65,000	**65,000**	65,000	65,000	65,000	65,000
Internal Services Used	1,000	2,000	0	**0**	0	0	0	0
Internal Services Recovered	(4,000)	(10,000)	(4,000)	**(6,000)**	(6,000)	(6,000)	(6,000)	(6,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	109,000	90,000	86,000	**87,000**	88,000	89,000	90,000	91,000
Net Operations Total	**93,000**	**78,000**	**86,000**	**87,000**	**88,000**	**89,000**	**90,000**	**91,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 93,000	**$ 78,000**	**$ 86,000**	**$ 87,000**	**$ 88,000**	**$ 89,000**	**$ 90,000**	**$ 91,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
FIRE

FIRE OPERATIONS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	24,288,000	26,152,000	26,256,000	**27,357,000**	28,641,000	29,800,000	30,694,000	31,615,000
Operating Costs	1,333,000	1,415,000	1,305,000	**1,405,000**	1,415,000	1,425,000	1,435,000	1,445,000
Internal Services Used	295,000	349,000	298,000	**298,000**	298,000	298,000	298,000	298,000
Internal Services Recovered	(174,000)	(135,000)	(282,000)	**(282,000)**	(282,000)	(282,000)	(282,000)	(282,000)
External Recoveries	(144,000)	(533,000)	(168,000)	**(168,000)**	(168,000)	(168,000)	(168,000)	(168,000)
	25,598,000	27,248,000	27,409,000	**28,610,000**	29,904,000	31,073,000	31,977,000	32,908,000
Net Operations Total	**25,598,000**	**27,248,000**	**27,409,000**	**28,610,000**	**29,904,000**	**31,073,000**	**31,977,000**	**32,908,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	1,577,000	1,577,000	1,577,000	**1,577,000**	1,577,000	1,577,000	1,577,000	1,577,000
	1,577,000	1,577,000	1,577,000	**1,577,000**	1,577,000	1,577,000	1,577,000	1,577,000
	$ 27,175,000	**$ 28,825,000**	**$ 28,986,000**	**$ 30,187,000**	**$ 31,481,000**	**$ 32,650,000**	**$ 33,554,000**	**$ 34,485,000**

MECHANICS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	330,000	350,000	349,000	**375,000**	384,000	396,000	408,000	420,000
Operating Costs	261,000	289,000	293,000	**308,000**	313,000	318,000	323,000	328,000
Internal Services Used	1,000	1,000	75,000	**35,000**	35,000	35,000	35,000	35,000
Internal Services Recovered	(1,000)	(1,000)	(1,000)	**(1,000)**	(1,000)	(1,000)	(1,000)	(1,000)
External Recoveries	0	0	(3,000)	**(1,000)**	(1,000)	(1,000)	(1,000)	(1,000)
	591,000	639,000	713,000	**716,000**	730,000	747,000	764,000	781,000
Net Operations Total	**591,000**	**639,000**	**713,000**	**716,000**	**730,000**	**747,000**	**764,000**	**781,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 591,000	**$ 639,000**	**$ 713,000**	**$ 716,000**	**$ 730,000**	**$ 747,000**	**$ 764,000**	**$ 781,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
FIRE

PREVENTION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (83,000)	$ (96,000)	$ (102,000)	**$ (104,000)**	$ (106,000)	$ (108,000)	$ (110,000)	$ (112,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(83,000)	(96,000)	(102,000)	**(104,000)**	(106,000)	(108,000)	(110,000)	(112,000)
Expenditures								
Salaries and Benefits	791,000	782,000	782,000	**959,000**	983,000	1,012,000	1,042,000	1,073,000
Operating Costs	22,000	31,000	30,000	**30,000**	30,000	30,000	30,000	30,000
Internal Services Used	9,000	9,000	6,000	**6,000**	6,000	6,000	6,000	6,000
Internal Services Recovered	(8,000)	(1,000)	0	**0**	0	0	0	0
External Recoveries	(12,000)	(11,000)	(10,000)	**(10,000)**	(10,000)	(10,000)	(10,000)	(10,000)
	802,000	810,000	808,000	**985,000**	1,009,000	1,038,000	1,068,000	1,099,000
Net Operations Total	**719,000**	**714,000**	**706,000**	**881,000**	**903,000**	**930,000**	**958,000**	**987,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 719,000	**$ 714,000**	**$ 706,000**	**$ 881,000**	**$ 903,000**	**$ 930,000**	**$ 958,000**	**$ 987,000**

RADIO & COMMUNICATIONS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (479,000)	$ (491,000)	$ (491,000)	**$ (503,000)**	$ (513,000)	$ (523,000)	$ (533,000)	$ (544,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(479,000)	(491,000)	(491,000)	**(503,000)**	(513,000)	(523,000)	(533,000)	(544,000)
Expenditures								
Salaries and Benefits	1,233,000	1,232,000	1,278,000	**1,384,000**	1,419,000	1,462,000	1,506,000	1,551,000
Operating Costs	291,000	338,000	1,031,000	**1,069,000**	1,074,000	1,079,000	1,084,000	1,089,000
Internal Services Used	18,000	20,000	3,000	**3,000**	3,000	3,000	3,000	3,000
Internal Services Recovered	(130,000)	(134,000)	(127,000)	**(127,000)**	(127,000)	(127,000)	(127,000)	(127,000)
External Recoveries	(7,000)	(1,000)	0	**0**	0	0	0	0
	1,405,000	1,455,000	2,185,000	**2,329,000**	2,369,000	2,417,000	2,466,000	2,516,000
Net Operations Total	**926,000**	**964,000**	**1,694,000**	**1,826,000**	**1,856,000**	**1,894,000**	**1,933,000**	**1,972,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 926,000	**$ 964,000**	**$ 1,694,000**	**$ 1,826,000**	**$ 1,856,000**	**$ 1,894,000**	**$ 1,933,000**	**$ 1,972,000**

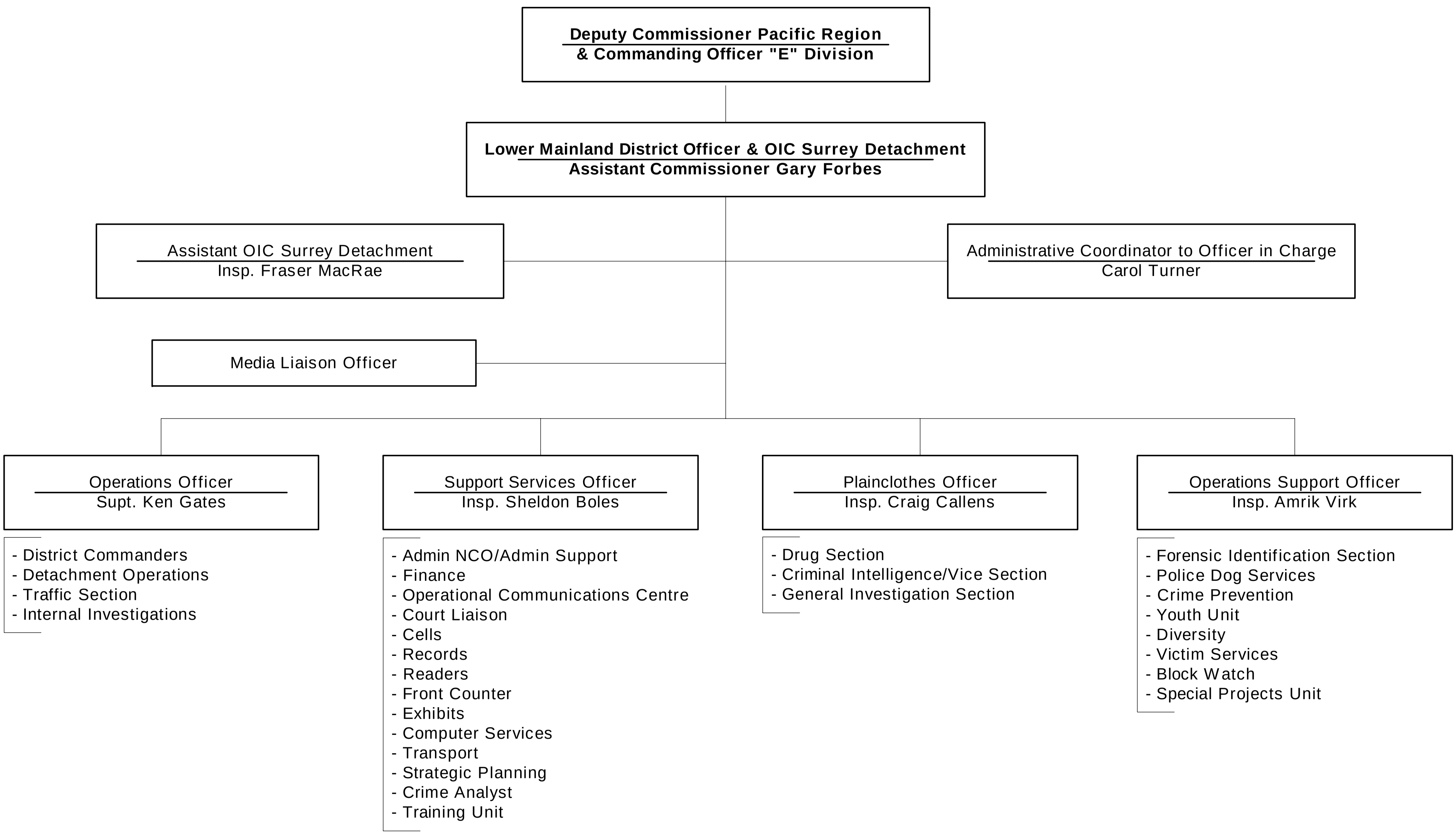
TRAINING	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	311,000	318,000	330,000	**354,000**	363,000	374,000	385,000	397,000
Operating Costs	56,000	57,000	47,000	**47,000**	47,000	47,000	47,000	47,000
Internal Services Used	160,000	185,000	240,000	**240,000**	240,000	240,000	240,000	240,000
Internal Services Recovered	(1,000)	0	0	**0**	0	0	0	0
External Recoveries	(15,000)	(10,000)	(11,000)	**(11,000)**	(11,000)	(11,000)	(11,000)	(11,000)
	511,000	550,000	606,000	**630,000**	639,000	650,000	661,000	673,000
Net Operations Total	**511,000**	**550,000**	**606,000**	**630,000**	**639,000**	**650,000**	**661,000**	**673,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 511,000	**$ 550,000**	**$ 606,000**	**$ 630,000**	**$ 639,000**	**$ 650,000**	**$ 661,000**	**$ 673,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
FIRE

2003 ADOPTED BUDGET			**$ 33,774,000**
REVENUES			
Sales and Services			
Increase in Dispatch Services	....	$ (12,000)	
2% Fire Prevention Increase	....	(2,000)	**(14,000)**
Taxation and Other	....	0	**0**
Total Change in Revenues			**(14,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
8 New Recruits - Start July 1	....	230,000	
Increase Salary Rate (IAFF)	....	1,231,000	
Admin 2.5% Increase Plus 1 FTE Change to H1	....	70,000	
Sustainable Savings	....	(25,000)	**1,506,000**
Operating Costs			
E-Comm 5% Contingency	....	40,000	
Recruits Equipment/Uniforms	....	65,000	
Reallocation from Internal Services Used	....	40,000	
Sustainable Savings	....	(25,000)	
Inflationary Increases - Water / Gas	....	33,000	**153,000**
Internal Services Used			
Reallocation to Operating Costs	....	(40,000)	**(40,000)**
Internal Services Recovered	....	(2,000)	**(2,000)**
External Recoveries	....	2,000	**2,000**
Transfer From Own Sources	....	0	**0**
Transfer To Own Sources	....	0	**0**
Total Change in Expenditures			**1,619,000**
2004 BUDGET			**$ 35,379,000**

2004 ADOPTED BUDGET			**$ 35,379,000**
REVENUES			
Sales and Service			
Increase in Dispatch Services Revenue	....	$ (40,000)	
Prevention	....	(9,000)	**(49,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate & Range Increment	....	3,849,000	
New Firefighters & Annualization	....	900,000	**4,749,000**
Operating Costs			
Mechanic & Radio Inflation	....	40,000	
Operations Inflation Increases	....	40,000	**80,000**
2008 BUDGET			**$ 40,159,000**

DEPARTMENTAL OPERATIONS
RCMP FUNCTIONS



The Royal Canadian Mounted Police, Surrey Detachment is committed to preserve the peace, uphold the law and provide quality service in partnership with our communities.

OUR COMMITMENT

The regular members, staff and volunteers of the Royal Canadian Mounted Police are committed to our communities through:

- Unbiased and respectful treatment of all people;
- Accountability;
- Mutual problem-solving;
- Cultural sensitivity;
- Enhancement of public safety;
- Partnership and consultation;
- Open and honest communication, and
- Effective and efficient use of resources.

The RCMP is in the process of establishing itself as an ‘Organization of Excellence’ to enable it to deliver the quality service necessary to fulfil its mandate. Currently the RCMP is moving to integrate many of the specialized investigative units within the Lower Mainland of British Columbia to reduce overhead and increase effectiveness.

DETACHMENT ORGANIZATION

At this time, Surrey Detachment is organized into four primary functional groups:

- Operations are primarily uniformed RCMP members who are organized into various units: General Duty (Detachment Operations and District Offices), and Traffic Enforcement;

- Plainclothes is primarily RCMP members who are organized into specialized investigative units: Drug Section, Criminal Intelligence and General Investigation;

- Operational Support is primarily specialized support units: Forensic Identification, Police Dog Services, Youth and Diversity, Special Projects Unit, Crime Prevention, Victim Services, Block Watch, and

- Support Services consist of Administrative Support staff: Computer Services, Operational Communications Centre, Finance, Records, Readers, Cells, Court Liaison, Strategic Planning, Crime Analysis, Front Counter and Exhibits.

STRATEGIC PRIORITIES: DETACHMENT’S PRIME MANDATE

The Detachment’s prime mandate, to ensure ***“Safe Homes Within Safe Communities”***, is in harmony with the City of Surrey Council’s guideposts of ensuring a ***“Safe Community Within Which to Live”***.

Three of the RCMP’s strategic priorities are focused on the following areas:

- Organized Crime that impacts many components of our society (e.g., drug trafficking, marihuana grow operations, chemical methadone or crack laboratories, armed robberies, extortion and murder). Surrey Detachment will support this initiative by collecting intelligence, participating in investigations, conducting enforcement, collaborating with other police agencies and enhancing technical capacity;

- Youth focusing on the root causes of criminality at early stages of life is a primary philosophy of this priority. Responses to youth problems must involve local community partnerships, proactive education and prevention. For this initiative, Surrey Detachment has focused the School Liaison and Crime Prevention programs towards education, and

- Alternative Justice by utilizing restorative justice and alternate forms of dealing with youth criminal behaviour rather than the limited options of the traditional justice system. Surrey Detachment will be exploring and possibly implementing a restorative justice process this year.

2004 KEY ISSUES AND OBJECTIVES

- Continue to work with the City Centre businesses, City of Surrey Departments, TransLink and community volunteers to make the City Centre a safe place in which to work and live;
- Deploy police resources with a priority to focus on offences of violence, prostitution, break and enter, marihuana grow operations and illegal chemical laboratories;
- Continue to work in cooperation with the community, other agencies and the RCMP's Auto Theft Task Force to reduce the number of auto thefts within the City of Surrey;
- Reduce the number of automobile fatalities and injury accidents through targeted enforcement at high crash locations, with an emphasis on impaired drivers and the necessity for wearing seatbelts;
- Examine the feasibility of sharing and integrating specialized services and capital-intensive equipment to reduce overhead and increase effectiveness;
- Develop a strategic plan to make better use of existing Crime Prevention Unit staff to tactically support existing and new initiatives;
- Enhance the Detachment's School Liaison program and continue to work with the Surrey School Board on safety programs;
- Continue to expand the RCMP Auxiliary Program to support uniformed operational policing within the City of Surrey, and
- Continue to expand Surrey Detachment's Internet Website to include information on new policing initiatives and make the website available in languages other than English.

SURREY DETACHMENT'S FIVE–YEAR STRATEGIC PLAN

In early February 2002, Surrey Detachment developed a five-year strategic plan, which endeavours to build upon the following visionary themes:

- Equitable and sustainable resourcing;
- Best trained professional police service;
- Enhanced stakeholder relationship and partnerships;
- Safe homes and safe communities;
- Success story in integrated police service;
- Aggressive and strategic reduction in calls for service, and
- Operations fully supported by quality technology.

Based on these guiding themes and goals, the following Task Forces will continue:

- Apply an effective urban policing model;
- Develop and recognize RCMP members and city support staff;
- Allocate resources proactively;
- Utilize the full potential of technology and equipment, and
- Improve communication within the detachment.

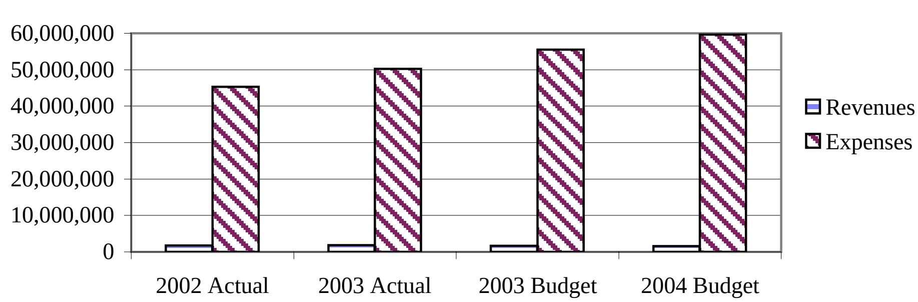
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
R.C.M.P.

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Administration	$ 2,985,000	$ 3,674,000	$ 3,881,000	**$ 3,979,000**	$ 3,266,000	$ 3,390,000	$ 3,517,000	$ 3,647,000
District Offices	1,228,000	1,352,000	1,285,000	**1,330,000**	1,373,000	1,403,000	1,433,000	1,464,000
Operations	3,366,000	3,561,000	3,670,000	**4,021,000**	4,267,000	4,432,000	4,582,000	4,717,000
Operations Support	880,000	1,114,000	1,240,000	**1,304,000**	1,337,000	1,377,000	1,418,000	1,460,000
RCMP Contract	34,510,000	38,358,000	42,962,000	**46,563,000**	50,056,000	53,409,000	57,273,000	60,554,000
Officer in Charge Mgmt Services	576,000	549,000	799,000	**867,000**	889,000	915,000	942,000	970,000
	$ 43,545,000	**$ 48,608,000**	**$ 53,837,000**	**$ 58,064,000**	**$ 61,188,000**	**$ 64,926,000**	**$ 69,165,000**	**$ 72,812,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (656,000)	$ (702,000)	$ (632,000)	**$ (551,000)**	$ (562,000)	$ (573,000)	$ (584,000)	$ (596,000)
Grants, Donations and Other	(1,093,000)	(1,146,000)	(1,025,000)	**(1,003,000)**	(1,805,000)	(1,807,000)	(1,809,000)	(1,811,000)
	(1,749,000)	(1,848,000)	(1,657,000)	**(1,554,000)**	(2,367,000)	(2,380,000)	(2,393,000)	(2,407,000)
Expenditures								
Salaries and Benefits	$ 8,801,000	$ 10,113,000	$ 10,083,000	**$ 10,513,000**	$ 10,927,000	$ 11,295,000	$ 11,653,000	$ 12,003,000
Operating Costs	36,493,000	40,184,000	45,337,000	**49,033,000**	52,548,000	55,931,000	59,825,000	63,136,000
Internal Services Used	118,000	146,000	100,000	**98,000**	106,000	106,000	106,000	106,000
Internal Services Recovered	(53,000)	(81,000)	0	**0**	0	0	0	0
External Recoveries	(68,000)	(106,000)	(26,000)	**(26,000)**	(26,000)	(26,000)	(26,000)	(26,000)
	45,291,000	50,256,000	55,494,000	**59,618,000**	63,555,000	67,306,000	71,558,000	75,219,000
Net Operations Total	**43,542,000**	**48,408,000**	**53,837,000**	**58,064,000**	**61,188,000**	**64,926,000**	**69,165,000**	**72,812,000**
Transfers								
Transfer From Own Sources	(52,000)	(61,000)	0	**0**	0	0	0	0
Transfer To Own Sources	55,000	261,000	0	**0**	0	0	0	0
	3,000	200,000	0	**0**	0	0	0	0
	$ 43,545,000	**$ 48,608,000**	**$ 53,837,000**	**$ 58,064,000**	**$ 61,188,000**	**$ 64,926,000**	**$ 69,165,000**	**$ 72,812,000**

RCMP Departmental Operations



2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
R.C.M.P.

ADMINISTRATION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (309,000)	$ (234,000)	$ (339,000)	**$ (214,000)**	$ (218,000)	$ (222,000)	$ (226,000)	$ (231,000)
Grants, Donations and Other	(817,000)	(870,000)	(787,000)	**(865,000)**	(1,665,000)	(1,665,000)	(1,665,000)	(1,665,000)
	(1,126,000)	(1,104,000)	(1,126,000)	**(1,079,000)**	(1,883,000)	(1,887,000)	(1,891,000)	(1,896,000)
Expenditures								
Salaries and Benefits	3,334,000	4,059,000	3,787,000	**3,821,000**	3,917,000	4,035,000	4,156,000	4,281,000
Operating Costs	785,000	822,000	1,172,000	**1,198,000**	1,184,000	1,194,000	1,204,000	1,214,000
Internal Services Used	69,000	52,000	48,000	**39,000**	48,000	48,000	48,000	48,000
Internal Services Recovered	(49,000)	(74,000)	0	**0**	0	0	0	0
External Recoveries	(24,000)	(81,000)	0	**0**	0	0	0	0
	4,115,000	4,778,000	5,007,000	**5,058,000**	5,149,000	5,277,000	5,408,000	5,543,000
Net Operations Total	**2,989,000**	**3,674,000**	**3,881,000**	**3,979,000**	**3,266,000**	**3,390,000**	**3,517,000**	**3,647,000**
Transfers								
Transfer From Own Sources	(4,000)	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	(4,000)	0	0	**0**	0	0	0	0
	$ 2,985,000	**$ 3,674,000**	**$ 3,881,000**	**$ 3,979,000**	**$ 3,266,000**	**$ 3,390,000**	**$ 3,517,000**	**$ 3,647,000**

DISTRICT OFFICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (5,000)	$ (43,000)	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(5,000)	(43,000)	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	305,000	330,000	306,000	**325,000**	333,000	343,000	353,000	364,000
Operating Costs	916,000	962,000	942,000	**962,000**	998,000	1,018,000	1,038,000	1,058,000
Internal Services Used	33,000	77,000	37,000	**43,000**	42,000	42,000	42,000	42,000
Internal Services Recovered	(1,000)	(1,000)	0	**0**	0	0	0	0
External Recoveries	(16,000)	0	0	**0**	0	0	0	0
	1,237,000	1,368,000	1,285,000	**1,330,000**	1,373,000	1,403,000	1,433,000	1,464,000
Net Operations Total	**1,232,000**	**1,325,000**	**1,285,000**	**1,330,000**	**1,373,000**	**1,403,000**	**1,433,000**	**1,464,000**
Transfers								
Transfer From Own Sources	(9,000)	(16,000)	0	**0**	0	0	0	0
Transfer To Own Sources	5,000	43,000	0	**0**	0	0	0	0
	(4,000)	27,000	0	**0**	0	0	0	0
	$ 1,228,000	**$ 1,352,000**	**$ 1,285,000**	**$ 1,330,000**	**$ 1,373,000**	**$ 1,403,000**	**$ 1,433,000**	**$ 1,464,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
R.C.M.P.

OPERATIONS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (311,000)	$ (394,000)	$ (293,000)	**$ (337,000)**	$ (344,000)	$ (351,000)	$ (358,000)	$ (365,000)
Grants, Donations and Other	(183,000)	(174,000)	(140,000)	**(40,000)**	(40,000)	(40,000)	(40,000)	(40,000)
	(494,000)	(568,000)	(433,000)	**(377,000)**	(384,000)	(391,000)	(398,000)	(405,000)
Expenditures								
Salaries and Benefits	3,681,000	4,012,000	3,906,000	**4,151,000**	4,405,000	4,577,000	4,734,000	4,876,000
Operating Costs	163,000	138,000	192,000	**242,000**	241,000	241,000	241,000	241,000
Internal Services Used	0	2,000	5,000	**5,000**	5,000	5,000	5,000	5,000
Internal Services Recovered	(3,000)	(2,000)	0	**0**	0	0	0	0
External Recoveries	0	(2,000)	0	**0**	0	0	0	0
	3,841,000	4,148,000	4,103,000	**4,398,000**	4,651,000	4,823,000	4,980,000	5,122,000
Net Operations Total	**3,347,000**	**3,580,000**	**3,670,000**	**4,021,000**	**4,267,000**	**4,432,000**	**4,582,000**	**4,717,000**
Transfers								
Transfer From Own Sources	0	(19,000)	0	**0**	0	0	0	0
Transfer To Own Sources	19,000	0	0	**0**	0	0	0	0
	19,000	(19,000)	0	**0**	0	0	0	0
	$ 3,366,000	**$ 3,561,000**	**$ 3,670,000**	**$ 4,021,000**	**$ 4,267,000**	**$ 4,432,000**	**$ 4,582,000**	**$ 4,717,000**

OPERATIONS SUPPORT	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (28,000)	$ (31,000)	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	(93,000)	(102,000)	(98,000)	**(98,000)**	(100,000)	(102,000)	(104,000)	(106,000)
	(121,000)	(133,000)	(98,000)	**(98,000)**	(100,000)	(102,000)	(104,000)	(106,000)
Expenditures								
Salaries and Benefits	930,000	1,180,000	1,292,000	**1,356,000**	1,390,000	1,432,000	1,475,000	1,519,000
Operating Costs	70,000	52,000	36,000	**35,000**	36,000	36,000	36,000	36,000
Internal Services Used	9,000	13,000	10,000	**11,000**	11,000	11,000	11,000	11,000
Internal Services Recovered	0	(3,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	1,009,000	1,242,000	1,338,000	**1,402,000**	1,437,000	1,479,000	1,522,000	1,566,000
Net Operations Total	**888,000**	**1,109,000**	**1,240,000**	**1,304,000**	**1,337,000**	**1,377,000**	**1,418,000**	**1,460,000**
Transfers								
Transfer From Own Sources	(36,000)	(26,000)	0	**0**	0	0	0	0
Transfer To Own Sources	28,000	31,000	0	**0**	0	0	0	0
	(8,000)	5,000	0	**0**	0	0	0	0
	$ 880,000	**$ 1,114,000**	**$ 1,240,000**	**$ 1,304,000**	**$ 1,337,000**	**$ 1,377,000**	**$ 1,418,000**	**$ 1,460,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
R.C.M.P.

RCMP CONTRACT	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	0	0	0	**0**	0	0	0	0
Operating Costs	34,510,000	38,171,000	42,962,000	**46,563,000**	50,056,000	53,409,000	57,273,000	60,554,000
Internal Services Used	0	0	0	**0**	0	0	0	0
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	34,510,000	38,171,000	42,962,000	**46,563,000**	50,056,000	53,409,000	57,273,000	60,554,000
Net Operations Total	**34,510,000**	**38,171,000**	**42,962,000**	**46,563,000**	**50,056,000**	**53,409,000**	**57,273,000**	**60,554,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	187,000	0	**0**	0	0	0	0
	0	187,000	0	**0**	0	0	0	0
	$ 34,510,000	**$ 38,358,000**	**$ 42,962,000**	**$ 46,563,000**	**$ 50,056,000**	**$ 53,409,000**	**$ 57,273,000**	**$ 60,554,000**

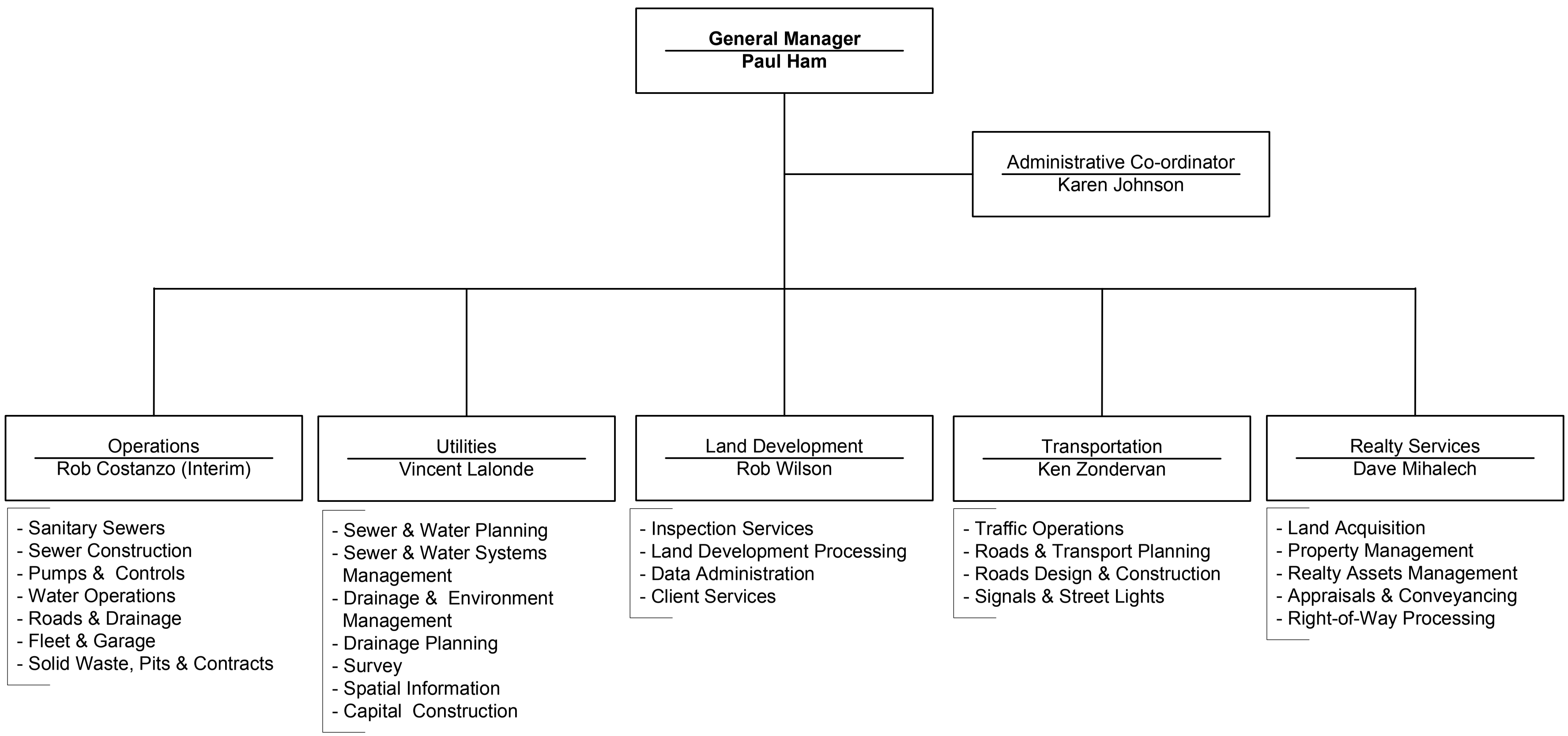
OFFICER IN CHARGE MGMT SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (3,000)	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(3,000)	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	551,000	532,000	792,000	**860,000**	882,000	908,000	935,000	963,000
Operating Costs	49,000	39,000	33,000	**33,000**	33,000	33,000	33,000	33,000
Internal Services Used	7,000	2,000	0	**0**	0	0	0	0
Internal Services Recovered	0	(1,000)	0	**0**	0	0	0	0
External Recoveries	(28,000)	(23,000)	(26,000)	**(26,000)**	(26,000)	(26,000)	(26,000)	(26,000)
	579,000	549,000	799,000	**867,000**	889,000	915,000	942,000	970,000
Net Operations Total	**576,000**	**549,000**	**799,000**	**867,000**	**889,000**	**915,000**	**942,000**	**970,000**
Transfers								
Transfer From Own Sources	(3,000)	0	0	**0**	0	0	0	0
Transfer To Own Sources	3,000	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 576,000	**$ 549,000**	**$ 799,000**	**$ 867,000**	**$ 889,000**	**$ 915,000**	**$ 942,000**	**$ 970,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
R.C.M.P.

2003 ADOPTED BUDGET			**$ 53,837,000**
REVENUES			
Sales and Services			
Decrease in Document Service Fees	....	$ 109,000	
Miscellaneous Fee Increases	....	(28,000)	**81,000**
Taxation and Other			
Increase in Traffic Fine Revenue	....	(78,000)	
Decrease in Prisoner Recovery Revenues	....	100,000	**22,000**
Total Change in Revenues			**103,000**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	280,000	
Municipal Employee Positions	....	150,000	**430,000**
Operating Costs			
RCMP Contract Increase	....	754,300	
Annualize 2003 Members	....	517,600	
20 New Members Starting July 1, 2004	....	1,553,000	
Reinstate 6 Previously Converted Positions	....	776,500	
Reduced Lease Costs - Semiahmoo Facility	....	(49,700)	
Additional Auxiliary Policing Resources	....	50,000	
Increase in Miscellaneous Expenditures	....	94,300	**3,696,000**
Internal Services Used	....	(2,000)	**(2,000)**
Internal Services Recovered	....	0	**0**
External Recoveries	....	0	**0**
Transfer To Own Sources	....	0	**0**
Transfer From Own Sources	....	0	**0**
Transfer To Own Sources	....	0	**0**
Total Change in Expenditures			**4,227,000**
2004 BUDGET			**$ 58,064,000**

2004 ADOPTED BUDGET			**$ 58,064,000**
REVENUES			
Sales and Service			
Administration	....	$ (20,000)	
Operation	....	(25,000)	
Operation Support (Grants & Other)	....	(8,000)	
Traffic Fine Revenue Sharing in 2005	....	(800,000)	**(853,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	1,280,000	
Part-time	....	210,000	**1,490,000**
Operating Costs			
Increase Due to Inflation	....	3,532,000	
RCMP Contract Increase as Per Plan	....	3,165,000	
20 Royal Members Increase	....	7,414,000	**14,111,000**
2008 BUDGET			**$ 72,812,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
ENGINEERING FUNCTIONS



The Engineering Department has the responsibility to meet or exceed expectations for the delivery of municipal services (water, sewer, drainage, garbage collection, recycling and transportation systems) for existing residents as well as continued new growth. The Department also has the responsibility for Realty Services. Innovation, technology and improvements to our delivery systems continue to increase our effectiveness and efficiency. Below are some of our accomplishments for 2003 as well as the key issues and objectives for 2004 and beyond.

2003 ACCOMPLISHMENTS

Land Development Division

The Land Development Division is primarily responsible for promoting and assisting land and building development in the City as well as ensuring that municipal engineering services installed in conjunction with the development of land in the City meet Council-adopted standards and requirements. The Land Development Division also provides client services via the front counter and the processing of permits for external utilities. Key accomplishments included:

- Processed the highest volume of Land Development work in over 10 years by responding to 500 development application referrals and completing 220 Servicing Agreements;
- Supported the Building Division in reviewing over 190 Commercial/Industrial/Multi-Family building permits and over 2,200 single family building permits;
- Accepted over $55 million in new municipal infrastructure as a result of development construction projects;
- Issued 523 Utility Permits and 66 Environmental Drilling Permits;
- Issued 1,075 City Road & Right-of-Way and Traffic Obstruction Permits, 588 work orders, and 1,100 Oversize/Overweight permits.

Transportation Division

The Transportation Division is comprised of Roads and Transportation Planning, Traffic Operations, and Roads Design and Construction sections. The Division maintains the existing street light and traffic signal network, rehabilitates roadway and sidewalk networks, plans for the current and future transportation needs of the City, and manages the design and construction of new and upgraded transportation facilities. Key accomplishments included:

- Constructed 112 transportation projects with a total value of $35 million, major projects include completing first section of Fraser Highway, 151 to 160 Street, key widening on: Scott Road, 64 & 104 Avenues, 128th, 140th & 152 Streets;
- Continued an active role in regional issues with the Ministry of Transportation, GVTA (Greater Vancouver Transportation Authority) and MRTAC (Major Roads & Transportation Advisory Committee) including participation on the South Fraser Perimeter Road, Border Infrastructure Program, Strategic Highway Infrastructure Program and Fraser River Crossing project teams;
- Developed a long term plan in conjunction with MOT (Ministry of Transportation) for improved access for Fraser Heights;
- Completion of most capital upgrading projects by year-end plus secured over $1 million funding contribution towards safety improvement works from ICBC (largest share in Province);
- Developed a bridges life cycle cost based maintenance management plan including a program for replacement, condition inspection, and rehabilitation;
- Dealt with 650 traffic operations public enquiries (15% increase over 2002);
- Completed the change over from incandescent traffic signal fixtures to LED fixtures for significant operating cost savings, and
- Implemented a traffic data management system.

Utilities Division

The Engineering Utilities Division is responsible for engineering planning, design and construction for the infrastructure required to deliver water, sewer, drainage, survey and GIS (Geographic Information Systems) services to support orderly growth, development and re-development of the City as well as ongoing utility services to the existing businesses and residences of Surrey. Some of the key accomplishments in 2003 were:

- Delivered a $32 million utilities capital construction program within budget including the 600 mm secondary feed watermain to Cloverdale and the fish passable box culvert in Chantrell Creek under Crescent Road;

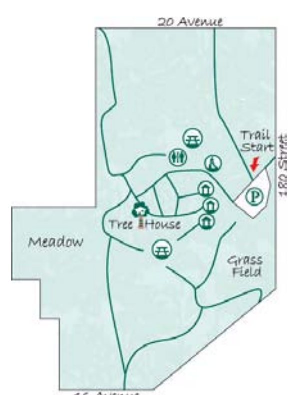
Chantrell Creek – Fish Passable Box Culvert

- Secured $90,000 of external funding for the SHaRP program in which 31 students were hired and trained to enhance creeks through out the City;
- Installed 5,000 meters under the voluntary water metering program with funding from the Infrastructure Program;
- Initiated the drilling and environmental assessment phase of the groundwater supply program;
- Implementation of the Serpentine and Nicomekl Lowlands Flood Control Project continued in 2003. This is the largest flood control project in the Province, over 10 km of Dykes were upgraded as part of the flood control scheme;
- Developed a very low cost system of using BCAA data to allow access to property data and economic model for a viable drainage utility charge for future Council consideration;
- Completed a new model for sanitary sewer flow of the system to monitor and predict capacity, inflow and infiltration;
- Staff has been active with various levels of government in assisting in the development or refinement of environmental initiatives such as contaminated site legislation review, Fraser Basin Council Floodplain requirements and review of Independent Remediation Regulations – MWLAP (Ministry of Water, Land and Air Protection);
- Completed approximately 700 standard and custom map products for the City of Surrey, RCMP, and various outside clients;
- Completed input of all water and sewer as constructed drawings on to the mapping system, and
- Completed Legal Surveys for major capital works including Fraser Highway from 160 Street to 164 Street, Scott Road, 88 Avenue and 104 Avenue, as well as completing major construction survey layout & as-builts.

Realty Services Division

The Realty Services Division is responsible for the acquisition, disposition and management of the City's real estate portfolio. Realty's significant accomplishments in 2003 were:

- Generated record land sale revenues of $15.3 million ($10.5 million in 2002) through the sale of surplus City land and roads making this money available for long-term capital needs and also converting these lands into more property tax generating uses;
- Completed 30 road exchanges with revenues over $2.4 million and future road acquisition savings in excess of $1 million;
- Preloaded, serviced and sold 21 acres of City industrial lands in Bridgeview, with the remaining +/-15 acres being cleared, preloaded, and serviced for disposition in 2004/5;
- Acquired land valued at $16 million for future Park development. Notable acquisitions were the expansion on Tom Binnie, Sunnyside, Heron, and Redwood parks, new parks in East Clayton, Cloverdale, and Newton, and a key Nicomekl River waterfront acquisition on Crescent Road;



Redwood Park Map

- Negotiated more than 675 property acquisition agreements for 60 Engineering Projects. Notable projects include the Fraser Highway – Phase I & II, Scott Road, 104 Avenue, 128 Street, 152 Street and the Lowland Drainage Program which totals 55 kilometres of new dyke rights of way acquired to date;
- Managed 85 rental properties and 160 leases/licences which generate annual revenues in excess of $2.73 million;
- Negotiated the final phase of the P-3 joint venture in South Surrey, which will provide over $4.5 million in revenue. While a second P-3 joint venture agreement at $1.6 million was established for a 17.6 acre City owned parcel in Fraser Heights, and
- Completed the land value analysis and assisted with establishment of the agreement in principle for the development of the City owned Campbell Heights and Fraser Downs lands.

Operations Division

The Engineering Operations Division is responsible for the operation and maintenance of the City's $4.2 billion infrastructure including the sewer, water, drainage, and road systems as well as manages the garbage and recycling contracts. In 2003, key achievements included development of the Adopt-A-Street three-year strategic plan and streamlining of Adopt-A-Street database, which enabled more contact with existing volunteers.

- Operated and maintained 38 sewage pump stations and monitoring installations, 27 drainage installations, 9 water pump stations, 221 pressure reducing valves and 15,950 water meters;
- Operated and maintained the water distribution system which includes 1,820 km of water mains, 7,750 hydrants and 22,000 valves;
- Key support role in the Whalley Enhancement Initiative and City Centre Clean up with increased levels of litter pick up, property clean ups and graffiti removal;
- Operated and maintained the sanitary sewer infrastructure which is comprised of more than 1,454 km of main line, 62,100 inspection chambers, 9 siphons, 21,100 manholes, and an extensive and unique vacuum system;

- Flushed and cleaned 260 km of our mainline, video inspected over 50 km of mainline, performed over 4.5 km of rehabilitation work and conducted numerous sanitary repairs and minor upgrades;
- Maintained over 13,500 regulatory, advisory and information signs;
- Constructed numerous gravity and vacuum sewer works, fisheries and stream works, dyke, outfall works, and drainage improvement projects;
- Processed approximately 26,300 service requests (water, sewers, roads, public works, garbage and recycling complaints and requests);
- Benchmarked sewer and water operations against other City's across Canada;
- Prepared closure and final lot grading plan for Stokes Pit, and
- Centralized asphalt maintenance to achieve greater efficiency and response time.

2004 - 2008 KEY ISSUES AND OBJECTIVES

- Continue with the sale of excess City-owned surplus lands and the identification of additional revenue generating opportunities from the City's real estate portfolio;
- Deliver the land acquisition requirements for capital works and parks in a cost effective manner;
- Continue a program of operational/safety improvements to the truck network;

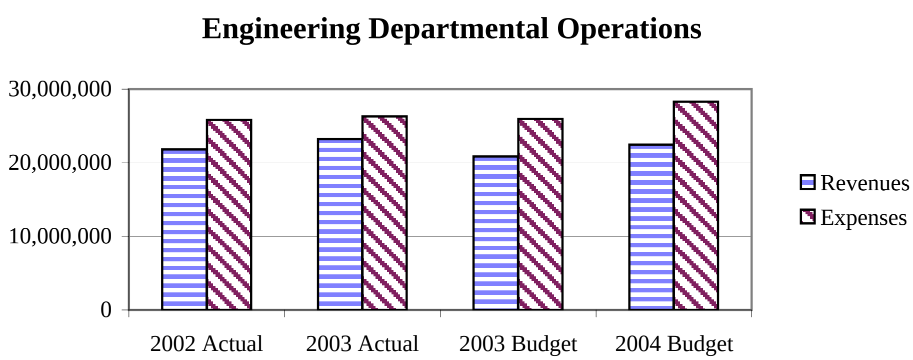
- Work with TransLink to implement the New Fraser River Crossing and South Fraser Perimeter Road;
- Work with Ministry of Transportation to implement the Strategic Highway Improvement Program & Border Infrastructure Program projects and improved access to Fraser Heights;
- Implement new streamlined processes to reduce resource effort and processing time with a new Land Development computer tracking/work management software;
- Revise Latecomer's Policy and Procedures Manual, and develop manuals for DCC Frontenders and Development Works Agreements;
- Continue to make needed improvements and upgrades to downloaded infrastructure on King George Highway and Fraser Highway;
- Implement and enhance the process to export digital data for internal and external clients;
- Implement enhanced management of utility companies in Surrey rights-of-way;
- Provide functionality and information to allow more firms the capability to request and receive scanned images of legal plans and engineering drawings by e-mail;
- Work with the GVRD and Province to implement a regional Active Control System (ACS) for the use of GPS technology in multiple industries and applications;
- Continue to install water meters in Surrey homes;
- Add more information to the COSMOS data to provide better decision-making information to internal and external clients;
- Design and implement improved preventative maintenance procedures and processes in selected section of Operations;
- Develop a sidewalks condition assessment and maintenance management plan;
- Continue to expand the use of Geographic Information System (G.I.S). to help manage maintenance programs and activities;
- Develop an Energy Management program for engineering power uses;
- Complete construction of the Phase 3 works for the Lowlands Flood Control Program. Wrap up Right of Way (ROW) acquisition for both the Serpentine and Nicomekl River projects;
- Update the Sewer Management database and organize the sewer video library;
- Ongoing evaluation of all levels of service, maintenance programs and activities to improve effectiveness;
- Provide pressure monitoring at critical areas and establish an emergency water feeding system from the GVRD into the Fleetwood area;
- Work with other departments to improve the Project Manager approach to the Land Development process for both residential and industrial/commercial developments;
- Continue with the proactive sale of redundant road right-of-way along the King George Highway corridor, south of Highway #99;
- Complete update of the water network model;
- Work with MOT to complete the #10 Hwy and #15 Hwy road upgrading components of the Border Infrastructure Program;
- Participate with TransLink in the development of Dangerous Goods Transportation routes;
- Update the Surrey sub-area transportation model and re-assess future road works/capital program;
- Continue to use new CCTV Video technology to investigate areas containing No-Corrode Service Connections to help identify the extent of problems and proactively plan replacements;
- Continue marketing and development of City-owned industrial lands in Bridgeview, Port Kells, Cloverdale and Campbell Heights;
- Continue regular contact with Delta and Langley on mutual transportation issues;
- Facilitate Land Development growth objectives of the Official Community Plan;
- Develop a systematic approach to long-term sewer and water rehabilitation and replacement;
- Carry out seismic upgrades to our water pump stations;
- Expand the Preventative Maintenance program to include maintenance inspections to all pumps;
- Expand the program to find sources of unaccounted water to reduce the City's water bill to the GVRD;
- Develop a plan for managing contaminated rights-of-way with the oil & gas industry;
- Implement multi-lingual solid waste service information to ensure maximum communication and service participation of the City's diverse population;

- Experiment with new ways to reduce/eliminate weed/grass growth in hard surface medians;
- Implement new asphalt maintenance technologies to improve productivity and extend the life of repairs;
- Implement new manhole replacement material and strategy to improve rideability of the major road network, and
- Implement Engineering Department Corporate Web Page and eBusiness initiatives.

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Administration	$ (49,000)	$ 25,000	$ 507,000	**$ 0**	$ 0	$ 0	$ 0	$ 0
Engineering Operations	5,487,000	5,844,000	5,697,000	**6,035,000**	6,114,000	6,211,000	6,311,000	6,311,000
Land Development	(832,000)	(1,103,000)	0	**0**	0	0	0	0
Real Estate	(1,429,000)	(1,525,000)	(1,527,000)	**(1,688,000)**	(1,651,000)	(1,619,000)	(1,587,000)	(1,555,000)
Solid Waste	(297,000)	(994,000)	(823,000)	**(700,000)**	(892,000)	(1,092,000)	(1,302,000)	(1,522,000)
Traffic	3,720,000	3,808,000	3,799,000	**4,129,000**	4,112,000	4,143,000	4,188,000	4,263,000
	$ 6,600,000	**$ 6,055,000**	**$ 7,653,000**	**$ 7,776,000**	**$ 7,683,000**	**$ 7,643,000**	**$ 7,610,000**	**$ 7,497,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (6,477,000)	$ (7,511,000)	$ (5,641,000)	**$ (6,389,000)**	$ (6,518,000)	$ (6,593,000)	$ (6,656,000)	$ (6,720,000)
Grants, Donations and Other	(15,316,000)	(15,677,000)	(15,197,000)	**(16,063,000)**	(16,545,000)	(17,041,000)	(17,552,000)	(18,079,000)
	(21,793,000)	(23,188,000)	(20,838,000)	**(22,452,000)**	(23,063,000)	(23,634,000)	(24,208,000)	(24,799,000)
Expenditures								
Salaries and Benefits	19,276,000	20,398,000	21,545,000	**22,303,000**	22,862,000	23,548,000	24,255,000	24,982,000
Operating Costs	24,164,000	24,347,000	21,672,000	**24,362,000**	24,660,000	24,963,000	25,271,000	25,615,000
Internal Services Used	11,757,000	10,527,000	11,840,000	**10,862,000**	11,072,000	11,353,000	11,641,000	11,937,000
Internal Services Recovered	(25,738,000)	(25,105,000)	(27,199,000)	**(27,177,000)**	(27,751,000)	(28,515,000)	(29,302,000)	(30,216,000)
External Recoveries	(3,628,000)	(3,874,000)	(1,917,000)	**(2,033,000)**	(2,033,000)	(2,033,000)	(2,033,000)	(2,033,000)
	25,831,000	26,293,000	25,941,000	**28,317,000**	28,810,000	29,316,000	29,832,000	30,285,000
Net Operations Total	**4,038,000**	**3,105,000**	**5,103,000**	**5,865,000**	**5,747,000**	**5,682,000**	**5,624,000**	**5,486,000**
Transfers								
Transfer From Own Sources	(70,000)	(47,000)	0	**0**	0	0	0	0
Transfer To Own Sources	2,632,000	2,997,000	2,550,000	**1,911,000**	1,936,000	1,961,000	1,986,000	2,011,000
	2,562,000	2,950,000	2,550,000	**1,911,000**	1,936,000	1,961,000	1,986,000	2,011,000
	$ 6,600,000	**$ 6,055,000**	**$ 7,653,000**	**$ 7,776,000**	**$ 7,683,000**	**$ 7,643,000**	**$ 7,610,000**	**$ 7,497,000**



ADMINISTRATION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (177,000)	$ (73,000)	$ (40,000)	**$ (60,000)**	$ (60,000)	$ (60,000)	$ (60,000)	$ (60,000)
Grants, Donations and Other	(7,000)	(15,000)	0	**0**	0	0	0	0
	(184,000)	(88,000)	(40,000)	**(60,000)**	(60,000)	(60,000)	(60,000)	(60,000)
Expenditures								
Salaries and Benefits	16,227,000	16,633,000	17,731,000	**18,115,000**	18,568,000	19,125,000	19,699,000	20,290,000
Operating Costs	284,000	344,000	319,000	**332,000**	332,000	332,000	332,000	332,000
Internal Services Used	633,000	722,000	524,000	**528,000**	528,000	528,000	528,000	528,000
Internal Services Recovered	(16,939,000)	(17,544,000)	(18,042,000)	**(18,930,000)**	(19,383,000)	(19,940,000)	(20,514,000)	(21,105,000)
External Recoveries	(85,000)	(84,000)	0	**0**	0	0	0	0
	120,000	71,000	532,000	**45,000**	45,000	45,000	45,000	45,000
Net Operations Total	**(64,000)**	**(17,000)**	**492,000**	**(15,000)**	**(15,000)**	**(15,000)**	**(15,000)**	**(15,000)**
Transfers								
Transfer From Own Sources	(40,000)	(22,000)	0	**0**	0	0	0	0
Transfer To Own Sources	55,000	64,000	15,000	**15,000**	15,000	15,000	15,000	15,000
	15,000	42,000	15,000	**15,000**	15,000	15,000	15,000	15,000
	$ (49,000)	**$ 25,000**	**$ 507,000**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

ENGINEERING OPERATIONS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (30,000)	$ (30,000)	$ (30,000)	**$ (30,000)**	$ (30,000)	$ (30,000)	$ (30,000)	$ (30,000)
Grants, Donations and Other	(20,000)	(16,000)	0	**0**	0	0	0	0
	(50,000)	(46,000)	(30,000)	**(30,000)**	(30,000)	(30,000)	(30,000)	(30,000)
Expenditures								
Salaries and Benefits	22,000	32,000	0	**0**	0	0	0	0
Operating Costs	4,928,000	5,175,000	3,849,000	**5,423,000**	5,423,000	5,423,000	5,423,000	5,423,000
Internal Services Used	7,559,000	5,766,000	8,228,000	**6,935,000**	7,091,000	7,330,000	7,576,000	7,829,000
Internal Services Recovered	(7,204,000)	(5,664,000)	(7,380,000)	**(6,381,000)**	(6,458,000)	(6,600,000)	(6,746,000)	(6,999,000)
External Recoveries	(1,141,000)	(1,011,000)	(897,000)	**(982,000)**	(982,000)	(982,000)	(982,000)	(982,000)
	4,164,000	4,298,000	3,800,000	**4,995,000**	5,074,000	5,171,000	5,271,000	5,271,000
Net Operations Total	**4,114,000**	**4,252,000**	**3,770,000**	**4,965,000**	**5,044,000**	**5,141,000**	**5,241,000**	**5,241,000**
Transfers								
Transfer From Own Sources	(30,000)	0	0	**0**	0	0	0	0
Transfer To Own Sources	1,403,000	1,592,000	1,927,000	**1,070,000**	1,070,000	1,070,000	1,070,000	1,070,000
	1,373,000	1,592,000	1,927,000	**1,070,000**	1,070,000	1,070,000	1,070,000	1,070,000
	$ 5,487,000	**$ 5,844,000**	**$ 5,697,000**	**$ 6,035,000**	**$ 6,114,000**	**$ 6,211,000**	**$ 6,311,000**	**$ 6,311,000**

LAND DEVELOPMENT	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (3,353,000)	$ (4,032,000)	$ (2,738,000)	**$ (2,938,000)**	$ (3,009,000)	$ (3,071,000)	$ (3,134,000)	$ (3,198,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(3,353,000)	(4,032,000)	(2,738,000)	**(2,938,000)**	(3,009,000)	(3,071,000)	(3,134,000)	(3,198,000)
Expenditures								
Salaries and Benefits	1,171,000	1,828,000	1,965,000	**2,142,000**	2,196,000	2,262,000	2,330,000	2,400,000
Operating Costs	484,000	643,000	105,000	**105,000**	108,000	111,000	114,000	117,000
Internal Services Used	1,662,000	2,065,000	913,000	**951,000**	986,000	1,016,000	1,046,000	1,077,000
Internal Services Recovered	0	(247,000)	(245,000)	**(260,000)**	(281,000)	(318,000)	(356,000)	(396,000)
External Recoveries	(1,146,000)	(1,360,000)	0	**0**	0	0	0	0
	2,171,000	2,929,000	2,738,000	**2,938,000**	3,009,000	3,071,000	3,134,000	3,198,000
Net Operations Total	**(1,182,000)**	**(1,103,000)**	**0**	**0**	**0**	**0**	**0**	**0**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	350,000	0	0	**0**	0	0	0	0
	350,000	0	0	**0**	0	0	0	0
	$ (832,000)	**$ (1,103,000)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

REAL ESTATE	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (2,475,000)	$ (2,922,000)	$ (2,378,000)	**$ (2,828,000)**	$ (2,828,000)	$ (2,828,000)	$ (2,828,000)	$ (2,828,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(2,475,000)	(2,922,000)	(2,378,000)	**(2,828,000)**	(2,828,000)	(2,828,000)	(2,828,000)	(2,828,000)
Expenditures								
Salaries and Benefits	1,346,000	1,342,000	1,333,000	**1,423,000**	1,459,000	1,503,000	1,548,000	1,594,000
Operating Costs	837,000	1,022,000	560,000	**887,000**	897,000	907,000	917,000	927,000
Internal Services Used	244,000	237,000	210,000	**156,000**	170,000	176,000	182,000	188,000
Internal Services Recovered	(1,528,000)	(1,573,000)	(1,460,000)	**(1,534,000)**	(1,557,000)	(1,585,000)	(1,614,000)	(1,644,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	899,000	1,028,000	643,000	**932,000**	969,000	1,001,000	1,033,000	1,065,000
Net Operations Total	**(1,576,000)**	**(1,894,000)**	**(1,735,000)**	**(1,896,000)**	**(1,859,000)**	**(1,827,000)**	**(1,795,000)**	**(1,763,000)**
Transfers								
Transfer From Own Sources	0	(25,000)	0	**0**	0	0	0	0
Transfer To Own Sources	147,000	394,000	208,000	**208,000**	208,000	208,000	208,000	208,000
	147,000	369,000	208,000	**208,000**	208,000	208,000	208,000	208,000
	$ (1,429,000)	**$ (1,525,000)**	**$ (1,527,000)**	**$ (1,688,000)**	**$ (1,651,000)**	**$ (1,619,000)**	**$ (1,587,000)**	**$ (1,555,000)**

SOLID WASTE	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (2,000)	$ (4,000)	$ (5,000)	**$ (5,000)**	$ (5,000)	$ (5,000)	$ (5,000)	$ (5,000)
Grants, Donations and Other	(15,287,000)	(15,640,000)	(15,197,000)	**(16,063,000)**	(16,545,000)	(17,041,000)	(17,552,000)	(18,079,000)
	(15,289,000)	(15,644,000)	(15,202,000)	**(16,068,000)**	(16,550,000)	(17,046,000)	(17,557,000)	(18,084,000)
Expenditures								
Salaries and Benefits	0	0	0	**0**	0	0	0	0
Operating Costs	13,149,000	12,495,000	12,503,000	**12,986,000**	13,246,000	13,511,000	13,781,000	14,057,000
Internal Services Used	1,638,000	1,708,000	1,946,000	**2,266,000**	2,271,000	2,277,000	2,283,000	2,289,000
Internal Services Recovered	(29,000)	(25,000)	(20,000)	**(20,000)**	(20,000)	(20,000)	(20,000)	(20,000)
External Recoveries	(443,000)	(425,000)	(400,000)	**(400,000)**	(400,000)	(400,000)	(400,000)	(400,000)
	14,315,000	13,753,000	14,029,000	**14,832,000**	15,097,000	15,368,000	15,644,000	15,926,000
Net Operations Total	**(974,000)**	**(1,891,000)**	**(1,173,000)**	**(1,236,000)**	**(1,453,000)**	**(1,678,000)**	**(1,913,000)**	**(2,158,000)**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	677,000	897,000	350,000	**536,000**	561,000	586,000	611,000	636,000
	677,000	897,000	350,000	**536,000**	561,000	586,000	611,000	636,000
	$ (297,000)	**$ (994,000)**	**$ (823,000)**	**$ (700,000)**	**$ (892,000)**	**$ (1,092,000)**	**$ (1,302,000)**	**$ (1,522,000)**

TRAFFIC	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (440,000)	$ (450,000)	$ (450,000)	**$ (528,000)**	$ (586,000)	$ (599,000)	$ (599,000)	$ (599,000)
Grants, Donations and Other	(2,000)	(6,000)	0	**0**	0	0	0	0
	(442,000)	(456,000)	(450,000)	**(528,000)**	(586,000)	(599,000)	(599,000)	(599,000)
Expenditures								
Salaries and Benefits	510,000	563,000	516,000	**623,000**	639,000	658,000	678,000	698,000
Operating Costs	4,482,000	4,668,000	4,336,000	**4,629,000**	4,654,000	4,679,000	4,704,000	4,759,000
Internal Services Used	21,000	29,000	19,000	**26,000**	26,000	26,000	26,000	26,000
Internal Services Recovered	(38,000)	(52,000)	(52,000)	**(52,000)**	(52,000)	(52,000)	(52,000)	(52,000)
External Recoveries	(813,000)	(994,000)	(620,000)	**(651,000)**	(651,000)	(651,000)	(651,000)	(651,000)
	4,162,000	4,214,000	4,199,000	**4,575,000**	4,616,000	4,660,000	4,705,000	4,780,000
Net Operations Total	**3,720,000**	**3,758,000**	**3,749,000**	**4,047,000**	**4,030,000**	**4,061,000**	**4,106,000**	**4,181,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	50,000	50,000	**82,000**	82,000	82,000	82,000	82,000
	0	50,000	50,000	**82,000**	82,000	82,000	82,000	82,000
	$ 3,720,000	**$ 3,808,000**	**$ 3,799,000**	**$ 4,129,000**	**$ 4,112,000**	**$ 4,143,000**	**$ 4,188,000**	**$ 4,263,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
ENGINEERING SERVICES

2003 ADOPTED BUDGET			**$ 10,001,000**
Facilities	....		**(2,348,000)**
2003 Adjusted Adopted Budget			**$ 7,653,000**
REVENUES			
Sales and Services			
Land Development Growth	....	$ (200,000)	
Administration - Sale of Maps	....	(20,000)	
Realty Leases	....	(450,000)	
Traffic Operations - Bus Shelter Revenue	....	(78,000)	**(748,000)**
Taxation and Other			
Increase From Solid Waste	....	(866,000)	**(866,000)**
Total Change in Revenues			**(1,614,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	758,000	**758,000**
Operating Costs			
Real Estate - Leases and Rentals	....	327,000	
Works Yard Operating Increase	....	39,000	
Roads - Inflationary Increases	....	53,000	
Roads - Inventory Increase	....	159,000	
Roads Budget Adjustment	....	394,000	
Traffic - Hydro Increase	....	199,000	
Traffic - Cobra Contract Increase	....	94,000	
Garage & Equipment Budget Adjustment	....	929,000	
Canadian Waste Contract	....	483,000	
Administration Increase	....	13,000	**2,690,000**
Internal Services Used			
Salary Rate Increase	....	459,000	
Real Estate Service Agreement with Facilities	....	51,000	
Real Estate Legal Services	....	(118,000)	
Roads - Inflationary Increases	....	(220,000)	
Garage & Equipment Budget Adjustment	....	(1,249,000)	
Waste - Volunteer Insurance	....	47,000	
Waste Equipment (Litter program)	....	45,000	
Traffic Equipment	....	7,000	**(978,000)**
Internal Services Recovered			
Salary Rate Increase	....	(983,000)	
Roads Adjustments	....	83,000	
Gravel Adjustments	....	(40,000)	
Garage and Equipment Adjustment	....	962,000	**22,000**
External Recoveries			
Roads - GVTA	....	(85,000)	
Traffic - GVTA	....	(31,000)	**(116,000)**
Transfer From Own Sources	....	0	**0**
Transfer To Own Sources			
Traffic - LED Replacement Contribution	....	32,000	
Solid Waste Transfer	....	186,000	
Garage & Equipment Budget Adjustment	....	(857,000)	**(639,000)**
Total Change in Expenditures			**1,737,000**
2004 BUDGET			**$ 7,776,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
ENGINEERING SERVICES

2004 ADOPTED BUDGET			**$ 7,776,000**
REVENUES			
Sales and Service			
Land Development Growth	…………………………………	$ (260,000)	
Traffic Revenue Increase	…………………………………	(71,000)	
Solid Waste Revenue Increase	…………………………………	(2,016,000)	**(2,347,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	…………………………………	715,000	**715,000**
Operating Costs			
Solid Waste Contract Increase	…………………………………	1,071,000	
Increase Due to Inflation	…………………………………	182,000	**1,253,000**
Transfers			
Solid Waste Capital Contribution	…………………………………	100,000	**100,000**
2008 BUDGET			**$ 7,497,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
PARKS, RECREATION & CULTURE FUNCTIONS

SURREY
CITY OF PARKS

Parks, Recreation and Culture Commission

General Manager
Gerry McKinnon (Interim)

Heritage Services
Bev Sommer

Administrative Coordinator
Mary Crowe

Planning, Design & Corporate Facilities
Jean Lamontagne

- Strategic Planning
- Parkland Acquisition Program
- Master Plans
- Plan and Design: Parks & Recreation Facilities
- Capital Budgets
- Facilities Minor Capital
- Maintenance & Operations
- Marketing and Communications

Parks Services
Owen Croy

- Park Development
- Park Maintenance
- Urban Forestry & Athletic Facilities
- Revenue Operations and Athletic Facilities
- Partners in Parks
- Community Development

Leisure Services
Laurie Cavan

- Recreation Facilities Operations
  . Community Centres
  . Pools (Indoor & Outdoor)
  . Arenas
  . Community Halls
  . Senior Centres
  . Youth Centres
- Recreation Programs Development & Delivery
- Health & Wellness Promotion
- Customer Call Centre
- CLASS System Administration
- Technology Support and Planning

Arts & Community Development
Sheila McKinnon

- Arts Services and Arts Centre
- Community Development

Creating A Community Where Individuals, Culture And The Environment Thrive!

MISSION STATEMENT

We enhance the quality of life in our communities by working together to:

- Provide and facilitate the development of high quality parks, facilities and services;
- Celebrate diversity and community identity;
- Ensure accessibility and inclusivity;
- Champion environmental stewardship;
- Promote individual and community wellness, and
- Preserve, develop and deliver cultural, informational and educational resources and services.

The Department of Parks, Recreation and Culture fulfils its mission through open communication, a customer focus and respect for individuals.

PROGRAMS AND SERVICES

The Department of Parks, Recreation and Culture Operates:

- Over 7,500 registered programs per year, with approximately 2.5 million people participating in 2003;
- Seven ice arenas;
- Four indoor pools;
- Three seniors' centres;
- Four youth centres;
- Six community recreation offices;
- A main stage theatre with seating for 402 and studio theatre with seating capacity for 130;
- Art Gallery;
- Museum and archives;
- Historic farm, weaving centre and a historic pole barn;
- Three cemeteries;
- Ward's Marina within Elgin Heritage Park, and
- Development and maintenance of over 2,400 hectares of parkland.

2003 ACCOMPLISHMENTS

Whalley Revitalization Strategy

As part of the overall Whalley Revitalization Strategy, initiatives involving Parks, Recreation and Culture for which planning is underway include:

- Major renovations to the North Surrey Recreation Centre to enhance visitor experience;
- Development of an indoor artificial turf complex at Tom Binnie Park;
- Improvements to the courtyard at Sunrise Pavilion;
- Significant public art opportunities;
- Major retrofit of Holland Park to create a special urban park for community festivals and intensive use by area residents, and
- Expanded leisure service opportunities aimed at strengthening families & neighbourhoods, while creating new opportunities for children and youth.

Facility Improvements

<u>Newton Wave Pool and Community Centre Redevelopment</u>

The Newton Wave Pool and Community Centre

redevelopment project included a 4800 sq. ft. weight room, front entrance renovation, new reception area and new program space. This makes meaningful use of the vacant area where the Spindrift Lounge used to operate. The exterior landscaping and lighting has also been improved to enhance the safety and security of patrons. Newton Community Hall and Arena received a new lobby entrance and the reception renovation was completed, creating a more open and welcoming environment through one entry point. Facility updating also included replacement of flooring and development of a new meeting room.

Arena Improvements

- North Surrey Arena installed new flooring in the dressing rooms, players boxes and referees room;
- Fleetwood Arenas lobby flooring was replaced and all dressing rooms repainted;
- Newton Arena lobby flooring was replaced and benches renovated, and
- New Spectator protective netting was installed at South Surrey Arena, east and west ends.

Other Facility Improvements

- South Surrey Youth Park introduced a new paint developed in partnership with the private sector for the skating surface. The new product dramatically improved the playability of the facility for novice skaters and virtually eliminated a $15K per annum graffiti problem;
- Landscaping in front of the South Surrey Youth Centre was modified to improve sight lines from the street and reduce loitering at night, with the accompanying vandalism, and
- The turnstiles at Guildford Recreation Centre now interface with POS system and door alarms.
- Main stage theatre floor replacement.

Support of High Profile Athletic Tournaments/Conferences

Recreation Facilities Association of BC Conference at Guildford Recreation Centre

On May 22 – 24, 2003, Parks, Recreation and Culture hosted the Recreation Facilities Association of BC Conference. This was the second time that Surrey has hosted the conference, the first being in 1978. There were 81 delegates in attendance. The trade show provided over 43 associate booths for the delegates to view and gather information.

2nd Annual Canadian International Badminton Championships

For the second year in a row, Guildford Recreation Centre played host to an international badminton competition showcasing top athletes from the Americas, Europe and Asia. All competitors were vying for precious points in hopes of qualifying for the 2004 Summer Games in Athens. With so much at stake, the hundreds of spectators taking in the games witnessed the sport being played at the highest level that was also televised nationally on CBC.

Other Tournaments/Events

- Outdoor sports facilities hosted 2 international, 3 national and 8 provincial tournaments including an under 16 National Soccer Championship and 6 Kabaddi tournaments attracting between 4,000 and 8,000 participants at each event;
- 2nd Annual Surrey Memorial Gymnastics Meet (Olympic qualifier) – Guildford;
- Won the bid to host an International Wheel Chair Rugby Tournament for June, 2004 – Guildford;
- Largest Men's Basketball League in Lower Mainland (18 teams) – Guildford, and
- Arena Operations in conjunction with Surrey Minor Hockey hosted the Juvenile AAA Provincial Championships at North Surrey Recreation Centre.

ENVIRONMENTAL INITIATIVES

Natural Areas Strategic Management Policy

The award winning Natural Areas Strategic Management Plan gave rise to the Parks Recreation and Culture Commission Natural Areas Management Policy. The Policy, developed by a community stakeholder group, was approved by the Commission in 2003 and will provide critical guidance to the Parks Recreation and Culture Department in the management of its natural areas. Numerous requests for the Plan and Policy have been received from professionals and the public and a presentation was delivered at the Leading Edge conference in Victoria in 2003.

Environmental Extravaganza

The Environmental Extravaganza is an annual event celebrating the City's many diverse environmental interest groups working together to connect people with each other and the natural environment. Each year a series of fun, environmentally based events and programs are provided free of charge. Surrey resident's have a chance to pitch-in, plant trees and feel good about doing something in their neighbourhood. They can also participate in wonderful programs including ‘OWL Prowls’ and ‘The Turtle Invasion’. The Extravaganza provides over 40 events offered by over 30 environmental partners with opportunities for just about everyone. This year’s Extravaganza drew over 9,000 participants.

Boulevard Tree Planting And Park Maintenance

Over 3,000 trees were planted on City streets and in our parks in 2003. In the future this will result in enough oxygen produced for 2,000 people, absorption of 600,000 pounds of small particles and gases of air pollution, and the interception of 1,000,000 gallons of surface storm water. Through this program, the City now has more than 53,000 shade trees adorning its many roadways and parks!

Pruning is the primary tree maintenance activity. The cost represents a relatively small investment to ensure the value of the trees as City assets.

In 2003, City Staff and Contractors Pruned:

- Approximately 7,394 Street Shade Trees at a cost of $26.00 per tree. On average each tree is valued at $1,500 and is pruned approximately every five years, and
- Approximately 885 Park Trees at a cost of $10.00 per tree. The average value for a park tree is $3,500.

Redwood Park Arboretum Restoration

As a first phase to restoring the Redwood Park Arboretum, trees planted by the Brown brothers were discovered, pruned, and allowed to grow free from the restrictions of the native forest. They were also labelled for the education of the public.

Sunnyside Acres Urban Forest Natural Area Management

The first phase of the root rot control management plan for Sunnyside Acres Urban Forest was implemented in early 2003 with little or no negative public feedback. The thorough community based planning process contributed to an extremely successful implementation of the plan, which saw a great deal of the compensatory tree, and shrub planting conducted by volunteers.

Replanting Natural Areas

About 12,255 plants were installed in natural areas this year by volunteers, contractors and City staff, aimed at restoring 1,200 square meters of degraded natural areas. Volunteer efforts in natural area management doubled in 2003. For example, B.C.I.T. fish and wildlife students removed invasive plants and replanted an area while using our wildlife habitat assessment methodology as part of their curriculum.

Urban Forest Fire Management Plans

Despite the driest summer on record there was not a major fire despite the considerable risk. Fire management plans for two of our Urban Forests and general fire management program implementation assisted in avoiding a potential catastrophe.

OTHER ENVIRONMENTAL HIGHLIGHTS

- The department’s annual ‘Releaf’ program saw 1970 volunteers in 80 groups plant 1,675 native trees, shrubs, and ferns, throughout Surrey;
- Green Timbers Heritage Society, White Rock Surrey Naturalists, Green Timber Community Association, Sunnyside Acres Heritage Society, VanCity, and City of Surrey formed the Surrey Stewardship of Natural Areas Partnership (SSNAP!) in 2003. Four students restored and enhanced numerous natural area park sites and increased awareness of issues threatening Surrey’s natural areas, and

- In the fall of 2003, the Salmon Homecoming at Bear Creek Park provided 14 non-profit groups an opportunity to educate the public about pacific salmon. Hundreds of children took part in the event, where they learned about the importance of salmon habitat.

CULTURAL INITIATIVES

Surrey Museum and Archives

The Canada/BC Infrastructure Program has confirmed a funding contribution of $1 million from each of the federal and provincial governments for this project. The project budget of $5 million ($3 million from the City plus land) will create a new 18,000 square foot City Museum to be located on Highway 10 east of the historic 1912 Municipal Hall (current home of the Cloverdale Seniors Centre). A consulting team has now been engaged to begin the functional program and building design. Construction is expected to begin in the spring of 2004 with an opening projected in the fall of 2005. The new Museum will be an exciting interactive facility creating a campus-styled cultural destination in partnership with the Cloverdale Library, Genealogy Collection and the relocation of the City Archives and heritage support services in the 1912 Municipal Hall. Building and exhibit design planning for the new Surrey Museum was initiated in the fall with the hiring of the architectural team.

Cultural Strategic Plan Forum

In November 2003, leaders from Surrey's cultural community, representing performing and visual arts, public art and community art, heritage services, libraries, cultural industries, education, multicultural groups and tourism, met to review the progress of Surrey's Cultural Strategic Plan. Several community organizations made presentations regarding their contributions to cultural development within Surrey.

Surrey Arts Centre Highlights

- Surrey Art Gallery's River Project: A series of exhibitions and art projects in honour of the International Year of Fresh Water including a river-themed juried exhibition and an artist in residency exploring the Fraser through GPS technology;
- A Celebration of Rumi event;
- BC Children's Book Illustrators "Happily Ever After". The Gallery featured an exhibition of original art work by BC children's book illustrators picturing diversity and success, and
- Surrey Arts Centre Theatres: The Main Stage and Studio Theatres hosted 214 bookings in 2003, including the Surrey Festival of Dance and the Arts Club Surrey Spectacular Series.

Surrey Art Gallery - The River Project

COMMUNITY INITIATIVES/INVOLVEMENT

Railways Run Through it Exhibit

Located at the Surrey Museum from February 8 to August 23, this Exhibit was a community partnership, which resulted in attendance figures for 2003 surpassing the total 2002 attendance figures by the end of August.

Threads of Many Colours Exhibit

The "Threads of Many Colours Exhibit" will run at the Surrey Museum from September 20, 2003 to March 23, 2004 and involves 21 participants from nine cultural organizations, lending over 150 items for the exhibit.

13th Avenue Lookout and Other Public Sites

Staff engaged community development processes to bring neighbours together to help manage maintenance issues at various sites. With the help of these volunteers, incidents of illegitimate activity dropped dramatically over the past summer and the legitimate users have taken back their parks. Further, the cost of responding to vandalism is down dramatically and is anticipated to have saved the City in costs. Staff members continue to support the groups through regular contact and material support, and through the distribution of newsletters.

Fleetwood Community Festival

Fleetwood Community Association partnered with the City to host the annual Fleetwood Festival. The event took place on September 6th and offered a wide variety of activities for children, preschoolers, youth and adults including the Thomas Fleetwood Run/Walk and Stroll and the Youth talent showcase. Several thousand community members participated in the festivities geared toward celebrating their neighbourhood and their diversity. In addition, Fleetwood Community Association sponsored banners for the centre that provided additional colour and character to the site.

Forever Garden

In order to improve the level of maintenance for the "Forever Garden", staff negotiated a renovation plan with the Pamela Cameron Foundation and promptly implemented the plan. The renovation was a major cleanup and enhancement to the site, and also included measures to reduce the maintenance demands. Staff included youth in this process, by working with the RCMP and local secondary school to implement a youth volunteer program for the site. The entire project has generated a tremendous amount of positive media attention for the City and local youth.

New sports organizations added to Arenas

- A new speed skating club has been added into the Minor Sports categories at North Surrey Recreation Centre, and
- A successful Surrey High School Hockey League was set up for 2003 with 10 schools registered.

Involvement of Schools and Girl Guide/Boy Scout Groups in Partners in Parks Programs

Programs for schools and Girl Guide/Boy Scout groups have been developed and are currently being promoted. There are over 8 new schools and several scout/guide groups who have "adopted" parks around Surrey.

Community Garden Committee

A Community Garden Committee has been struck and plans are underway to increase the number of community gardens available for Surrey residents to enjoy. With the ultimate goal of establishing at least one community garden in each town centre, plans are currently in progress for the Newton area.

18 Fieldhouse Operating Agreements

Eighteen fieldhouse operating agreements have been negotiated and signed off. These agreements define maintenance and operation works to be performed on City buildings by community sport associations at no charge to the City

PARK DEVELOPMENT HIGHLIGHTS 2003

- <u>Cloverdale Athletic Park Artificial Turf Project -</u> This project was completed at the end of November and will allow for year round play for soccer, football and field hockey organizations;
- <u>Fleetwood Park</u> - Completion of the first phase Perennial Gardens. Thousands of perennial plants have been planted and will provide blooms from Spring through Fall;

- <u>Fleetwood Youth Park</u> - This youth park located at the Surrey Sport and Leisure Centre on Fraser Highway was completed in early November. It will meet the needs of skaters in the Fleetwood community;
- <u>Lighting for Games Courts and Lacrosse Boxes</u> - Lighting systems were installed at games courts and lacrosse boxes at Unwin Park, Royal Kwantlen Park, Guildford Heights Park and Cloverdale Athletic Park. Lighting was also installed at the Skateboard Park at Royal Kwantlen this year. The lighting allows for better use of existing assets by the community throughout the year;
- <u>Landscape Improvements</u> - have been completed at North Surrey Community Centre and Sunrise Pavilion for aesthetic and safety purposes;
- <u>Surrey Lake</u> - a loop trail are being completed with this very popular site;

- Traffic Median Landscaping - Park Development staff worked closely with staff in Engineering to develop aesthetically pleasing traffic median landscapes on 64th Avenue in Cloverdale, on 128th Street in Newton and on Fraser Highway in the Green Timbers area;

- A.J. Mclellan Park - A new sport field was developed at this West Cloverdale Park located adjacent to the elementary school;
- New Washrooms - New washrooms were built to meet community needs at Kabaddi, Mud Bay and Erma Stephenson Parks;
- Turf Enhancements:
  - *Synthetic Turf Goalmouths*:
    Installation of synthetic turf goalmouths on 5 soccer fields to significantly improve field quality and reduce field closures;
  - *Synthetic Turf Allocation:*
    Revised synthetic turf allocation process to accommodate the 2 synthetic turf fields that will be utilized as of December 2003;
  - *Enhanced Turf Maintenance Program:*
    Delivery of Enhanced Turf Maintenance program to 14 sports fields with a 100% recovery of costs to 5 sport associations, and
  - *Synthetic Turf Lines*:
    Installation of synthetic turf lines on 4 grass soccer fields to improve service level to sport groups and lower their operating costs. (first fields in Lower Mainland to have this).

Cloverdale Artificial Turf Field

AWARDS

Guildford Recreation Centre won the coveted ***BC Recreation and Parks Association (BCRPA) Facility Excellence Award*** at the 2003 BCRPA Symposium in May: The BCRPA Facility Excellence Award recognizes excellence in recreation facility concept design, development and operation. The continued high utilization of the facility is a result of the building features and the dedicated Guildford staff team. The Guildford Recreation Centre was also awarded ***the Bill Woycik Outstanding Facility Award by the RFABC***.

Surrey Arts Centre received the *Cultural Diversity Award for Business* from the Surrey Delta Immigrant Services Society at the 8th Annual Awards Dinner in March 2003: Surrey's Cultural Strategic Plan states that the diversity of Surrey (geographic, ethnic, cultural) is one of its greatest assets and a characteristic that makes it unique. The Surrey Arts Centre received the award for its diverse cultural programming including the Gaden Jangtse monks artist's in residency, work with First Nations, the South Asian community and most recently through hosting Arts Africa.

TECHNOLOGICAL INNOVATIONS

- Artist-in-Residence program launched in the new TechLab at Surrey Art Gallery.
- City Archives provides access to over 500 electronic historical images on Surrey's website
- Surrey Museum, City Archives and Surrey Art Gallery acquire collections management software to facilitate collections cataloguing, research and information access and the future development of an electronic searchable database for all city cultural collections.

Cognos Powerplay

- Business Intelligence reporting capability for City Work Management through software revisions, licensing, training and deployment of Cognos Powerplay data cubes to Parks Managers and Coordinators, and
- Reporting capability expanded through the development of attendance and program registration data cubes. Licensing, training and deployment to Managers and staff in 4 town centre areas. Reporting assisted in the development of the new aquatic quadrant

program and has streamlined front counter administration procedures for each pool.

MEMBERSHIP

Since introducing CLASS, membership has served over **2,229,000 customers** in our self-service model. The introduction of membership has improved our abilities to meet the demand in participation growth within the department.

PROMOTIONAL ENHANCEMENTS

Skateboard Helmet Safety

A series of new promotions were developed to increase helmet safety education and awareness branded under the tag line "Defy Graffiti-wear a helmet". The promotional mix included a helmet safety video, an interactive web content, t-shirt giveaways, transit shelter posters, and stickers for youth skateboarders. The initiative was kicked off during youth week.

Cultural Marketing Plan

Provincial and Federal grants were received to undertake the development of a Cultural Marketing Plan for the City's cultural facilities (Museum, Archives, Stewart Farm, Hooser Weaving Centre, Art Gallery, Theatre, Public/Community Art programs)

Get More in Newton

To encourage participation during the Newton Wave Pool & Recreation Centre upgrade, a focused marketing effort was concentrated under the incentives promotion "Get More in Newton". The campaign was targeted at customer retention and repeat customer incentives including major grand prizes and weekly/monthly giveaway prize items.

ACTIVE CITY

The City continues to build awareness of the importance of healthy living and active lifestyles through the Active City marketing campaign. In addition to organizing specific health and wellness events throughout the year such as town centre health and wellness fairs, the "Way to Go- walk to school Challenge", and employee wellness event, specific promotions are supported throughout the year. Press releases and proclamations are arranged to support related themes such as Heart Month in February, Nutrition Month in March, World Health Day in May, back to school promotions in September, and Active Living Month in October. To further involve residents, an Active City component was included on the City's web page and through the tax notices.

SPONSORSHIP

The City continues to build on and enhance partnerships to bring about new revenue opportunities to supplement user fees and taxation to fund operating and capital expenditures. This occurs most visibly through direct advertising sponsorship arrangements, but also through other innovative means such as:

- Direct cash contributions for campaigns, events and programs;
- In-kind donations/gifts (equipment, materials, media);
- In-kind service contributions (volunteer time);
- Capital donations;
- Exclusive supplier relationships;
- Bequests (leaving property or assets by way of will), and
- Fundraising drives (typically facilitated through non-profit organizations).

The combined sponsorship value for 2003 for the department is projected to reach close to $2,000,000.

CUSTOMER RESEARCH

A series of research projects were coordinated over the summer implemented with the assistance of a summer student. Projects included:

- Intercultural market research and increased marketing for outreach support services;
- Demographic compilation and customer data mining from databases;
- A tracking tool for customer comment cards;

- E-mail subscription data building and e-broadcast research;
- A number of surveys concerning topics such as outdoor pools, customer satisfaction within facilities, after school programs, "how did you hear about us?" and fees and charges.

2004 KEY ISSUES AND OBJECTIVES

- Whalley Revitalization will see the implementation of the renovation and expansion of the North Surrey Recreation Centre, the construction of the indoor synthetic turf facility at Tom Binnie Park, and re-development of Holland Park. Coupled with these capital projects will be improved leisure services and programs specific to Whalley;
- Promote Surrey as a Community Sports Capital;
- Develop strategy for promotion of unique bird-watching opportunities at Mud Bay, an internationally important habitat;
- Emphasize child/youth-focused services;
- Continue to increase waterfront accessibility;
- City Hall expansion and renovation will start in 2004 with completion scheduled for fall of 2005.
- Planning process underway for the South Surrey Multi-purpose facility;
- Fraser Heights Multi-Purpose facility including RCMP storefront offices;
- New Surrey Museum construction will be starting in 2004 with anticipated completion for 2005;
- New park development scheduled to take place in Cloverdale and South Newton locations;
- Trail development at Surrey Bend;
- Greenway development will concentrate on completing the Serpentine Greenway in Newton;
- Bear Creek Park will see major improvements to its existing parking;
- New family change rooms and improved parking lot planned for South Surrey Pool;
- Plans for an annual Surrey Children's Festival will be well underway with the establishment of a community steering committee in 2004;
- Development of a median beautification strategy, and
- Development of a youth park in Guildford.

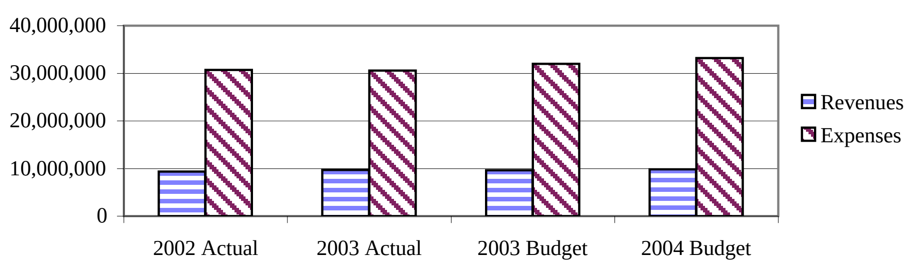
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
PARKS, RECREATION & CULTURE

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Administration	$ 1,888,000	$ 1,798,000	$ 1,804,000	**$ 1,320,000**	$ 1,275,000	$ 1,239,000	$ 1,202,000	$ 1,165,000
Arenas	1,242,000	1,116,000	973,000	**1,170,000**	1,202,000	1,245,000	1,290,000	1,336,000
Art Centre	1,178,000	1,149,000	1,314,000	**1,344,000**	1,372,000	1,398,000	1,425,000	1,453,000
Community Development	439,000	378,000	446,000	**547,000**	498,000	511,000	524,000	537,000
Community Halls	38,000	37,000	27,000	**25,000**	25,000	25,000	25,000	25,000
Community Recreation Services	1,690,000	1,573,000	1,916,000	**2,091,000**	2,637,000	3,145,000	3,205,000	3,267,000
Heritage Services	675,000	701,000	721,000	**769,000**	886,000	957,000	979,000	1,002,000
Indoor Pools	2,082,000	2,218,000	2,118,000	**2,339,000**	2,396,000	2,469,000	2,545,000	2,624,000
Outdoor Pools	716,000	747,000	766,000	**791,000**	796,000	801,000	806,000	811,000
Planning, Design & Facilities	3,049,000	3,148,000	3,162,000	**3,229,000**	3,308,000	3,401,000	3,496,000	3,593,000
Parks Division	8,252,000	8,563,000	8,544,000	**9,077,000**	9,237,000	9,430,000	9,628,000	9,832,000
Seniors Centres	539,000	528,000	564,000	**594,000**	607,000	623,000	638,000	654,000
Youth Centres	549,000	506,000	597,000	**627,000**	637,000	650,000	664,000	678,000
	$ 22,337,000	**$ 22,462,000**	**$ 22,952,000**	**$ 23,923,000**	**$ 24,876,000**	**$ 25,894,000**	**$ 26,427,000**	**$ 26,977,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (9,252,000)	$ (9,600,000)	$ (9,602,000)	**$ (9,828,000)**	$(10,020,000)	$(10,216,000)	$(10,415,000)	$(10,615,000)
Grants, Donations and Other	(139,000)	(121,000)	(40,000)	**(32,000)**	(32,000)	(32,000)	(32,000)	(32,000)
	(9,391,000)	(9,721,000)	(9,642,000)	**(9,860,000)**	(10,052,000)	(10,248,000)	(10,447,000)	(10,647,000)
Expenditures								
Salaries and Benefits	$ 17,559,000	$ 18,103,000	$ 19,846,000	**$ 20,595,000**	$ 21,099,000	$ 21,733,000	$ 22,385,000	$ 23,055,000
Operating Costs	13,603,000	13,648,000	12,963,000	**13,675,000**	14,318,000	14,898,000	14,978,000	15,058,000
Internal Services Used	7,386,000	7,426,000	6,923,000	**6,940,000**	6,939,000	6,939,000	6,939,000	6,939,000
Internal Services Recovered	(7,531,000)	(7,999,000)	(7,601,000)	**(7,820,000)**	(7,821,000)	(7,821,000)	(7,821,000)	(7,821,000)
External Recoveries	(342,000)	(613,000)	(125,000)	**(196,000)**	(196,000)	(196,000)	(196,000)	(196,000)
	30,675,000	30,565,000	32,006,000	**33,194,000**	34,339,000	35,553,000	36,285,000	37,035,000
Net Operations Total	**21,284,000**	**20,844,000**	**22,364,000**	**23,334,000**	**24,287,000**	**25,305,000**	**25,838,000**	**26,388,000**
Transfers								
Transfer From Own Sources	0	(19,000)	0	**0**	0	0	0	0
Transfer To Own Sources	1,053,000	1,637,000	588,000	**589,000**	589,000	589,000	589,000	589,000
	1,053,000	1,618,000	588,000	**589,000**	589,000	589,000	589,000	589,000
	$ 22,337,000	**$ 22,462,000**	**$ 22,952,000**	**$ 23,923,000**	**$ 24,876,000**	**$ 25,894,000**	**$ 26,427,000**	**$ 26,977,000**

Parks, Recreation & Culture Departmental Operations



2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
PARKS, RECREATION & CULTURE

ADMINISTRATION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (1,000)	$ (2,000)	$ 0	**$ (35,000)**	$ (115,000)	$ (195,000)	$ (277,000)	$ (360,000)
Grants, Donations and Other	(1,000)	0	(8,000)	**0**	0	0	0	0
	(2,000)	(2,000)	(8,000)	**(35,000)**	(115,000)	(195,000)	(277,000)	(360,000)
Expenditures								
Salaries and Benefits	1,145,000	938,000	1,555,000	**1,128,000**	1,163,000	1,207,000	1,252,000	1,298,000
Operating Costs	188,000	143,000	220,000	**220,000**	220,000	220,000	220,000	220,000
Internal Services Used	217,000	42,000	37,000	**7,000**	7,000	7,000	7,000	7,000
Internal Services Recovered	(15,000)	(7,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	1,535,000	1,116,000	1,812,000	**1,355,000**	1,390,000	1,434,000	1,479,000	1,525,000
Net Operations Total	**1,533,000**	**1,114,000**	**1,804,000**	**1,320,000**	**1,275,000**	**1,239,000**	**1,202,000**	**1,165,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	355,000	684,000	0	**0**	0	0	0	0
	355,000	684,000	0	**0**	0	0	0	0
	$ 1,888,000	**$ 1,798,000**	**$ 1,804,000**	**$ 1,320,000**	**$ 1,275,000**	**$ 1,239,000**	**$ 1,202,000**	**$ 1,165,000**

ARENAS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (2,610,000)	$ (2,583,000)	$ (2,921,000)	**$ (2,921,000)**	$ (2,950,000)	$ (2,980,000)	$ (3,010,000)	$ (3,040,000)
Grants, Donations and Other	3,000	0	(2,000)	**(2,000)**	(2,000)	(2,000)	(2,000)	(2,000)
	(2,607,000)	(2,583,000)	(2,923,000)	**(2,923,000)**	(2,952,000)	(2,982,000)	(3,012,000)	(3,042,000)
Expenditures								
Salaries and Benefits	1,749,000	1,781,000	1,922,000	**2,036,000**	2,087,000	2,150,000	2,215,000	2,281,000
Operating Costs	1,401,000	1,218,000	1,308,000	**1,390,000**	1,400,000	1,410,000	1,420,000	1,430,000
Internal Services Used	166,000	177,000	133,000	**133,000**	133,000	133,000	133,000	133,000
Internal Services Recovered	0	(11,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	3,316,000	3,165,000	3,363,000	**3,559,000**	3,620,000	3,693,000	3,768,000	3,844,000
Net Operations Total	**709,000**	**582,000**	**440,000**	**636,000**	**668,000**	**711,000**	**756,000**	**802,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	533,000	534,000	533,000	**534,000**	534,000	534,000	534,000	534,000
	533,000	534,000	533,000	**534,000**	534,000	534,000	534,000	534,000
	$ 1,242,000	**$ 1,116,000**	**$ 973,000**	**$ 1,170,000**	**$ 1,202,000**	**$ 1,245,000**	**$ 1,290,000**	**$ 1,336,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
PARKS, RECREATION & CULTURE

ART CENTRE	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (447,000)	$ (602,000)	$ (723,000)	**$ (711,000)**	$ (725,000)	$ (740,000)	$ (755,000)	$ (770,000)
Grants, Donations and Other	(46,000)	(31,000)	0	**0**	0	0	0	0
	(493,000)	(633,000)	(723,000)	**(711,000)**	(725,000)	(740,000)	(755,000)	(770,000)
Expenditures								
Salaries and Benefits	1,054,000	1,174,000	1,335,000	**1,327,000**	1,358,000	1,399,000	1,441,000	1,484,000
Operating Costs	606,000	564,000	658,000	**674,000**	674,000	674,000	674,000	674,000
Internal Services Used	11,000	49,000	44,000	**54,000**	65,000	65,000	65,000	65,000
Internal Services Recovered	0	(5,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	1,671,000	1,782,000	2,037,000	**2,055,000**	2,097,000	2,138,000	2,180,000	2,223,000
Net Operations Total	**1,178,000**	**1,149,000**	**1,314,000**	**1,344,000**	**1,372,000**	**1,398,000**	**1,425,000**	**1,453,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 1,178,000	**$ 1,149,000**	**$ 1,314,000**	**$ 1,344,000**	**$ 1,372,000**	**$ 1,398,000**	**$ 1,425,000**	**$ 1,453,000**

COMMUNITY DEVELOPMENT	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (4,000)	$ (4,000)	$ (7,000)	**$ (7,000)**	$ (7,000)	$ (7,000)	$ (7,000)	$ (7,000)
Grants, Donations and Other	(8,000)	(14,000)	(5,000)	**(5,000)**	(5,000)	(5,000)	(5,000)	(5,000)
	(12,000)	(18,000)	(12,000)	**(12,000)**	(12,000)	(12,000)	(12,000)	(12,000)
Expenditures								
Salaries and Benefits	378,000	354,000	350,000	**416,000**	417,000	430,000	443,000	456,000
Operating Costs	58,000	48,000	89,000	**128,000**	89,000	89,000	89,000	89,000
Internal Services Used	15,000	29,000	19,000	**30,000**	19,000	19,000	19,000	19,000
Internal Services Recovered	0	(35,000)	0	**(15,000)**	(15,000)	(15,000)	(15,000)	(15,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	451,000	396,000	458,000	**559,000**	510,000	523,000	536,000	549,000
Net Operations Total	**439,000**	**378,000**	**446,000**	**547,000**	**498,000**	**511,000**	**524,000**	**537,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 439,000	**$ 378,000**	**$ 446,000**	**$ 547,000**	**$ 498,000**	**$ 511,000**	**$ 524,000**	**$ 537,000**

COMMUNITY HALLS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (33,000)	$ (23,000)	$ (37,000)	**$ (34,000)**	$ (34,000)	$ (34,000)	$ (34,000)	$ (34,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(33,000)	(23,000)	(37,000)	**(34,000)**	(34,000)	(34,000)	(34,000)	(34,000)
Expenditures								
Salaries and Benefits	3,000	1,000	4,000	**4,000**	4,000	4,000	4,000	4,000
Operating Costs	58,000	56,000	39,000	**36,000**	36,000	36,000	36,000	36,000
Internal Services Used	18,000	11,000	23,000	**21,000**	21,000	21,000	21,000	21,000
Internal Services Recovered	0	0	(2,000)	**(2,000)**	(2,000)	(2,000)	(2,000)	(2,000)
External Recoveries	(8,000)	(8,000)	0	**0**	0	0	0	0
	71,000	60,000	64,000	**59,000**	59,000	59,000	59,000	59,000
Net Operations Total	**38,000**	**37,000**	**27,000**	**25,000**	**25,000**	**25,000**	**25,000**	**25,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 38,000	**$ 37,000**	**$ 27,000**	**$ 25,000**	**$ 25,000**	**$ 25,000**	**$ 25,000**	**$ 25,000**

COMMUNITY RECREATION SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (2,378,000)	$ (2,537,000)	$ (2,120,000)	**$ (2,266,000)**	$ (2,289,000)	$ (2,312,000)	$ (2,335,000)	$ (2,358,000)
Grants, Donations and Other	(18,000)	(39,000)	0	**0**	0	0	0	0
	(2,396,000)	(2,576,000)	(2,120,000)	**(2,266,000)**	(2,289,000)	(2,312,000)	(2,335,000)	(2,358,000)
Expenditures								
Salaries and Benefits	2,023,000	2,128,000	2,125,000	**2,305,000**	2,363,000	2,434,000	2,507,000	2,582,000
Operating Costs	1,822,000	1,831,000	1,683,000	**1,824,000**	2,335,000	2,795,000	2,805,000	2,815,000
Internal Services Used	248,000	243,000	232,000	**232,000**	232,000	232,000	232,000	232,000
Internal Services Recovered	(7,000)	(53,000)	(4,000)	**(4,000)**	(4,000)	(4,000)	(4,000)	(4,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	4,086,000	4,149,000	4,036,000	**4,357,000**	4,926,000	5,457,000	5,540,000	5,625,000
Net Operations Total	**1,690,000**	**1,573,000**	**1,916,000**	**2,091,000**	**2,637,000**	**3,145,000**	**3,205,000**	**3,267,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 1,690,000	**$ 1,573,000**	**$ 1,916,000**	**$ 2,091,000**	**$ 2,637,000**	**$ 3,145,000**	**$ 3,205,000**	**$ 3,267,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
PARKS, RECREATION & CULTURE

HERITAGE SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (46,000)	$ (71,000)	$ (50,000)	**$ (50,000)**	$ (50,000)	$ (50,000)	$ (50,000)	$ (50,000)
Grants, Donations and Other	(5,000)	(7,000)	(8,000)	**(8,000)**	(8,000)	(8,000)	(8,000)	(8,000)
	(51,000)	(78,000)	(58,000)	**(58,000)**	(58,000)	(58,000)	(58,000)	(58,000)
Expenditures								
Salaries and Benefits	586,000	623,000	651,000	**697,000**	714,000	735,000	757,000	780,000
Operating Costs	113,000	130,000	105,000	**107,000**	207,000	257,000	257,000	257,000
Internal Services Used	38,000	38,000	34,000	**34,000**	34,000	34,000	34,000	34,000
Internal Services Recovered	(11,000)	(12,000)	(11,000)	**(11,000)**	(11,000)	(11,000)	(11,000)	(11,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	726,000	779,000	779,000	**827,000**	944,000	1,015,000	1,037,000	1,060,000
Net Operations Total	**675,000**	**701,000**	**721,000**	**769,000**	**886,000**	**957,000**	**979,000**	**1,002,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 675,000	**$ 701,000**	**$ 721,000**	**$ 769,000**	**$ 886,000**	**$ 957,000**	**$ 979,000**	**$ 1,002,000**

INDOOR POOLS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (2,760,000)	$ (2,679,000)	$ (2,809,000)	**$ (2,833,000)**	$ (2,861,000)	$ (2,890,000)	$ (2,919,000)	$ (2,948,000)
Grants, Donations and Other	(54,000)	(2,000)	0	**0**	0	0	0	0
	(2,814,000)	(2,681,000)	(2,809,000)	**(2,833,000)**	(2,861,000)	(2,890,000)	(2,919,000)	(2,948,000)
Expenditures								
Salaries and Benefits	2,704,000	2,750,000	2,838,000	**3,003,000**	3,078,000	3,170,000	3,265,000	3,363,000
Operating Costs	2,129,000	2,355,000	1,780,000	**1,931,000**	1,941,000	1,951,000	1,961,000	1,971,000
Internal Services Used	247,000	236,000	309,000	**309,000**	309,000	309,000	309,000	309,000
Internal Services Recovered	(22,000)	(26,000)	0	**0**	0	0	0	0
External Recoveries	(162,000)	(416,000)	0	**(71,000)**	(71,000)	(71,000)	(71,000)	(71,000)
	4,896,000	4,899,000	4,927,000	**5,172,000**	5,257,000	5,359,000	5,464,000	5,572,000
Net Operations Total	**2,082,000**	**2,218,000**	**2,118,000**	**2,339,000**	**2,396,000**	**2,469,000**	**2,545,000**	**2,624,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 2,082,000	**$ 2,218,000**	**$ 2,118,000**	**$ 2,339,000**	**$ 2,396,000**	**$ 2,469,000**	**$ 2,545,000**	**$ 2,624,000**

OUTDOOR POOLS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (1,000)	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(1,000)	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	0	0	0	**0**	0	0	0	0
Operating Costs	727,000	762,000	756,000	**781,000**	786,000	791,000	796,000	801,000
Internal Services Used	3,000	1,000	10,000	**10,000**	10,000	10,000	10,000	10,000
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	(13,000)	(16,000)	0	**0**	0	0	0	0
	717,000	747,000	766,000	**791,000**	796,000	801,000	806,000	811,000
Net Operations Total	**716,000**	**747,000**	**766,000**	**791,000**	**796,000**	**801,000**	**806,000**	**811,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 716,000	**$ 747,000**	**$ 766,000**	**$ 791,000**	**$ 796,000**	**$ 801,000**	**$ 806,000**	**$ 811,000**

PLANNING, DESIGN & FACILITIES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (73,000)	$ (76,000)	$ (64,000)	**$ (58,000)**	$ (58,000)	$ (58,000)	$ (58,000)	$ (58,000)
Grants, Donations and Other	(2,000)	(24,000)	(17,000)	**(17,000)**	(17,000)	(17,000)	(17,000)	(17,000)
	(75,000)	(100,000)	(81,000)	**(75,000)**	(75,000)	(75,000)	(75,000)	(75,000)
Expenditures								
Salaries and Benefits	2,191,000	2,235,000	2,531,000	**2,658,000**	2,718,000	2,791,000	2,866,000	2,943,000
Operating Costs	2,281,000	2,260,000	2,107,000	**2,185,000**	2,205,000	2,225,000	2,245,000	2,265,000
Internal Services Used	1,097,000	1,147,000	916,000	**976,000**	976,000	976,000	976,000	976,000
Internal Services Recovered	(2,474,000)	(2,590,000)	(2,248,000)	**(2,452,000)**	(2,453,000)	(2,453,000)	(2,453,000)	(2,453,000)
External Recoveries	(71,000)	(83,000)	(63,000)	**(63,000)**	(63,000)	(63,000)	(63,000)	(63,000)
	3,024,000	2,969,000	3,243,000	**3,304,000**	3,383,000	3,476,000	3,571,000	3,668,000
Net Operations Total	**2,949,000**	**2,869,000**	**3,162,000**	**3,229,000**	**3,308,000**	**3,401,000**	**3,496,000**	**3,593,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	100,000	279,000	0	**0**	0	0	0	0
	100,000	279,000	0	**0**	0	0	0	0
	$ 3,049,000	**$ 3,148,000**	**$ 3,162,000**	**$ 3,229,000**	**$ 3,308,000**	**$ 3,401,000**	**$ 3,496,000**	**$ 3,593,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
PARKS, RECREATION & CULTURE

PARKS DIVISION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (385,000)	$ (460,000)	$ (338,000)	**$ (373,000)**	$ (380,000)	$ (388,000)	$ (396,000)	$ (404,000)
Grants, Donations and Other	(3,000)	0	0	**0**	0	0	0	0
	(388,000)	(460,000)	(338,000)	**(373,000)**	(380,000)	(388,000)	(396,000)	(404,000)
Expenditures								
Salaries and Benefits	4,769,000	5,165,000	5,451,000	**5,877,000**	6,024,000	6,205,000	6,391,000	6,583,000
Operating Costs	3,680,000	3,739,000	3,711,000	**3,888,000**	3,909,000	3,929,000	3,949,000	3,969,000
Internal Services Used	5,241,000	5,373,000	5,085,000	**5,050,000**	5,049,000	5,049,000	5,049,000	5,049,000
Internal Services Recovered	(5,002,000)	(5,260,000)	(5,333,000)	**(5,333,000)**	(5,333,000)	(5,333,000)	(5,333,000)	(5,333,000)
External Recoveries	(88,000)	(90,000)	(62,000)	**(62,000)**	(62,000)	(62,000)	(62,000)	(62,000)
	8,600,000	8,927,000	8,852,000	**9,420,000**	9,587,000	9,788,000	9,994,000	10,206,000
Net Operations Total	**8,212,000**	**8,467,000**	**8,514,000**	**9,047,000**	**9,207,000**	**9,400,000**	**9,598,000**	**9,802,000**
Transfers								
Transfer From Own Sources	0	(19,000)	0	**0**	0	0	0	0
Transfer To Own Sources	40,000	115,000	30,000	**30,000**	30,000	30,000	30,000	30,000
	40,000	96,000	30,000	**30,000**	30,000	30,000	30,000	30,000
	$ 8,252,000	**$ 8,563,000**	**$ 8,544,000**	**$ 9,077,000**	**$ 9,237,000**	**$ 9,430,000**	**$ 9,628,000**	**$ 9,832,000**

SENIORS CENTRES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (391,000)	$ (398,000)	$ (349,000)	**$ (365,000)**	$ (372,000)	$ (379,000)	$ (387,000)	$ (395,000)
Grants, Donations and Other	(5,000)	(4,000)	0	**0**	0	0	0	0
	(396,000)	(402,000)	(349,000)	**(365,000)**	(372,000)	(379,000)	(387,000)	(395,000)
Expenditures								
Salaries and Benefits	508,000	521,000	552,000	**582,000**	597,000	615,000	633,000	652,000
Operating Costs	374,000	360,000	314,000	**330,000**	335,000	340,000	345,000	350,000
Internal Services Used	53,000	49,000	47,000	**47,000**	47,000	47,000	47,000	47,000
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	935,000	930,000	913,000	**959,000**	979,000	1,002,000	1,025,000	1,049,000
Net Operations Total	**539,000**	**528,000**	**564,000**	**594,000**	**607,000**	**623,000**	**638,000**	**654,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 539,000	**$ 528,000**	**$ 564,000**	**$ 594,000**	**$ 607,000**	**$ 623,000**	**$ 638,000**	**$ 654,000**

YOUTH CENTRES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (123,000)	$ (165,000)	$ (184,000)	**$ (175,000)**	$ (179,000)	$ (183,000)	$ (187,000)	$ (191,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(123,000)	(165,000)	(184,000)	**(175,000)**	(179,000)	(183,000)	(187,000)	(191,000)
Expenditures								
Salaries and Benefits	449,000	433,000	532,000	**562,000**	576,000	593,000	611,000	629,000
Operating Costs	166,000	182,000	193,000	**181,000**	181,000	181,000	181,000	181,000
Internal Services Used	32,000	31,000	34,000	**37,000**	37,000	37,000	37,000	37,000
Internal Services Recovered	0	0	(3,000)	**(3,000)**	(3,000)	(3,000)	(3,000)	(3,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	647,000	646,000	756,000	**777,000**	791,000	808,000	826,000	844,000
Net Operations Total	**524,000**	**481,000**	**572,000**	**602,000**	**612,000**	**625,000**	**639,000**	**653,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	25,000	25,000	25,000	**25,000**	25,000	25,000	25,000	25,000
	25,000	25,000	25,000	**25,000**	25,000	25,000	25,000	25,000
	$ 549,000	**$ 506,000**	**$ 597,000**	**$ 627,000**	**$ 637,000**	**$ 650,000**	**$ 664,000**	**$ 678,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
PARKS, RECREATION & CULTURE

2003 ADOPTED BUDGET			**$ 20,604,000**
Facilities	....		**2,348,000**
2003 Adjusted Adopted Budget			**$ 22,952,000**
REVENUES			
Sales and Services			
Revenue Increase - 2%	....	$ (158,000)	
Newton CRS - Program Registration	....	(61,000)	
Newton Senior's Concession	....	(13,000)	
Parks Sports User Fees	....	(34,000)	
Hjorth Road Hall - Demolished	....	3,000	
Nights Alive Grant Eliminated	....	16,000	
Revenue Adjustment	....	29,000	**(218,000)**
Total Change in Revenues			**(218,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Overhead, CUPE & Exempt Rate	....	801,000	
Budget Changes/Reclass/Adjustments	....	80,000	
Newton Recreation Assistant - Day camp	....	37,000	
Community Arts - Children's Festival	....	13,000	
Positions Eliminated	....	(182,000)	**749,000**
Operating Costs			
Inflationary Increases	....	238,000	
Car Allowance	....	6,000	
Newton Day Camp	....	22,000	
Newton Senior's Concession	....	11,000	
Contract Increases	....	125,000	
Increase in Parks Supplies	....	15,000	
Increase in Parks New Inventory	....	100,000	
Community Arts - Children's Festival	....	39,000	
Whalley Revitalization Strategy	....	106,000	
Injury Mgmt Services Property Taxes & Utilities	....	71,000	
Hjorth Road Hall - Demolished	....	(3,000)	
Nights Alive Grant Eliminated	....	(16,000)	
Budget Transfer to IT	....	(2,000)	**712,000**
Internal Services Used			
Outreach & Support	....	11,000	
Preventive Maintenance for SAC & Newton Youth	....	13,000	
Corporate Facilities Labour & Equipment Increases	....	74,000	
Works Yard Allocation	....	7,000	
Hjorth Road Hall - Demolished	....	(3,000)	
Transfer to IT - Maximo License	....	(30,000)	
CWM Data Entry	....	(55,000)	**17,000**
Internal Services Recovered			
Public Art	....	(15,000)	
Preventive Maintenance for Surrey Art Centre	....	(10,000)	
Facilities Labour & Equipment Increases	....	(143,000)	
Realty Servicing Agreement	....	(51,000)	**(219,000)**
External Recoveries			
Injury Mgmt Services Property Taxes & Utilities	....	(71,000)	**(71,000)**
Transfer From Own Sources	....	1,000	**1,000**
Transfer To Own Sources	....	0	**0**
Total Change in Expenditures			**1,189,000**
2004 BUDGET			**$ 23,923,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
PARKS, RECREATION & CULTURE

2004 ADOPTED BUDGET			**$ 23,923,000**
REVENUES			
Sales and Service			
Increase Revenue	……………………………….	$ (787,000)	**(787,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	……………………………….	2,460,000	**2,460,000**
Operating Costs			
Learning & Discovery Centre	……………………………….	150,000	
South Surrey Multi-Purpose Centre	……………………………….	500,000	
Fleetwood/Guildford	……………………………….	400,000	
Increase Due to Inflation	……………………………….	331,000	**1,381,000**
2008 BUDGET			**$ 26,977,000**

Surrey Public Library Board

Chief Librarian
Beth Barlow

Administrative Co-ordinator
Linda Norfolk

Administrative Services
Michael Ho

- Finance
- Human Resources
- Facilities

Public Services & Development
Melanie Houlden

- Branch Operations
- Collections Development
- Community Relations
- Fund Development

Technical Services
Gretchen Meade

- Acquisitions
- Cataloguing
- Processeing

Systems Administration
Jim Walsh

- Applications Planning
- Client Support
- Technology Deployment

OUR VISION

A world without limits in the heart of the community.

OUR MISSION

Everyone is welcome at Surrey Public Library. You'll find us in your neighbourhood and on the Internet. The Library is more than books – check out our magazines, compact discs, videos, DVD's, materials in other languages, programs and the Internet. Knowledgeable, friendly staff are available to help you find the information and materials you need, for lifelong learning or leisure time.

At the Library, you can:

- Explore the world of information;
- Discover the joy of reading;
- Connect with people and ideas around the world and in your neighbourhood, and
- Learn throughout your life.

OUR VALUES

- Community Focus;
- Excellence in Service;
- Respect for Self and Others;
- Intellectual Freedom, and
- Accountability.

2003 KEY ISSUES AND ACCOMPLISHMENTS

Semiahmoo Library

The Semiahmoo Library and RCMP District Office #5 opened on schedule as the flagship event for the City of Surrey's 10th birthday celebrations. This new 22,000 square foot facility will be the resource center for South Surrey, and features a large children's area, an electronic classroom, numerous computer workstations and a community meeting room.

Semiahmoo Library

Whalley Library

Renovations to the front entrance and the second floor were completed in the Fall. Highlights include new lighting, higher ceiling and a refurbished meeting room.

Whalley Library

Summer Reading Club

For the first time, registrations for the summer reading club surpassed the 10,000 mark.

Surrey Public Library Website

The Library's Web site underwent a complete redesign in 2003. The new look, patterned after the City's award winning website design, features significant improvements to layout and ease of use.

www.spl.bc.ca

GLOBAL LIBRARIAN

Through a partnership with libraries in Ontario, the UK, and Australia, Surrey residents can ask a librarian reference questions via email 24 hours a day.

Surrey Public Library has been recognized by Industry Canada with a LibraryNet Best Practices 2003 award for this innovative use of the Internet in public libraries.

LOOKING AHEAD

The strategic priorities for Surrey Public Library for 2002 – 2004 are:

- Community connections: Exploring opportunities to connect with the community and respond thoughtfully to changing needs;
- People resources: Supporting the people who provide outstanding leadership and customer service by creating a flexible and responsive environment;
- Facilities: Revitalizing existing spaces and planning for the future to create stimulating and welcoming environments as a focus for the community;
- Electronic resources: Using online collections and services to link people to a world of information and ideas;
- Marketing: Reaching out to connect with new and existing customers to expand awareness of library services, and
- Fundraising: Building and implementing resourceful fund development initiatives.

2004 KEY ISSUES AND OBJECTIVES

- Refurbishment of a Community Library;
- Migrating to the new Library catalogue software;
- Strategic Planning for 2005 – 2007;
- Revision of the Facilities Master Plan, and
- Focus on youth in library programs and services.

PERFORMANCE MEASURES

Surrey Public Library has established several benchmark libraries in the province, with which to compare its key service performance indicators. The following table is based on data from Canadian Public Library Statistics 2002. Surrey continues to deliver a high level of service at low cost.

	Surrey	Vancouver	Victoria	Burnaby	Richmond
Resident population	365,000	577,772	288,879	193,954	166,810
Registered borrowers	224,003	369,446	142,085	150,266	137,267
Total items borrowed	3,765,387	9,200,161	4,096,231	3,811,978	3,327,695
Annual visits	2,504,619	6,050,649	2,279,936	2,028,474	1,658,146
Total items in collection	563,859	2,339,190	915,191	666,612	446,557
Public Internet workstations	65	271	98	70	117
Population/staff member	3,427	1,191	1,805	1,648	2,048
Annual hours of operation / capita	.072	.091	.076	.080	.064
Circulation of materials / capita	10.32	15.92	14.18	19.65	19.95
Collection expenditure / capita	$3.51	$8.10	$6.47	$7.21	$6.13
Overall expenditure / capita	$23.15	$60.37	$34.24	$41.55	$36.36

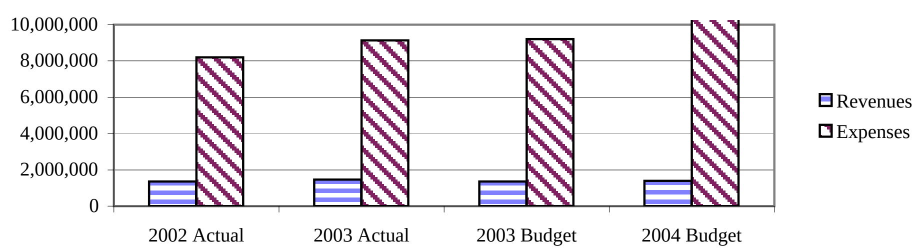
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
SURREY PUBLIC LIBRARY

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Administration	$ (73,000)	$ (55,000)	$ (167,000)	**$ (187,000)**	$ (172,000)	$ (158,000)	$ (144,000)	$ (129,000)
Community Relations	233,000	243,000	138,000	**242,000**	247,000	253,000	259,000	265,000
Public Services	4,853,000	5,694,000	5,814,000	**6,597,000**	6,717,000	6,911,000	7,111,000	7,316,000
Technical Services	2,019,000	1,969,000	2,066,000	**2,337,000**	2,418,000	2,466,000	2,515,000	2,564,000
	$ 7,032,000	**$ 7,851,000**	**$ 7,851,000**	**$ 8,989,000**	**$ 9,210,000**	**$ 9,472,000**	**$ 9,741,000**	**$ 10,016,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (511,000)	$ (510,000)	$ (518,000)	**$ (560,000)**	$ (560,000)	$ (560,000)	$ (560,000)	$ (560,000)
Grants, Donations and Other	(850,000)	(950,000)	(842,000)	**(836,000)**	(836,000)	(836,000)	(836,000)	(836,000)
	(1,361,000)	(1,460,000)	(1,360,000)	**(1,396,000)**	(1,396,000)	(1,396,000)	(1,396,000)	(1,396,000)
Expenditures								
Salaries and Benefits	$ 5,737,000	$ 6,567,000	$ 6,395,000	**$ 7,222,000**	$ 7,402,000	$ 7,624,000	$ 7,853,000	$ 8,088,000
Operating Costs	2,270,000	2,411,000	2,556,000	**2,910,000**	2,877,000	2,917,000	2,957,000	2,997,000
Internal Services Used	566,000	526,000	329,000	**312,000**	386,000	386,000	386,000	386,000
Internal Services Recovered	(317,000)	(347,000)	0	**0**	0	0	0	0
External Recoveries	(50,000)	(26,000)	(69,000)	**(59,000)**	(59,000)	(59,000)	(59,000)	(59,000)
	8,206,000	9,131,000	9,211,000	**10,385,000**	10,606,000	10,868,000	11,137,000	11,412,000
Net Operations Total	**6,845,000**	**7,671,000**	**7,851,000**	**8,989,000**	**9,210,000**	**9,472,000**	**9,741,000**	**10,016,000**
Transfers								
Transfer From Own Sources	(33,000)	0	0	**0**	0	0	0	0
Transfer To Own Sources	220,000	180,000	0	**0**	0	0	0	0
	187,000	180,000	0	**0**	0	0	0	0
	$ 7,032,000	**$ 7,851,000**	**$ 7,851,000**	**$ 8,989,000**	**$ 9,210,000**	**$ 9,472,000**	**$ 9,741,000**	**$ 10,016,000**

Library Departmental Operations



2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
SURREY PUBLIC LIBRARY

ADMINISTRATION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (9,000)	$ (6,000)	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	(675,000)	(740,000)	(680,000)	**(720,000)**	(720,000)	(720,000)	(720,000)	(720,000)
	(684,000)	(746,000)	(680,000)	**(720,000)**	(720,000)	(720,000)	(720,000)	(720,000)
Expenditures								
Salaries and Benefits	378,000	450,000	430,000	**448,000**	463,000	477,000	491,000	506,000
Operating Costs	91,000	113,000	127,000	**129,000**	129,000	129,000	129,000	129,000
Internal Services Used	14,000	14,000	15,000	**15,000**	15,000	15,000	15,000	15,000
Internal Services Recovered	(59,000)	(42,000)	0	**0**	0	0	0	0
External Recoveries	0	0	(59,000)	**(59,000)**	(59,000)	(59,000)	(59,000)	(59,000)
	424,000	535,000	513,000	**533,000**	548,000	562,000	576,000	591,000
Net Operations Total	**(260,000)**	**(211,000)**	**(167,000)**	**(187,000)**	**(172,000)**	**(158,000)**	**(144,000)**	**(129,000)**
Transfers								
Transfer From Own Sources	(33,000)	0	0	**0**	0	0	0	0
Transfer To Own Sources	220,000	156,000	0	**0**	0	0	0	0
	187,000	156,000	0	**0**	0	0	0	0
	$ (73,000)	**$ (55,000)**	**$ (167,000)**	**$ (187,000)**	**$ (172,000)**	**$ (158,000)**	**$ (144,000)**	**$ (129,000)**

COMMUNITY RELATIONS	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (7,000)	$ (6,000)	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(7,000)	(6,000)	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	185,000	198,000	85,000	**187,000**	192,000	198,000	204,000	210,000
Operating Costs	80,000	78,000	63,000	**55,000**	55,000	55,000	55,000	55,000
Internal Services Used	24,000	6,000	0	**0**	0	0	0	0
Internal Services Recovered	(1,000)	(7,000)	0	**0**	0	0	0	0
External Recoveries	(48,000)	(26,000)	(10,000)	**0**	0	0	0	0
	240,000	249,000	138,000	**242,000**	247,000	253,000	259,000	265,000
Net Operations Total	**233,000**	**243,000**	**138,000**	**242,000**	**247,000**	**253,000**	**259,000**	**265,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 233,000	**$ 243,000**	**$ 138,000**	**$ 242,000**	**$ 247,000**	**$ 253,000**	**$ 259,000**	**$ 265,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
SURREY PUBLIC LIBRARY

PUBLIC SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (495,000)	$ (499,000)	$ (518,000)	**$ (560,000)**	$ (560,000)	$ (560,000)	$ (560,000)	$ (560,000)
Grants, Donations and Other	(175,000)	(185,000)	(162,000)	**(116,000)**	(116,000)	(116,000)	(116,000)	(116,000)
	(670,000)	(684,000)	(680,000)	**(676,000)**	(676,000)	(676,000)	(676,000)	(676,000)
Expenditures								
Salaries and Benefits	4,656,000	5,425,000	5,356,000	**6,002,000**	6,142,000	6,326,000	6,516,000	6,711,000
Operating Costs	680,000	755,000	849,000	**999,000**	905,000	915,000	925,000	935,000
Internal Services Used	442,000	496,000	289,000	**272,000**	346,000	346,000	346,000	346,000
Internal Services Recovered	(253,000)	(298,000)	0	**0**	0	0	0	0
External Recoveries	(2,000)	0	0	**0**	0	0	0	0
	5,523,000	6,378,000	6,494,000	**7,273,000**	7,393,000	7,587,000	7,787,000	7,992,000
Net Operations Total	**4,853,000**	**5,694,000**	**5,814,000**	**6,597,000**	**6,717,000**	**6,911,000**	**7,111,000**	**7,316,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 4,853,000	**$ 5,694,000**	**$ 5,814,000**	**$ 6,597,000**	**$ 6,717,000**	**$ 6,911,000**	**$ 7,111,000**	**$ 7,316,000**

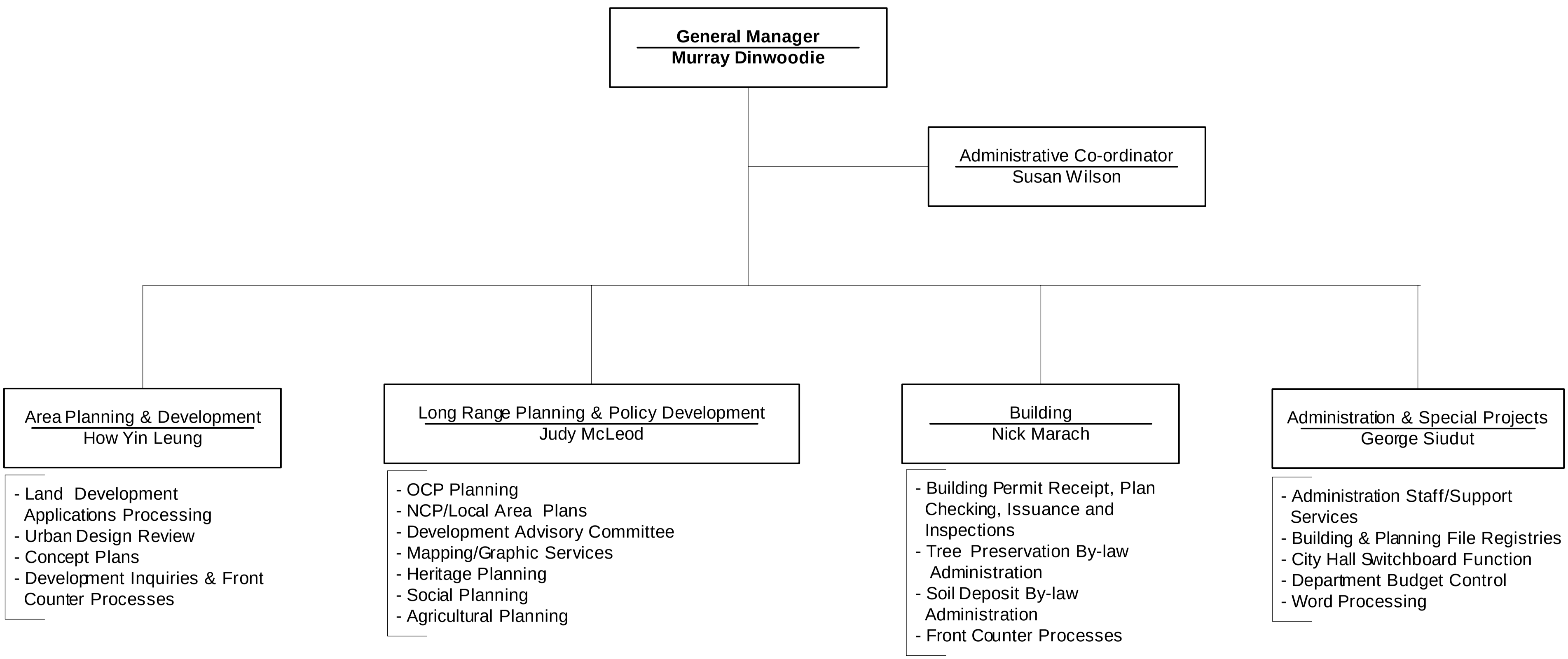
TECHNICAL SERVICES	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	518,000	494,000	524,000	**585,000**	605,000	623,000	642,000	661,000
Operating Costs	1,419,000	1,465,000	1,517,000	**1,727,000**	1,788,000	1,818,000	1,848,000	1,878,000
Internal Services Used	86,000	10,000	25,000	**25,000**	25,000	25,000	25,000	25,000
Internal Services Recovered	(4,000)	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	2,019,000	1,969,000	2,066,000	**2,337,000**	2,418,000	2,466,000	2,515,000	2,564,000
Net Operations Total	**2,019,000**	**1,969,000**	**2,066,000**	**2,337,000**	**2,418,000**	**2,466,000**	**2,515,000**	**2,564,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 2,019,000	**$ 1,969,000**	**$ 2,066,000**	**$ 2,337,000**	**$ 2,418,000**	**$ 2,466,000**	**$ 2,515,000**	**$ 2,564,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
SURREY PUBLIC LIBRARY

2003 ADOPTED BUDGET			**$ 7,851,000**
REVENUES			
Sales and Services			
Increase in Revenue from Semiahmoo Library	....	(42,000)	**(42,000)**
Taxation and Other			
Decrease in Government Grants	....	10,000	
Increase in Revenue from Semiahmoo Library	....	(4,000)	**6,000**
Total Change in Revenues			**(36,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase in Expenditure from Semiahmoo Library	....	580,500	
Increase Salary Rate	....	306,500	
Decrease in HRDC Program	....	(60,000)	**827,000**
Operating Costs			
Increase in Semiahmoo Site Operating Costs	....	121,000	
Increase in Semiahmoo Other Operating Costs	....	61,000	
Increase in Publication Costs	....	180,000	
Increase Courier Costs	....	10,000	
Decrease Printing Costs	....	(20,000)	
Increase in Other Operating Costs	....	2,000	**354,000**
Internal Services Used			
Increase in Building, Grounds & Systems Mtce	....	57,000	
Reallocation of Information Technology Costs	....	(74,000)	**(17,000)**
Internal Services Recovered	....	0	**0**
External Recoveries			
Decrease in HRDC Program Recoveries	....	10,000	**10,000**
Transfer From Own Sources	....	0	**0**
Transfer To Own Sources	....		**0**
Total Change in Expenditures			**1,174,000**
2004 BUDGET			**$ 8,989,000**

2004 ADOPTED BUDGET			**$ 8,989,000**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	866,000	**866,000**
Operating Costs			
Increase Due to Inflation	....	87,000	**87,000**
Internal Services Used			
Increase Due to Inflation	....	74,000	**74,000**
2008 BUDGET			**$ 10,016,000**

DEPARTMENTAL OPERATIONS
PLANNING AND DEVELOPMENT FUNCTIONS



The primary functions of the Planning and Development Department are to:

- Prepare land use plans, by-laws and policies for consideration by City Council in support of planned and orderly development of the City;
- Undertake application review and approval processes consistent with the Council-approved plans, by-laws and policies to ensure planned and orderly development of the City.

Some of the general activities of the Department include:

- Preparing land use plans, bylaws and policies for consideration by Council;
- Providing advice to City Council on a wide range of issues associated with the use of land in the City, and
- Conducting public consultation processes and managing the land development review approval processes to ensure that new land development projects of all types comply with Council-adopted plans, by-laws and policies.

The resources to accomplish the Department's mandate are divided into four Divisions:

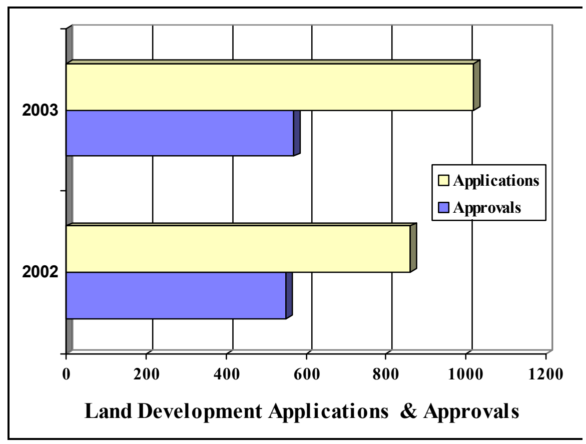
- Area Planning and Development Division;
- Building Division;
- Long Range Planning and Policy Development Division; and
- Administration and Special Projects Division.

AREA PLANNING AND DEVELOPMENT DIVISION

The Area Planning and Development Division is responsible for implementing Council-adopted by-laws and policies in relation to the use and development of land. This is accomplished through the process of receiving and reviewing applications for land development projects, and preparing reports to Council complete with appropriate recommendations. The Division also participates in the preparation of Local Area Plans, Neighbourhood Concept Plans and associated planning policies. This is accomplished through the continuous sharing of information and ideas with the Long Range Planning and Policy Development Division to ensure that the plans and policies reflect a reasonable balance between the needs and interests of the various stakeholders involved in or affected by new land development projects.

2003 Results and Outcomes

- Processed approximately 1,020 applications of various types including: rezoning, subdivision, development permit, development variance permit, Official Community Plan amendment, and Land Use Contract amendment;



- Prepared and presented approximately 300 planning reports to Council on land use and development applications;
- Approved the creation of approximately 2,050 single family lots;
- Assisted the RCMP to conduct Crime Prevention Through Environmental Design (CPTED) workshops;
- Implemented new zones to facilitate the development of coach houses, row houses, semi-detached homes, and other special residential forms;

- Initiated or continued to participate on the development of Neighbourhood Concept Plans and Area Plans for the following areas:
  - South Westminster Industrial Area Neighbourhood Concept Plan
  - East Clayton Neighbourhood Concept Plan
  - Highway 99 Corridor Study
  - South Newton neighbourhood Concept Plan Extension
  - Campbell Heights Implementation Plans
- Review and fine-tune the Street Beautification Strategies;
- Continuous efforts to enhance and streamline the development approval and review process, and
- Attended the Heritage Advisory Commission and other Committees meetings as required.

2004 Key Thrusts

- Ongoing review and processing of all types of development applications;
- Participate in the review of the Surrey City Centre Plan including formulation of an urban design blueprint for the TOD (Transit-Oriented Development) at the Surrey Centre Station;

- Implement the Concept Plan for East Clayton and assist developers in applying sustainable development principles to development applications in this neighbourhood;
- Implement the Campbell Heights Local Area Plan through the processing of land development applications;
- Implement the Local Area Plan for South Westminster;
- Participate in the planning process for South Port Kells;
- Implement the land use plan for the Highway 99/Grandview Business Corridor;
- Complete the review of the Street Beautification Strategy which was adopted by Council in 1995;
- Participate in the planning process for Grandview Heights; and
- Continue enhancements to the development review and approval process with greater emphasis on the project management approach.

BUILDING DIVISION

The Building Division is responsible for administering Council-adopted by-laws and policies related to the construction of buildings in the City through:

- Residential and commercial building plan reviews and building;
- Plumbing and electrical inspection services, and
- Administration of the Tree Preservation By-law and Soil Deposition By-law.

The focus of this Division is to provide the public and the building industry with high quality service to ensure buildings constructed in the City conform to requirements of the British Columbia Building Code, the Zoning and Building By-laws, Land Use Contracts and Development Permits, and are safe for their intended purpose.

The Building Division is also responsible for providing professional advice to City Council, the Board of Variance, other City Departments and the public on building-related matters.

2003 Results and Outcomes

- Issued 4,750 building permits and undertook 86,000 building, plumbing and electrical inspections on residential, commercial, industrial, institutional and other buildings. A total construction value related to permits issued in 2003 of $940 million, sets an all time record for annual construction value in the City;
- Issued building permits for 2,160 single family dwellings and 1,420 multi-family dwellings;
- Issued approvals for 870 tree cutting permits in accordance with the Tree Preservation By-law;
- Issued 7 soil deposition permits and continued the administration of 26 extended permits;
- Administered the Surrey Water Meter Program in conjunction with the Engineering Department;
- Issued building permits for $120 million worth of commercial and industrial building construction;

- Completed implementation of the automated inspection schedule call-in system;
- Consolidated the Building and Plumbing Inspection Sections for enhanced customer service delivery;
- Introduced priority handling of tenant improvement permit applications with staff dedicated to this function;
- Completed a review and updating of the Tree Preservation By-law;
- Utilized staff resources to maximum advantage during peak periods of permit applications, improving turn-around times by 3 weeks in comparison to the same peak period in 2002, and
- Provided ongoing professional support to the Board of Variance.

2004 Key Thrusts

- Continue to efficiently receive, review and issue building permits in accordance with the requirements of the Council-adopted by-laws and policies;
- Continue to review the use of existing resources and approval processes to increase efficiency in the processing of permit applications especially during seasonal surges in permit applications;
- Streamline the processing of tenant improvement applications;
- Continue to provide good client service in the issuance of building permits, soil deposition permits and tree permits including completion of all necessary inspections and follow-up in a timely manner;
- Continue to shift the focus of permit processing to a customer service perspective which includes a significant emphasis on facilitation;
- Address issues of City liability in relation to regulating building construction through involvement in revisions to the Building By-law;
- Develop front counter intake capacity for commercial/industrial projects with staff dedicated to this function providing preliminary document review at the front counter;
- Enhance the computerized inspection request, recording and tracking system;
- Continue ongoing review and revisions to Building Division's inspection function, policies and procedures and recommend revisions to the Building By-law as necessary;
- Continue to develop Divisional staff to allow staff to function both as plan checkers and building/plumbing inspectors so as to allow operational flexibility, and
- Complete the review and redrafting of the Building By-law and Soil Deposition By-laws for consideration by Council.

LONG RANGE PLANNING AND POLICY DEVELOPMENT DIVISION

The Long Range Planning and Policy Development Division is responsible for developing land use plans and policies in support of the planned and orderly development of the City.

A major element of the Division's work relates to the development of General Land Use Plans, Neighbourhood Concept Plans and Local Area Plans, in cooperation with the Area Planning Division and in consultation with residents, landowners, development interests and other stakeholders.

Citywide planning policy work focuses on the formulation of long range planning policies and strategies to guide the future development of the City. Programs include the annual review of the City's Official Community Plan, the preparation of new planning policies and Zoning By-law amendments, and the monitoring of market trends and community expectations in relation to the ongoing development of the City. Responsibilities also include monitoring the city's growth management strategies, as well as the development and implementation of policies related to social planning, crime prevention, heritage management, and agriculture. The Division provides support to the Social Planning Committee, the Heritage Advisory Committee, and the Agricultural Advisory Committee.

The Division also provides mapping, graphic and presentation services for the Department, and contributes to corporate GIS development and web based applications.

2003 Results and Outcomes

- Completed the annual review of the Official Community Plan;
- Completed revisions to the OCP Regional Context Statement and forwarded it to Council

and subsequently to the GVRD Board for acceptance;

- Compiled and geo-coded 2001 Census data;
- Undertook an analysis of properties and land values to assist in the establishment of the Whalley BIA;
- Reviewed the Annual Eligible School Sites Proposal 2004 – 2013, reported on School Sites Acquisition Charges and reviewed the charges across the province, resulting in a Council submission to the Ministers of Education and CAWS;
- In conjunction with the Area Planning Division, finalized and obtained Council approval for the East Clayton Neighbourhood Concept Plan, West Newton/Highway 10 – Phase I, the South Westminster Neighbourhood Concept Plan, and the Grandview/Highway 99 Corridor Local Area Plan, all including Urban Design concepts, Environmental Protection, and Implementation Strategies;
- Provided advice and monitored Surrey's sustainability initiatives in relation to regional, provincial, federal and industry programs to do with sustainable development and building;
- Prepared the 2003 Growth Transportation model;
- Provided input into regional and provincial initiatives to do with major road projects including the new Fraser River Crossing, the South Fraser Perimeter Road and Gateway Border access improvement projects, including growth and transportation modelling;
- Reviewed and recommended enhancements to the City's Affordable Home Ownership Assistance Program, which were adopted by Council with a three-year extension to the program. The changes to the program have enhanced participation by first time home buyers;

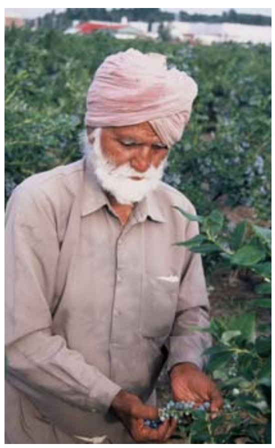
SURREY
Home Ownership
Assistance Program

- Participated in the community-based Housing and Homelessness Task Force and assisted in hosting a successful conference in June 2003;
- Developed the Framework of Activities in Support of the Social Well-being of the City's Residents;
- Championed the social needs of the City to senior levels of government regarding changes to the regulations affecting community care facilities and the need for more emergency shelter beds located outside the City Centre;
- Developed Web pages for initiatives in community development and the Home Ownership Assistance Program;
- Coordinated the 2003 Social Planning Awards which recognized the contributions made to the community by individuals and groups;
- Organized the 9th Annual Surrey Farm Tour;
- Retained and managed a Consultant analyzing trends and opportunities in agriculture. Research will be used as input into the Agricultural Development Strategy;
- Prepared a policy for Council's consideration regarding criteria for assessing applications for exclusion of land from the ALR (Agricultural Land Reserve);
- Undertook numerous Zoning By-law amendments to update the By-law, including zoning to control private liquor stores, to regulate house moves in the ALR, to control rear lane access in RF 12 zones, to create an Ocean front properties zone, to address zoning issues in the City Centre regarding single family zones and auto uses, and initiated amendments to the Sign By-law;
- Completed revisions to the Tree Preservation By-law in conjunction with the Building Division;
- Completed the Heritage Management Plan which was approved by Council, and
- Updated the Heritage Management section of the web site, procedures for referrals to the Heritage Advisory Committee, and procedures for Heritage Alteration Permits, and Designation By-laws.

2004 Key Thrusts

- Continue the phased implementation of policies and directions set out in the Official Community Plan, adopted in 2002;
- Complete the 2004 annual review of the Official Community Plan;
- Provide analysis, growth modelling and forecasting on employment, and population;

- Undertake General Land Use Plans for South Port Kells and for Grandview Heights;
- Continue the East Clayton implementation and monitoring strategy;
- Implement the Transport Canada Showcase (Surrey Central Sky Train) initiative once funding is announced;
- Undertake an updated General Land Use Plan for the City Centre and begin to identify Neighbourhood Concept Plan (NCP) planning areas within this area for further detailed planning strategies;
- Complete Phase II of the West Newton/Highway 10 Concept Plan;
- Bring forward a report on the Agricultural Development Strategy to Agricultural Advisory Committee (AAC) and Council, and develop an implementation program;
- Report on the changes to the Agricultural Land Reserve Act and recommend Zoning By-law changes to incorporate regulations for farm uses and non-farm uses allowed in the Agricultural Land Reserve (ALR);



- Bring forward recommendations on zones to reflect the Official Community Plan's (OCP) Conservation Designation, for inclusion in the Zoning By-law;
- Continue to provide staff support to the Agricultural Advisory Committee, the Heritage Advisory Commission and the Social Planning committee;
- Coordinate the 2004 Annual Farm Tour and the 2004 Social Planning Awards;
- Implement the three-year extension of the Home Ownership Assistance Program;
- Research planning policy options that will address community safety and crime prevention in new development;
- Continue to champion social needs by monitoring opportunities and through liaison with groups and agencies to motivate action on social needs;
- Update the City's drug and alcohol recovery house policy as soon as provincial regulations are clarified;
- Manage the heritage consultant and report to Council on Phase 3 of the City's Heritage Register, including the preparation of Statements of Significance on key properties, in line with the Federal government's new Heritage Register and incentives program;
- Bring forward a Designation By-law for additional sections of the Semiahmoo Trail;
- Continue to develop and maintain information systems and databases for analysis, planning procedures and publications, and work with IT to improve technology applications, and
- Bring forward amendments to the Zoning By-law as requested by Council, and to implement necessary housekeeping changes, clarifications and updates, and to reflect current policy and practices.

ADMINISTRATION AND SPECIAL PROJECTS DIVISION

The Administration Division provides administrative support to the other Divisions in the Department and is responsible for customer information services through the City Hall's main switchboard, maintenance of department records and handling related inquiries, and responding to comfort letter requests. Other areas of administrative support for the Department include budget preparation and control, word processing services, time keeping, accounting, information technology initiatives to automate and enhance current processes and to enhance customer service and convenience through initiatives such as e-business.

2003 Results and Outcomes

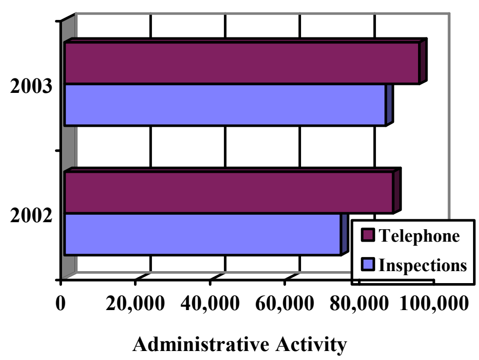
- Set up 4600 new Building Permit and Development Application files;
- Handled over 95,000 telephone calls between the switchboard and information lines;
- Produced 150 Comfort Letters;
- Processed 86,000 building inspection requests;
- Administered letters of credit related to security deposits;
- Implemented a new administrative support structure within the Inspection Sections to provide more expeditious processing of

inspection requests to best meet the timelines of builders;

- Conducted a review of the residential plans review support function with a view to implement process improvements in 2004, and
- Implemented a collaborative approach to support services between the Planning and Development Department and the Engineering Department.

2004 Key Thrusts

- Automate the support process with respect to the residential plans review function with a view to implementing digital copying of building plans and to improve processing efficiency;



- Streamline the process for handling inquiries relating to historical building files information including requests for copies of plans and survey certificates;
- Facilitate customer telephone inquiries by introducing a voice messaging service that will assist callers to expeditiously obtain the information they require;
- Review administrative support of the building permit issuance and inspections processes;
- Review current administrative business practices to introduce e-business opportunities were appropriate;
- Introduce system changes to move departments towards electronically managing records;
- Review the document management approach for the maintenance of commercial files and introduce changes that will make the access and retrieval of information more efficient, and
- Collaborate with the Long Range Planning and Policy Development Division to implement the use of electronic building maps to replace the existing hard copy paper maps.

FIVE YEAR DEPARTMENT BUDGET OUTLOOK

City Council adopted a new Official Community Plan (OCP) in 2002, which includes a significant economic development focus for the City. Policy changes in the Plan are intended to facilitate the acceleration of commercial and industrial construction to the year 2021. Residential construction growth will remain strong over the next five years; however, construction activity in the commercial and industrial sectors is projected to become a much larger component of development in the City compared to levels of previous years. The Planning and Development Department's budget typically reflects development activity levels in the marketplace. As such, the Department's budget over the next 5 years is anticipated to reflect steady increases in construction value as evidenced by last year's record setting new construction value.

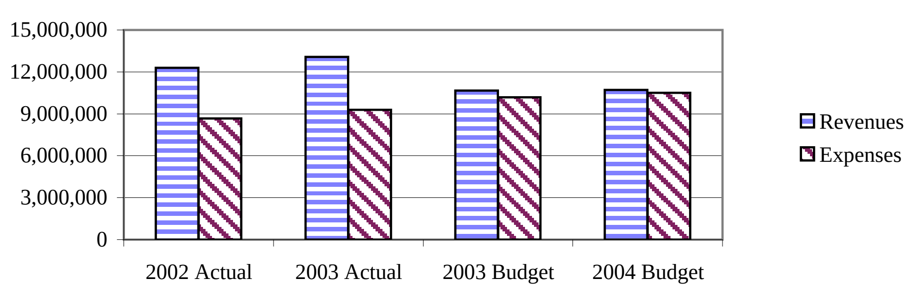
2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL OPERATIONS
PLANNING AND DEVELOPMENT

PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Administration	$ 2,241,000	$ 2,160,000	$ 2,642,000	**$ 1,857,000**	$ 1,907,000	$ 1,961,000	$ 2,026,000	$ 2,084,000
Area Planning & Development	779,000	635,000	1,730,000	**1,391,000**	1,434,000	1,481,000	1,539,000	1,589,000
Building	(6,012,000)	(5,773,000)	(4,887,000)	**(4,469,000)**	(4,579,000)	(4,678,000)	(4,769,000)	(4,871,000)
Long Range Planning & Policy	0	194,000	0	**971,000**	995,000	1,020,000	1,046,000	1,072,000
Heritage Advisory Committee	40,000	40,000	40,000	**40,000**	40,000	40,000	40,000	40,000
	$ (2,952,000)	**$ (2,744,000)**	**$ (475,000)**	**$ (210,000)**	**$ (203,000)**	**$ (176,000)**	**$ (118,000)**	**$ (86,000)**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$(12,296,000)	$(13,070,000)	$(10,665,000)	**$ (10,714,000)**	$(10,980,000)	$(11,254,000)	$(11,535,000)	$(11,823,000)
Grants, Donations and Other	(7,000)	(9,000)	0	**0**	0	0	0	0
	(12,303,000)	(13,079,000)	(10,665,000)	**(10,714,000)**	(10,980,000)	(11,254,000)	(11,535,000)	(11,823,000)
Expenditures								
Salaries and Benefits	$ 7,845,000	$ 8,678,000	$ 9,451,000	**$ 9,781,000**	$ 10,025,000	$ 10,326,000	$ 10,635,000	$ 10,955,000
Operating Costs	633,000	597,000	719,000	**703,000**	732,000	732,000	762,000	762,000
Internal Services Used	240,000	48,000	20,000	**20,000**	20,000	20,000	20,000	20,000
Internal Services Recovered	(29,000)	(37,000)	0	**0**	0	0	0	0
External Recoveries	(26,000)	(6,000)	0	**0**	0	0	0	0
	8,663,000	9,280,000	10,190,000	**10,504,000**	10,777,000	11,078,000	11,417,000	11,737,000
Net Operations Total	**(3,640,000)**	**(3,799,000)**	**(475,000)**	**(210,000)**	**(203,000)**	**(176,000)**	**(118,000)**	**(86,000)**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	688,000	1,055,000	0	**0**	0	0	0	0
	688,000	1,055,000	0	**0**	0	0	0	0
	$ (2,952,000)	**$ (2,744,000)**	**$ (475,000)**	**$ (210,000)**	**$ (203,000)**	**$ (176,000)**	**$ (118,000)**	**$ (86,000)**

Planning & Development Departmental Operations



2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
PLANNING AND DEVELOPMENT

ADMINISTRATION	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (19,000)	$ (20,000)	$ (16,000)	**$ (17,000)**	$ (16,000)	$ (16,000)	$ (16,000)	$ (16,000)
Grants, Donations and Other	(4,000)	(5,000)	0	**0**	0	0	0	0
	(23,000)	(25,000)	(16,000)	**(17,000)**	(16,000)	(16,000)	(16,000)	(16,000)
Expenditures								
Salaries and Benefits	1,910,000	1,954,000	2,360,000	**1,591,000**	1,631,000	1,685,000	1,740,000	1,798,000
Operating Costs	159,000	176,000	285,000	**269,000**	278,000	278,000	288,000	288,000
Internal Services Used	201,000	26,000	13,000	**14,000**	14,000	14,000	14,000	14,000
Internal Services Recovered	(6,000)	(1,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	2,264,000	2,155,000	2,658,000	**1,874,000**	1,923,000	1,977,000	2,042,000	2,100,000
Net Operations Total	**2,241,000**	**2,130,000**	**2,642,000**	**1,857,000**	**1,907,000**	**1,961,000**	**2,026,000**	**2,084,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	30,000	0	**0**	0	0	0	0
	0	30,000	0	**0**	0	0	0	0
	$ 2,241,000	**$ 2,160,000**	**$ 2,642,000**	**$ 1,857,000**	**$ 1,907,000**	**$ 1,961,000**	**$ 2,026,000**	**$ 2,084,000**

AREA & PLANNING DEVELOPMENT	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ (1,604,000)	$ (1,955,000)	$ (1,238,000)	**$ (1,281,000)**	$ (1,313,000)	$ (1,346,000)	$ (1,380,000)	$ (1,415,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(1,604,000)	(1,955,000)	(1,238,000)	**(1,281,000)**	(1,313,000)	(1,346,000)	(1,380,000)	(1,415,000)
Expenditures								
Salaries and Benefits	2,286,000	2,552,000	2,900,000	**2,604,000**	2,669,000	2,749,000	2,831,000	2,916,000
Operating Costs	68,000	32,000	68,000	**68,000**	78,000	78,000	88,000	88,000
Internal Services Used	31,000	7,000	0	**0**	0	0	0	0
Internal Services Recovered	0	(1,000)	0	**0**	0	0	0	0
External Recoveries	(2,000)	0	0	**0**	0	0	0	0
	2,383,000	2,590,000	2,968,000	**2,672,000**	2,747,000	2,827,000	2,919,000	3,004,000
Net Operations Total	**779,000**	**635,000**	**1,730,000**	**1,391,000**	**1,434,000**	**1,481,000**	**1,539,000**	**1,589,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 779,000	**$ 635,000**	**$ 1,730,000**	**$ 1,391,000**	**$ 1,434,000**	**$ 1,481,000**	**$ 1,539,000**	**$ 1,589,000**

BUILDING	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$(10,673,000)	$ (11,095,000)	$ (9,411,000)	**$ (9,416,000)**	$ (9,651,000)	$ (9,892,000)	$(10,139,000)	$(10,392,000)
Grants, Donations and Other	(3,000)	(4,000)	0	**0**	0	0	0	0
	(10,676,000)	(11,099,000)	(9,411,000)	**(9,416,000)**	(9,651,000)	(9,892,000)	(10,139,000)	(10,392,000)
Expenditures								
Salaries and Benefits	3,649,000	3,992,000	4,191,000	**4,615,000**	4,730,000	4,872,000	5,018,000	5,169,000
Operating Costs	403,000	351,000	326,000	**326,000**	336,000	336,000	346,000	346,000
Internal Services Used	7,000	9,000	7,000	**6,000**	6,000	6,000	6,000	6,000
Internal Services Recovered	(23,000)	(24,000)	0	**0**	0	0	0	0
External Recoveries	(24,000)	(6,000)	0	**0**	0	0	0	0
	4,012,000	4,322,000	4,524,000	**4,947,000**	5,072,000	5,214,000	5,370,000	5,521,000
Net Operations Total	**(6,664,000)**	**(6,777,000)**	**(4,887,000)**	**(4,469,000)**	**(4,579,000)**	**(4,678,000)**	**(4,769,000)**	**(4,871,000)**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	652,000	1,004,000	0	**0**	0	0	0	0
	652,000	1,004,000	0	**0**	0	0	0	0
	$ (6,012,000)	**$ (5,773,000)**	**$ (4,887,000)**	**$ (4,469,000)**	**$ (4,579,000)**	**$ (4,678,000)**	**$ (4,769,000)**	**$ (4,871,000)**

LONG RANGE PLANNING & POLICY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	0	180,000	0	**971,000**	995,000	1,020,000	1,046,000	1,072,000
Operating Costs	0	24,000	0	**0**	0	0	0	0
Internal Services Used	0	1,000	0	**0**	0	0	0	0
Internal Services Recovered	0	(11,000)	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	0	194,000	0	**971,000**	995,000	1,020,000	1,046,000	1,072,000
Net Operations Total	**0**	**194,000**	**0**	**971,000**	**995,000**	**1,020,000**	**1,046,000**	**1,072,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
	$ 0	**$ 194,000**	**$ 0**	**$ 971,000**	**$ 995,000**	**$ 1,020,000**	**$ 1,046,000**	**$ 1,072,000**

2004 - 2008 FINANCIAL PLAN
DEPARTMENTAL PROGRAMS
PLANNING AND DEVELOPMENT

HERITAGE ADVISORY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	0	0	0	**0**	0	0	0	0
Operating Costs	3,000	14,000	40,000	**40,000**	40,000	40,000	40,000	40,000
Internal Services Used	1,000	5,000	0	**0**	0	0	0	0
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	4,000	19,000	40,000	**40,000**	40,000	40,000	40,000	40,000
Net Operations Total	**4,000**	**19,000**	**40,000**	**40,000**	**40,000**	**40,000**	**40,000**	**40,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	36,000	21,000	0	**0**	0	0	0	0
	36,000	21,000	0	**0**	0	0	0	0
	$ 40,000	**$ 40,000**	**$ 40,000**	**$ 40,000**	**$ 40,000**	**$ 40,000**	**$ 40,000**	**$ 40,000**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
PLANNING AND DEVELOPMENT

2003 ADOPTED BUDGET			**$ (475,000)**
REVENUES			
Sales and Services			
Increase in Revenue	....	$ (342,000)	
Transfer Business License to By-law	....	293,000	**(49,000)**
Taxation and Other	....	0	**0**
Total Change in Revenues			**(49,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase in Salary Rate	....	330,000	**330,000**
Operating Costs			
Increase in Printing Costs		2,000	
Transfer to IT for PC's Contribution & Support	....	(18,000)	**(16,000)**
Internal Services Used	....	0	**0**
Internal Services Recovered	....	0	**0**
External Recoveries	....	0	**0**
Transfer From Own Sources	....	0	**0**
Transfer To Own Sources	....	0	**0**
Total Change in Expenditures			**314,000**
2004 BUDGET			**$ (210,000)**

2004 ADOPTED BUDGET			**$ (210,000)**
REVENUES			
Sales and Service			
Increase in Revenue - Building	....	(1,109,000)	**(1,109,000)**
EXPENDITURES			
Salaries/Wages & Benefits			
Increase Salary Rate	....	1,174,000	**1,174,000**
Operating Costs			
Increase Due to Inflation	....	59,000	**59,000**
2008 BUDGET			**$ (86,000)**

WATER UTILITY OVERVIEW

The Water Utility operates and maintains a network to distribute water to its customers comprised of 1,820 km of water distribution mains, 10 pump stations, 7,700 fire hydrants, 220 pressure reducing valves and 16,000 water meters. Bulk water is purchased from the Greater Vancouver Water District at various supply points throughout the City. While most customers pay a flat rate for their water, the City is increasing its base of metered customers.

2003 ACCOMPLISHMENTS

In addition to the continued operation and maintenance of the water infrastructure, the City carried out a number of specific projects in 2003. Some of the major projects include a secondary feeder main installed to supply Cloverdale and the first groundwater well and pump station at Sunnyside was commissioned. Other works included water main replacement; pressure reducing valve installation and increased water quality monitoring. A new utility billing and collection system for both the water and sewer utilities was also implemented.

KEY TRENDS AND ISSUES

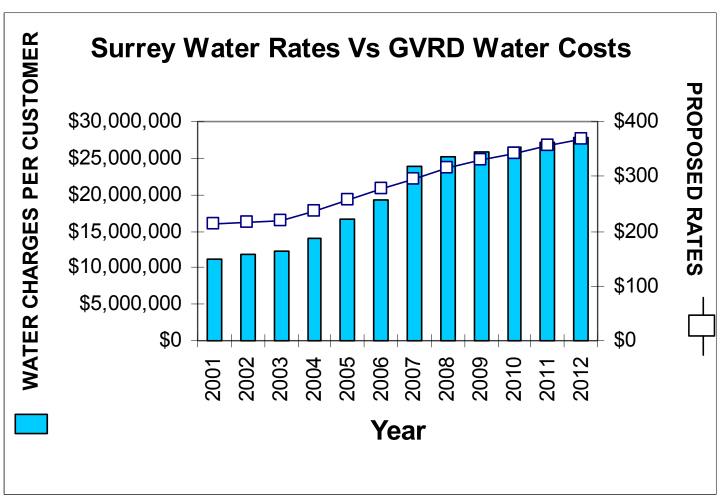
The Water Utility continues to expand its metering of existing residential properties. In 2003, 7,000 customers were converted from flat rate to metered through our voluntary residential metering program.

Water quality will improve over the next few years as the GVWD advances filtration and disinfection of the Seymour and Capilano sources. These water quality enhancements will increase the costs of water purchased from the GVWD. The Water Utility is also exploring groundwater resource to supplement GVWD water source to provide a lower cost water source and an emergency secondary source.

RATES FOR 2004

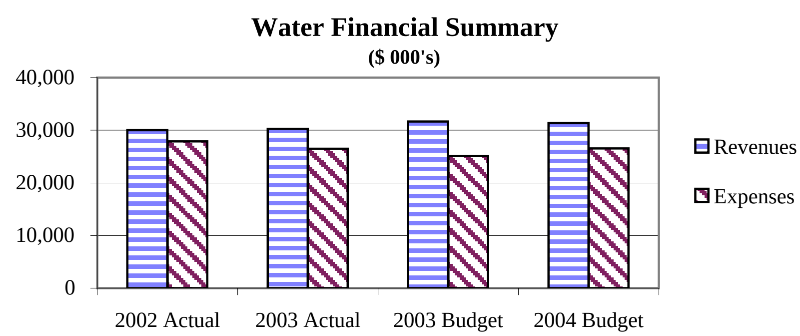
For 2004, the water rates have increased by 7.2% of which is directly attributed to the GVRD Water Rate increase. This rate increase represents an average increase of $12.00 for metered residential customers and a $16.00 increase on flat rates for Single Family Residents, bringing them to a rate of $236.00. Rates for Apartments and Townhouses are now $214.00 and Secondary Suites have increased to a rate of $166.00. These increases in rates help to align flat rates with revised average consumption by the remaining users on flat rate as many low consumption customers switch to metered water. This increases the average consumption of flat fee users as a whole.

The metered water rates are $0.3966 per cubic meter of consumption. The annual base charge remains at $60.00.



2004 - 2008 FINANCIAL PLAN
WATER - FINANCIAL SUMMARY
$ 000's

REVENUE SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Taxation	$ 224	$ 142	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Collections for Other Authorities	0	0	0	**0**	0	0	0	0
	224	142	0	**0**	0	0	0	0
Investment Income	2,164	1,999	1,740	**1,680**	1,610	1,803	1,780	1,622
Penalties and Interest on Taxes	209	299	135	**135**	135	135	135	135
MFA Debt Refund	213	7	1,525	**39**	41	0	1,345	410
	2,586	2,305	3,400	**1,854**	1,786	1,938	3,260	2,167
Departmental Revenues	27,200	27,787	28,254	**29,496**	30,540	31,858	33,282	34,802
	$ 30,010	**$ 30,234**	**$ 31,654**	**$ 31,350**	**$ 32,326**	**$ 33,796**	**$ 36,542**	**$ 36,969**
EXPENDITURE SUMMARY								
Fiscal Services	$ 328	$ 29	$ 35	**$ 0**	$ 0	$ 0	$ 0	$ 0
Departmental Expenditures	17,961	18,940	19,534	**21,616**	24,237	27,184	31,933	33,528
	$ 18,289	**$ 18,969**	**$ 19,569**	**$ 21,616**	**$ 24,237**	**$ 27,184**	**$ 31,933**	**$ 33,528**
Interest Allocated to Approp. Surplus	$ 548	$ 513	$ 555	**$ 496**	$ 509	$ 562	$ 586	$ 611
Debt Principal Repaid	1,055	559	559	**0**	0	0	0	0
Contribution to Capital	7,990	6,413	4,413	**4,460**	4,345	4,351	4,156	4,162
Net Tsf To/(Frm) Surplus/Reserve	2,128	3,780	6,558	**4,778**	3,235	1,699	(133)	(1,332)
	$ 11,721	**$ 11,265**	**$ 12,085**	**$ 9,734**	**$ 8,089**	**$ 6,612**	**$ 4,609**	**$ 3,441**
Surplus/(Deficit)	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Transfers (To)/Frm Surplus	0	0	0	**0**	0	0	0	0
	$ 0	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

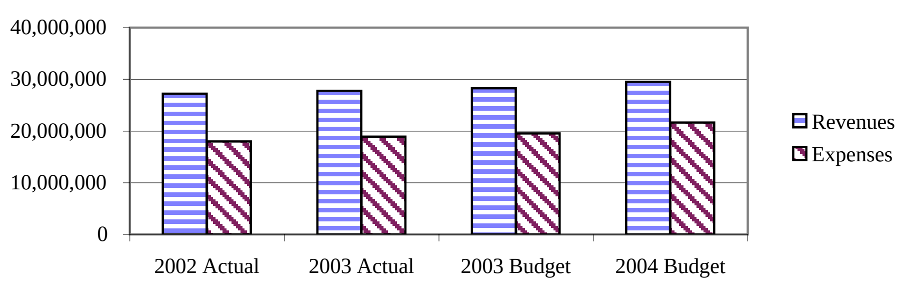


PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Water	$ (6,563,000)	$ (5,299,000)	$ (2,162,000)	**$ (3,102,000)**	$ (3,069,000)	$ (2,973,000)	$ (1,476,000)	$ (2,596,000)
	$ (6,563,000)	**$ (5,299,000)**	**$ (2,162,000)**	**$ (3,102,000)**	**$ (3,069,000)**	**$ (2,973,000)**	**$ (1,476,000)**	**$ (2,596,000)**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$(27,200,000)	$(27,787,000)	$(28,254,000)	**$(29,496,000)**	$(30,540,000)	$(31,858,000)	$(33,282,000)	$(34,802,000)
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	(27,200,000)	(27,787,000)	(28,254,000)	**(29,496,000)**	(30,540,000)	(31,858,000)	(33,282,000)	(34,802,000)
Expenditures								
Salaries and Benefits	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Operating Costs	16,461,000	17,569,000	18,447,000	**20,462,000**	23,060,000	25,983,000	30,708,000	32,278,000
Internal Services Used	1,500,000	1,371,000	1,087,000	**1,154,000**	1,177,000	1,201,000	1,225,000	1,250,000
Internal Services Recovered	0	0	0	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	17,961,000	18,940,000	19,534,000	**21,616,000**	24,237,000	27,184,000	31,933,000	33,528,000
Net Operations Total	**(9,239,000)**	**(8,847,000)**	**(8,720,000)**	**(7,880,000)**	**(6,303,000)**	**(4,674,000)**	**(1,349,000)**	**(1,274,000)**
Transfers								
Transfer From Own Sources	(1,055,000)	(562,000)	0	**0**	0	0	(127,000)	(1,322,000)
Transfer To Own Sources	3,731,000	4,110,000	6,558,000	**4,778,000**	3,234,000	1,701,000	0	0
	2,676,000	3,548,000	6,558,000	**4,778,000**	3,234,000	1,701,000	(127,000)	(1,322,000)
	$ (6,563,000)	**$ (5,299,000)**	**$ (2,162,000)**	**$ (3,102,000)**	**$ (3,069,000)**	**$ (2,973,000)**	**$ (1,476,000)**	**$ (2,596,000)**

Water Departmental Operations



2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
WATER UTILITY

REVENUES			
2003 Adopted Budget			**$ 31,654,000**
Investment Income	....	$ (60,000)	
Penalties and Interest on Taxes	....	0	
MFA Debt Refund	....	(1,486,000)	**(1,546,000)**
Department Revenues			
Increase Due to Growth in Water Sales	....	673,000	
Increase Due to Rate Increase in Water Sales	....	569,000	**1,242,000**
Total Change in Revenue			**(304,000)**
2004 REVENUE BUDGET			**$ 31,350,000**
EXPENDITURES			
2003 Adopted Budget			**$ 31,654,000**
Expenditures			
Decrease in Fiscal Charges	....	(35,000)	
Increase in Water Maintenance Costs	....	462,000	
Increase in GVRD Water Costs	....	1,620,000	**2,047,000**
Interest Allocated to Appropriated Surplus	....	(59,000)	
Debt Principle	....	(559,000)	
Contribution to Capital	....	47,000	**(571,000)**
Net Transfers			
Decrease in Transfers for MFA Debt Refund	....	(1,486,000)	
Decrease in Transfers to Capital Legacy Fund	....	(2,294,000)	
Increase Funding for New Building	....	2,000,000	**(1,780,000)**
Total Change in Expenditures			**(304,000)**
2004 EXPENDITURE BUDGET			**$ 31,350,000**
2004 BUDGET			**$ 0**

REVENUES			
2004 Adopted Budget			**$ 31,350,000**
Decrease in Investment Income	....	$ (58,000)	
Increase in MFA Debt Refund	....	371,000	
Increase Due to Growth in Water Sales	....	2,504,000	
Increase Due to Rate Increase in Water Sales	....	2,802,000	**5,619,000**
2008 REVENUE BUDGET			**$ 36,969,000**
EXPENDITURES			
2004 Adopted Budget			**$ 31,350,000**
Increase in Water Maintenance Costs	....	831,000	
Increase in GVRD Water Costs	....	11,081,000	
Increase in Interest Allocation	....	115,000	
Decrease in Transfers for MFA Debt Refund	....	371,000	
Decrease in Capital Contribution	....	(298,000)	
Decrease in Transfers to Other Funds	....	(6,481,000)	**5,619,000**
2008 EXPENDITURE BUDGET			**$ 36,969,000**
2008 BUDGET			**$ 0**

DEPARTMENTAL OPERATIONS

The Sewer Utility operates and maintains a network comprised of 1,480 km of sewage mains and 37 pump stations. This network collects and conveys sanitary sewage from our customers to trunk sewers owned and operated by the Greater Vancouver Sewage & Drainage District. The GVS&DD also treat the sewage for Surrey at the Annacis Island Wastewater Treatment Plant. Sanitary sewage charges paid to the GVS&DD are based on the City's average dry weather flow. A series of monitoring sites measure the flow entering the regional trunks. Most customers pay a flat rate for their sanitary sewage charges. Water meter customers pay for sanitary sewer services based on 80% of their water consumption.

The Drainage Utility operates, maintains and monitors a network of storm sewers, ditches and pump stations that collect and convey runoff to various creeks and rivers. It is also upgrading the City's network of dykes and other flood control works. Drainage charges are collected by a parcel charge.

2003 ACCOMPLISHMENTS

Together with the ongoing provision of sewerage and drainage services for the residents and businesses of Surrey, the Utility Division has undertaken a number of specific projects in 2003. The largest capital item has been continued work on the multi-year Serpentine-Nicomekl flood control program. As part of this program, commissioning of four new pumps, initiation of ditch conveyance works and continued dyke upgrading was undertaken in 2003. Response to large flood and associated erosion events in 2003 has also been an important component of the drainage utility's activity this year. Other work has included existing system replacements and upgrades to improve the reliability of the sanitary sewer system, new infrastructure to meet the needs of growth and development and continued investigations into inflow and infiltration control for the sewer system.

KEY TRENDS AND ISSUES

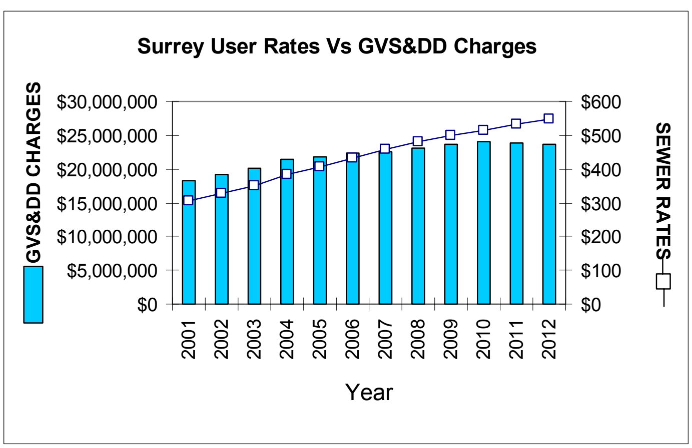
At the regional level, one of the key issues is the Liquid Waste Management Plan which establishes long-term infrastructure and operating plans for the GVS&DD and the member municipalities. This plan continues to provide a basis for long term financial planning

RATES FOR 2004

For 2004, sewer rates have increased by 12% due to increases from GVS&DD, labour costs and third party contract increases. The average Single Family Resident rate increase will be $25.00 to a rate of $232.00, Apartments and Townhouse rates will now be$177.00 and Secondary Suites will increase to a rate of $232.00. In addition, the drainage parcel tax, which has replaced the sewer parcel tax, has increased by $5.00 per parcel to $150.00.

The metered sewer rates are at $0.60 per cubic meter of water consumption, applying an 80% discharge factor.

The below graph illustrates Surrey's proposed rate increases over the next 10 years when compared to our anticipated Greater Vancouver Sewer & Drainage District charges.



SEWER & DRAINAGE - FINANCIAL SUMMARY

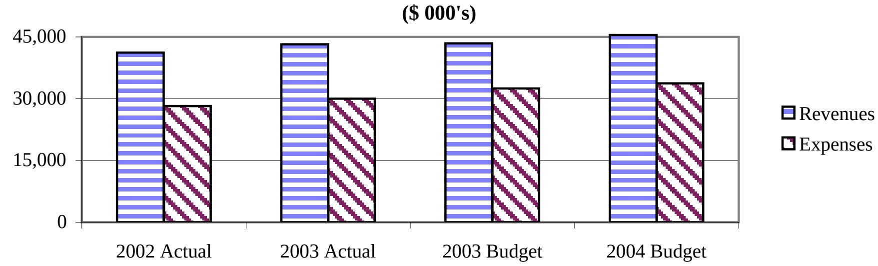
$ 000's

REVENUE SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Taxation	$ 16,827	$ 17,535	$ 15,597	**$ 16,539**	$ 16,831	$ 17,124	$ 17,442	$ 17,773
Collections for Other Authorities	0	0	0	**0**	0	0	0	0
	16,827	17,535	15,597	**16,539**	16,831	17,124	17,442	17,773
Investment Income	2,721	1,760	1,574	**1,469**	1,264	1,403	1,516	1,704
Penalties and Interest on Taxes	262	262	180	**180**	180	180	180	180
MFA Debt Refund	0	0	1,180	**0**	25	0	592	0
	2,983	2,022	2,934	**1,649**	1,469	1,583	2,288	1,884
Departmental Revenues	21,373	23,683	24,888	**27,299**	29,010	30,692	32,360	34,014
	$ 41,183	**$ 43,240**	**$ 43,419**	**$ 45,487**	**$ 47,310**	**$ 49,399**	**$ 52,090**	**$ 53,671**

EXPENDITURE SUMMARY

Fiscal Services	$ 43	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Departmental Expenditures	28,170	29,974	32,456	**33,710**	34,516	35,068	35,950	37,020
	$ 28,213	**$ 29,974**	**$ 32,456**	**$ 33,710**	**$ 34,516**	**$ 35,068**	**$ 35,950**	**$ 37,020**
Interest Allocated to Approp. Surplus	$ 431	$ 411	$ 447	**$ 305**	$ 288	$ 307	$ 351	$ 394
Debt Principal Repaid	154	0	0	**0**	0	0	0	0
Contribution to Capital	11,670	7,587	7,587	**6,515**	6,668	6,885	7,904	7,921
Net Tsf To/(Frm) Surplus/Reserve	165	5,268	2,929	**4,957**	5,838	7,139	7,885	8,336
	$ 12,420	**$ 13,266**	**$ 10,963**	**$ 11,777**	**$ 12,794**	**$ 14,331**	**$ 16,140**	**$ 16,651**
Surplus/(Deficit)	$ 550	$ (0)	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Transfers (To)/Frm Surplus	(550)	0	0	**0**	0	0	0	0
	$ 0	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

Sewer & Drainage Financial Summary
($ 000's)

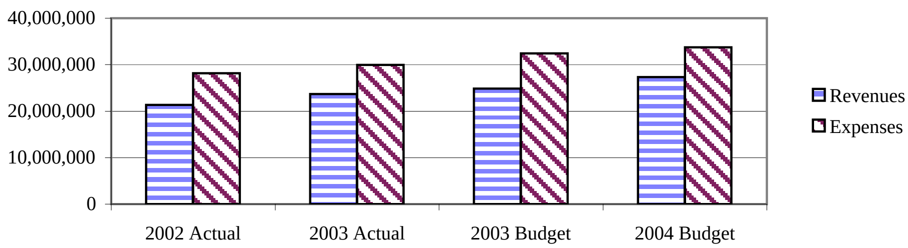


PROGRAM SUMMARY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Drainage Utility	$ 4,090,000	$ 4,685,000	$ 5,124,000	**$ 5,489,000**	$ 5,643,000	$ 5,803,000	$ 5,966,000	$ 6,133,000
Sewer Utility	2,895,000	1,856,000	2,695,000	**1,172,000**	113,000	(1,177,000)	(2,126,000)	(2,877,000)
	$ 6,985,000	**$ 6,541,000**	**$ 7,819,000**	**$ 6,661,000**	**$ 5,756,000**	**$ 4,626,000**	**$ 3,840,000**	**$ 3,256,000**

ACCOUNT SUMMARY

	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ (180,000)	$ 0	**$ (100,000)**	$ (100,000)	$ (100,000)	$ (100,000)	$ (100,000)
Grants, Donations and Other	(21,373,000)	(23,503,000)	(24,888,000)	**(27,199,000)**	(28,910,000)	(30,592,000)	(32,260,000)	(33,914,000)
	(21,373,000)	(23,683,000)	(24,888,000)	**(27,299,000)**	(29,010,000)	(30,692,000)	(32,360,000)	(34,014,000)
Expenditures								
Salaries and Benefits	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Operating Costs	21,903,000	23,036,000	24,971,000	**25,586,000**	26,163,000	26,477,000	27,116,000	27,938,000
Internal Services Used	6,377,000	7,024,000	7,862,000	**8,194,000**	8,425,000	8,665,000	8,910,000	9,160,000
Internal Services Recovered	(110,000)	(86,000)	(377,000)	**(70,000)**	(72,000)	(74,000)	(76,000)	(78,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	28,170,000	29,974,000	32,456,000	**33,710,000**	34,516,000	35,068,000	35,950,000	37,020,000
Net Operations Total	**6,797,000**	**6,291,000**	**7,568,000**	**6,411,000**	**5,506,000**	**4,376,000**	**3,590,000**	**3,006,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	188,000	250,000	250,000	**250,000**	250,000	250,000	250,000	250,000
	188,000	250,000	250,000	**250,000**	250,000	250,000	250,000	250,000
	$ 6,985,000	**$ 6,541,000**	**$ 7,818,000**	**$ 6,661,000**	**$ 5,756,000**	**$ 4,626,000**	**$ 3,840,000**	**$ 3,256,000**

Sewer & Drainage Departmental Operations



DRAINAGE UTILITY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Grants, Donations and Other	0	0	0	**0**	0	0	0	0
	0	0	0	**0**	0	0	0	0
Expenditures								
Salaries and Benefits	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Operating Costs	1,028,000	1,161,000	1,358,000	**1,405,000**	1,447,000	1,491,000	1,536,000	1,582,000
Internal Services Used	3,069,000	3,469,000	3,885,000	**4,029,000**	4,143,000	4,261,000	4,381,000	4,504,000
Internal Services Recovered	(70,000)	(70,000)	(244,000)	**(70,000)**	(72,000)	(74,000)	(76,000)	(78,000)
External Recoveries	0	0	0	**0**	0	0	0	0
	4,027,000	4,560,000	4,999,000	**5,364,000**	5,518,000	5,678,000	5,841,000	6,008,000
Net Operations Total	**4,027,000**	**4,560,000**	**4,999,000**	**5,364,000**	**5,518,000**	**5,678,000**	**5,841,000**	**6,008,000**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	63,000	125,000	125,000	**125,000**	125,000	125,000	125,000	125,000
	63,000	125,000	125,000	**125,000**	125,000	125,000	125,000	125,000
	$ 4,090,000	**$ 4,685,000**	**$ 5,124,000**	**$ 5,489,000**	**$ 5,643,000**	**$ 5,803,000**	**$ 5,966,000**	**$ 6,133,000**

SEWER UTILITY	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenues								
Sales and Services	$ 0	$ (180,000)	$ 0	**$ (100,000)**	$ (100,000)	$ (100,000)	$ (100,000)	$ (100,000)
Grants, Donations and Other	(21,373,000)	(23,503,000)	(24,888,000)	**(27,199,000)**	(28,910,000)	(30,592,000)	(32,260,000)	(33,914,000)
	(21,373,000)	(23,683,000)	(24,888,000)	**(27,299,000)**	(29,010,000)	(30,692,000)	(32,360,000)	(34,014,000)
Expenditures								
Salaries and Benefits	$ 0	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
Operating Costs	20,875,000	21,875,000	23,613,000	**24,181,000**	24,716,000	24,986,000	25,580,000	26,356,000
Internal Services Used	3,308,000	3,555,000	3,978,000	**4,165,000**	4,282,000	4,404,000	4,529,000	4,656,000
Internal Services Recovered	(40,000)	(16,000)	(133,000)	**0**	0	0	0	0
External Recoveries	0	0	0	**0**	0	0	0	0
	24,143,000	25,414,000	27,458,000	**28,346,000**	28,998,000	29,390,000	30,109,000	31,012,000
Net Operations Total	**2,770,000**	**1,731,000**	**2,570,000**	**1,047,000**	**(12,000)**	**(1,302,000)**	**(2,251,000)**	**(3,002,000)**
Transfers								
Transfer From Own Sources	0	0	0	**0**	0	0	0	0
Transfer To Own Sources	125,000	125,000	125,000	**125,000**	125,000	125,000	125,000	125,000
	125,000	125,000	125,000	**125,000**	125,000	125,000	125,000	125,000
	$ 2,895,000	**$ 1,856,000**	**$ 2,695,000**	**$ 1,172,000**	**$ 113,000**	**$ (1,177,000)**	**$ (2,126,000)**	**$ (2,877,000)**

2004 - 2008 FINANCIAL PLAN
SIGNIFICANT CHANGES
SEWER UTILITY

REVENUES		
2003 Adopted Budget		$ 43,419,000
Taxation		
Increase Due to Growth in Drainage Levy	$ 537,000	
Increase Due to Rate Increase in Drainage Levy	338,000	
Special Levies and Local Improvements	67,000	942,000
Investment Income	(105,000)	
MFA Debt Refund	(1,180,000)	(1,285,000)
Sales and Services		
Increase Due to Growth in Sewer Sales	1,137,000	
Increase Due to Rate Increase in Sewer Sales	1,174,000	
Increase in Sewer Connections	100,000	2,411,000
Total Change in Revenue		2,068,000
2004 REVENUE BUDGET		$ 45,487,000
EXPENDITURES		
2003 Adopted Budget		$ 43,419,000
Expenditures		
Increase in Sewer Maintenance Costs	400,000	
Increase in Drainage Maintenance Costs	367,000	
Increase in GVS&DD Costs	487,000	1,254,000
Interest Allocated to Appropriated Surplus	(142,000)	
Contribution to Capital	(1,072,000)	(1,214,000)
Net Transfers		
Decrease in Transfers for MFA Debt Refund	(1,180,000)	
Increase in Transfers to Infrastructure Reserve	2,000,000	
Increase in Transfers to Capital Legacy Reserve	1,208,000	2,028,000
Total Change in Expenditures		2,068,000
2004 EXPENDITURE BUDGET		$ 45,487,000
2004 BUDGET		$ 0

REVENUES		
2004 Adopted Budget		$ 45,487,000
Increase Due to Growth in Drainage Levy	$ 1,324,000	
Special Levies and Local Improvements	(90,000)	
Investment Income	235,000	
Increase Due to Growth in Sewer Sales	2,239,000	
Increase Due to Rate Increase in Sewer Sales	4,476,000	8,184,000
2004 REVENUE BUDGET		$ 53,671,000
EXPENDITURES		
2004 Adopted Budget		$ 45,487,000
Increase in Sewer Maintenance Costs	723,000	
Increase in Drainage Maintenance Costs	644,000	
Increase in GVS&DD Costs	1,944,000	
Interest Allocated to Appropriated Surplus	89,000	
Increase in Contribution to Capital	1,406,000	
Increase in Transfers to Other Funds	3,378,000	8,184,000
2008 EXPENDITURE BUDGET		$ 53,671,000
2008 BUDGET		$ 0

The General Capital Financial Plan matches the City's needs for investment in capital with its available financial resources.

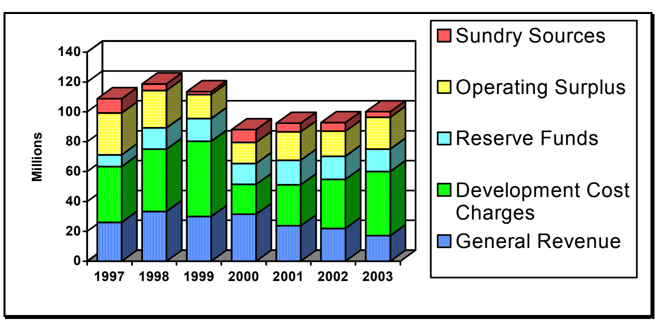
Population growth has been the primary factor in determining capital requirements in Surrey. Each year additional roads, parks, equipment, and other facilities are added to the inventory of infrastructure. Surrey also needs to preserve and upgrade this growing infrastructure as well as replace obsolete or worn out components on an annual basis.

These capital requirements compete for limited financial resources. To maximize these resources, Surrey Council has adopted a Capital Planning Process and a Capital Ranking Model for prioritizing capital requirements. An analysis of the process and further details on the ranking model can be found in the "Capital Planning Process" section that follows.

In 1998 additional models were created. In order to accurately assess the financing requirements of large, multi-phased Capital Projects, a Multi-Phased Financing Model was developed. From this model, several potential financing options were identified. Each option was then evaluated to determine the impact on future Operating and Capital Financial Plans. Finally, a Five Year Operating and Capital Financial Planning Model was developed. These Models are described in the "Capital Planning Process" section.

CAPITAL FUNDING CONTRIBUTIONS

As previously discussed, there are many funding sources for capital expenditures. The following graph shows the mix of funding sources used over the last seven years to fund the City of Surrey's Capital Program:



A summary of all Statutory Reserve Funds is located in the following section.

Non-Discretionary Contributions

Non Discretionary Contributions to the Capital Program include those Statutory Reserve Funds that are restrictive in their intended use. They include the following:

<u>Development Cost Charge/NCP Contributions (Section 933 of the Local Government Act)</u>

Developers are required to contribute to the future growth of the City. Prior to developing land, they must pay Development Cost Charges (DCC's). In some instances, they are also required to contribute to Neighbourhood Concept Plans (NCP's). As the City collects these contributions, they are deposited into the Statutory Reserve Fund until the funds can be spent. Contributions collected in Year 1 can be included as a contribution in the Capital Financial Plan for Year 2. Each contribution can only be used specifically for the purpose that it was collected. For instance, if the City collects Water DCC's then that contribution can only be spent on a growth related Water project.

Collections of DCC contributions surged in 1994 and 1995 due to the introduction of new rates. They tapered off in 1996 through 1999 due to economic conditions. We have seen an improvement in growth patterns since 2000 and are expecting this trend to continue at a modest level through the next few years allowing us to plan for our future programs.

<u>Cash in Lieu of Parkland (Section 936 of the Local Government Act)</u>

As part of the development requirement, applicants must contribute a portion of their land to be used for Parkland or provide cash contribution. This cash contribution is deposited into a Statutory Reserve Fund and may only be used to purchase parkland. Monies collected in Year 1 can be included as contributions to the Capital Financial Plan for the Parkland Acquisition Program in Year 2.

Affordable Housing (Section 935 of the Local Government Act)

Prior to 1998, developers were required to either include a portion of affordable housing within their development complex or contribute cash to an Affordable Housing Statutory Reserve Fund. The cash was to be used to provide affordable housing to the residents of Surrey. This development requirement no longer exists. The remaining monies in the Statutory Reserve Fund are now being used to fund the Affordable Housing Policy as adopted by Council.

Discretionary Contributions

These contributions can be appropriations of Operating Surplus, contributions from Operating Financial Plans or less restrictive Statutory Reserve Funds.

Operating Appropriated Surplus

Non-Statutory Reserves within Operating Funds refer to appropriations of surplus or unappropriated surplus revenues, which City Council can, by simple majority vote, use for any capital or operating purpose without any other statutory limitations.

Examples of these appropriations include the following:

- Operating Contingency;
- Innovation Fund, and
- Utility Rate Stabilization Reserve.

Contributions from Operating

As Surrey Council adhered to a policy of "0%" tax rate increases, General Operating contributions to capital remained relatively static from 1994 to 1998. In 1998 Surrey amalgamated its Drainage and Sewer capital needs to provide for the combined need within Sewer Utility Capital Funding. This innovation made available an additional $3.5 million for other General Capital needs during that year. The additional funding availability was short lived as the Province of BC reduced their funding to the City by $4.3 million, resulting in a capital reduction of $3.8 million. In order to manage the ongoing increased contract demands in General Operating, and satisfy Council's direction of 0% tax increase, the General Operating Contribution to Capital was decreased to $5.2 million in 2003. This has placed more dependence upon other funding sources such as Reserves, Borrowing and Private Contributions.

Other Statutory Reserve Funds

The Local Government Act allows for the establishment of statutory reserve funds that have fewer restrictions attached to their usage. Two examples of these types of reserve funds are, the City Land Reserve and the Vehicles and Equipment Replacement Reserve. Legislation requires that the proceeds of all City Land Sales be deposited into a statutory reserve fund. Once the monies have been deposited, there is no restriction as to how these funds are used as long as the planned expenditures are authorized by 2/3 of Council. The City is also permitted to appropriate from General Operating Funds into a Capital Works Reserve Fund for the purpose of purchasing machinery and equipment to maintain City property and to preserve its assets.

Other Contributions

Contributions listed under this category are those that do not easily fit elsewhere. They vary in nature from one year to the next depending upon the capital requirements and the availability of the funding. These contributions are usually from sources external to the City, but they can also include the use of borrowing to fund projects over more than one year.

External Sources

External or Sundry Funding Sources describe contributions to Capital Projects from private individuals or other external organizations including Senior Governments. These contributions fluctuate from year to year with changes in government grant programs and opportunities for private sector partnerships. Some projects are dependent on these contributions to proceed. For example, the Engineering Services Capital Program shows a Sundry Source of $4,073,000 representing an anticipated contribution from the Greater Vancouver Regional District Transit Authority (TransLink). If this funding is not received, the corresponding projects will have to be eliminated from Engineering Services.

Borrowing

Borrowing limits for municipalities within the Province of BC are determined by the criteria established under Section 334 of the Local Government Act [1996 RS Chap 323]. This section excludes short term and temporary borrowing. It is based on 20% of the following:

- The three year average of the authenticated assessed values for taxable purposes, and
- The current value of the City's tangible capital assets.

The gross borrowing power for the City of Surrey is $946 million. The City's authorized outstanding debt at December 31, 2003 is approximately $20 million.

Section 334.3 of the Local Government Act provides for the temporary borrowing of money to meet current expenditures. Debt outstanding for this purpose must not exceed the total unpaid taxes levied during the current year. Surrey's limit for 2003 was $201 million. The City's authorized temporary borrowing at December 31, 2003 was $20 million.

Section 334.4 of the Local Government Act provides for the short-term capital borrowing payable within 5 years. The total debt outstanding must not exceed $50 multiplied by the municipal population. In Surrey's case this limit was $18.5 million for 2003. The City currently does not have any short-term borrowing.

Surrey has traditionally employed a "pay as you go" approach to financing capital works. During 2003, the City retired all outstanding debt, most of which were for Sewer and Water infrastructure. The Sewer and Water debt was incurred in the late 70's and early 80's under a Provincial Grant Program that funded up to 75% of the annual debt charges.

The "pay as you go" approach employed by Surrey has several benefits:

- Preserves flexibility for the City by not accumulating large fixed debt costs;
- Avoids the payment of interest charges, and
- Is particularly appropriate in a growing municipality where there is an ongoing program of expansion of the City's infrastructure.

CAPITAL EXPENDITURES

The Capital Program incorporates expenditures required for statutory and asset maintenance as well as new projects.

Statutory and Asset Maintenance

This constitutes the largest portion of the Capital Program. It represents the 'base' Capital that is required to preserve previous investments in Capital, to replace old or worn out assets and to meet continued growth demands.

These expenditures are funded by ongoing Capital Sources such as:

- Contributions from Operating Revenue;
- Development Costs, and
- Sundry Sources.

These funding sources, although not guaranteed annually, are stable in nature and can be relied upon as a continuing source while the City experiences growth.

<u>Preservation of Previous Investments in Capital</u>

As capital assets age they require more maintenance and upkeep. Major maintenance expenditures are designed to restore assets to the state they were in when the original investment was made. The need to address these capital issues often receives less attention when growth demands for new facilities is pressing. This is understandable where the need to "re-invest" in infrastructure is virtually invisible to the taxpayer. A good example of this is the extensive network of roads in the City. There is an optimum time for repaving roads such that excessive costs of annual maintenance and rehabilitation can be avoided. Failure to address these needs on a timely basis merely defers an even larger fiscal problem to future years. Contributions from Operating are normally required to source these expenditures.

<u>Replacement of Worn-Out or Obsolete Assets</u>

As an asset ages and wears out, it will cost more to repair or maintain than the asset is economically worth. Obsolete assets make doing business more expensive in light of the competitive edge that advances in technology provide.

The usual source of funding for these capital expenditures is Statutory Reserve Funds. Statutory Reserves are established by transferring funds from General Revenue to reserve funds on an annual basis for the eventual replacement of worn out or obsolete assets. Once it is determined that an asset needs to be replaced, budget authority is received through the current year's budget process and an expenditure by-law is passed giving authority to withdraw funds from the appropriate statutory reserve to fund the expenditure.

Meeting the Demands of Growth

Each year an increasing number of people choose to call Surrey their home. There is an increased demand placed on the City's financial resources to provide facilities and other capital infrastructure that meets pre-defined standards that the City has developed and the residents are willing to accept.

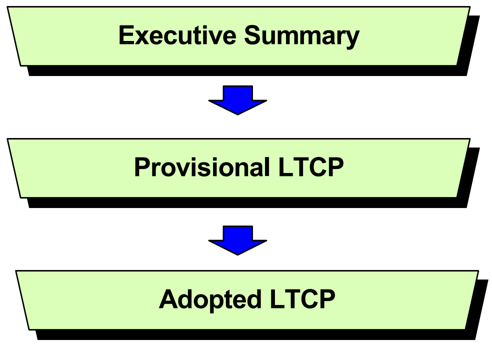
New Projects

Continued growth creates the need for additional facilities such as Libraries, Recreation Centres, and Fire Halls. Typically these facilities cost several million dollars to construct and cannot easily be funded in the same manner as "Statutory and Asset Maintenance Projects." There are always more funding requests than there is available funding to source the construction. This is the reason that our various Capital Models were created. How these new projects are evaluated and this year's results are detailed in the "Capital Planning Process" section.

DEBT OBLIGATIONS

OUTSTANDING DEBT	2002 ACTUAL	2003 ACTUAL	2003 BUDGET	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Debenture Debt								
Sewer								
6993 - April 24/02	$ 130,000	$ 0	$ 0	**$ 0**	$ 0	$ 0	$ 0	$ 0
	130,000	0	0	**0**	0	0	0	0
Water								
5984 - October 15/02	8,000	0	0	**0**	0	0	0	0
6992 - June 30/02	220,000	0	0	**0**	0	0	0	0
7227 - October 27/02	326,000	0	0	**0**	0	0	0	0
7393 - June 15/03	534,000	530,000	530,000	**0**	0	0	0	0
7411 - June 15/03	64,000	63,000	63,000	**0**	0	0	0	0
	1,152,000	593,000	593,000	**0**	0	0	0	0
Other								
General Oprerating - December 15/02	428,000	0	0	**0**	0	0	0	0
	$ 1,710,000	**$ 593,000**	**$ 593,000**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

The Corporate Report presented to the Mayor and Council in October, 1996 indicated that the completion of the Long-Term Capital Plan (LTCP) would be undertaken in three phases:



The Executive Summary provided Council with an overview of the capital issues facing the City.

The Provisional LTCP was prepared to assist Council in assessing the wide range of City needs. This Provisional Plan was based on guidelines established by Council after their review of the Executive Summary, and included a detailed analysis of issues, funding and proposed spending priorities.

It is envisioned that the LTCP will become a "living document" representing an ongoing process to manage the City's capital needs and funding options. Each year the LTCP will be updated and revisited by Council. Revisions will be made, as circumstances require. If additional funding sources materialize the LTCP will be updated to reflect which projects can be added to the next year's Capital Budget.

NEED FOR A NEW CAPITAL PLANNING PROCESS

Surrey has experienced tremendous growth and change over the last two decades. The once primarily agricultural community has evolved into a highly urban residential and business region. With these changes have come new challenges for the City's fiscal management. In addition to the financial pressures of accommodating new growth, the City must adapt to the costs of a growing portfolio of public responsibilities.

Historically, Council has made capital planning decisions on the recommendations of Finance staff. Finance would base its recommendations on the perceived relative merit of needs expressed in departmental planning documents. Attempts would be made to distribute capital resources evenly among departments and among geographic regions from one year to the next.

This approach was an effective and appropriate means of accomplishing the City's objectives when the corporation and its constituency were relatively small. However, as the City has grown and capital resources have become scarce, the process conferred on Finance the onerous task of arbitrating among City departments with a growing set of capital demands. In recent years, it has become evident that a more inclusive and formalized capital planning process was needed.

The City has taken many initiatives to prepare itself for new fiscal realities. In one such initiative, KPMG was retained by the City to work with City staff to develop a new capital planning process. Finance staff, the LTCP Task Force (made up of representatives from a number of City departments), the Senior Management Team (SMT) and Council have all had extensive input into the development of the new process described herein.

EVOLUTION OF A NEW PROCESS

In December 1996, an Executive Summary was prepared outlining the long-term capital demands of the City for the next ten years. It became clear from that report that the City's capital resources were not adequate for meeting its growing needs. A process would have to be developed for priorizing capital projects. Moreover, departments would need to be increasingly creative in pursuing funding alternatives for capital projects.

In March 1997, a series of Task Force and SMT working sessions were held to identify criteria for ranking projects. A first draft of a model, which would score, and rank proposed capital projects was developed and presented to City Council on April 1, 1997.

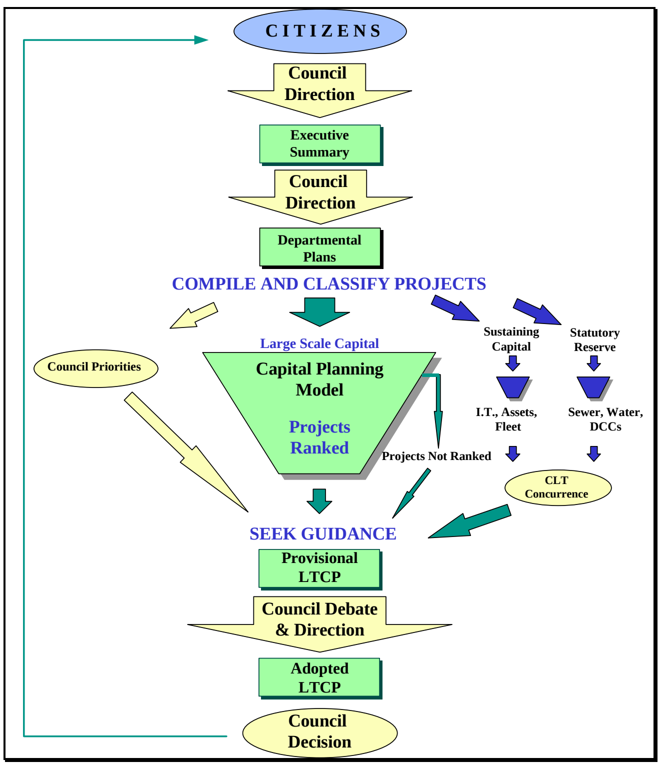
The Task Force and Its Role

An LTCP Task Force was formed in 1996 with representatives from across City departments. The Task Force was formed to consider how the capital planning process could be improved to be more reflective of the current needs of the City.

Overview of the Process

The capital planning process reallocates responsibility for recommending specific actions from Finance to the Task Force and its members. Moreover, the process provides the Task Force with a formal framework and clear weighted criteria for arriving at its recommendations to Council.

The process is depicted below:



CAPITAL RANKING MODEL

The City's Capital Planning Model provides structure to the capital planning process. Each proposed capital project is evaluated and ranked among the group of proposed projects according to how well it meets specified criteria. Essentially, the model provides a consistent and objective means of evaluating capital projects affecting all aspects of the City's business.

Priorization

The first step in the development of the Model was to establish priorities regarding which projects merit particular attention by Council. Not all projects can be evaluated using the same criteria. Therefore, the list of projects was then classified into four separate categories.

Council Priorities

Projects, which Council deems to be high priority based on special circumstances, are distinguished from the group. These projects may bypass the ranking process for expedited approval.

Sustaining Capital

Projects which are relatively small in scale and which serve to maintain the City's existing infrastructure are evaluated through highly specific priorization processes. These projects include investments in Information Technology (IT), and other assets such as building renovations, furniture, and equipment.

Capital from Statutory Reserve Funds

Projects funded out of statutory reserves, are also evaluated through highly specific priorization processes. These projects include sewer, water and growth-related infrastructures funded out of DCC's. Funds are levied for the express purpose of providing these services and cannot be reallocated to fund other capital projects.

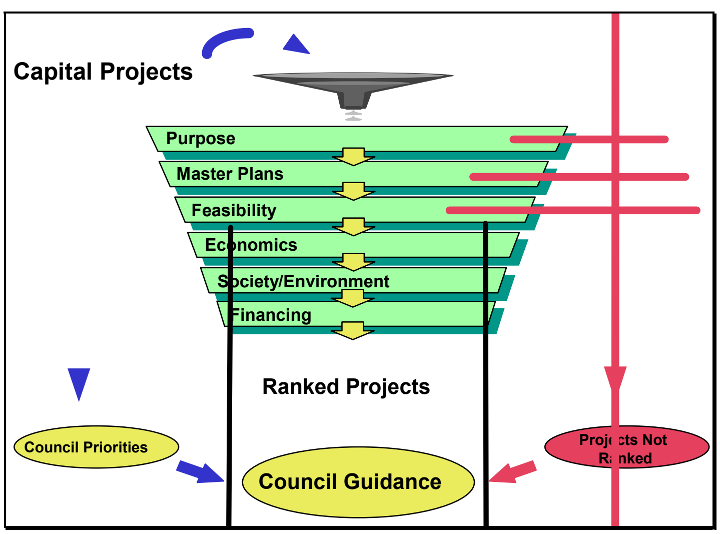
Large Scale Capital

The majority of capital funding required is directed at large scale capital projects. However, as the Executive Summary indicates, there are insufficient funds available to support all proposed projects. Consequently, these projects are ranked in order of priority using the Capital Planning Model.

Evaluation Criteria

The model incorporates criteria deemed important for evaluating demands on the City's scarce capital resources.

Each project is subjected to a series of questions. For each criterion, there may be one or more questions requiring a response. How these questions are answered determines how well a project fares against the criteria. A conceptual view of the model is depicted below:



There are six criteria used in the model:

- Purpose;
- Consistency with Master Plans;
- Technical feasibility;
- Economic benefit;
- Social and environmental quality, and
- Availability of funding.

For each criterion, there may be a set of parameters, which further define how the project is to be judged. The weight that each evaluative criterion is allocated represents its relative importance in the model.

Project Scores and Ranking

The scoring system is primarily qualitative. The score, which a project receives in relation to a particular criterion, is dependent either on expected values or on the judgments of the evaluators (the Capital Planning Task Force). Consequently, the appropriateness of the scoring system must be assessed on a recurring basis. Both the weighting and the scoring frameworks of the model are subject to change over time.

There are two main outputs of the model. The first is a list of ranked projects, each awarded a score out of 100 points. The second is a list of projects not ranked. These projects did not meet minimum criteria; therefore, the recommendation is to defer them, at least until the next ranking cycle.

Projects Not Ranked

Projects not ranked did not meet the minimum requirements of the model or were identified after the ranking process. These projects are included in the Provisional LTCP for Council's information and will be ranked during the next iteration of the process.

Process Iteration

In keeping with the objective of establishing a "living" LTCP, which is updated annually, the process of ranking capital projects using the Capital Ranking Model will also be employed annually.

This model was successfully used to rank past years Capital Projects. The projects that ranked the highest will be included in the 2004 Capital Program. The remaining projects will be included as part of the Long Term Plan and will become part of future years Capital.

MULTI-PHASED FINANCING MODEL

As the City grows and becomes an established desirable area of the Lower Mainland, new opportunities are being presented to Council. Large Corporations, Senior Levels of Government and local major developers have all presented Council with potentially viable business opportunities. Council has already established an objective of increasing the Commercial/Industrial Property Tax base for the near future. Staff had to develop methods to measure these opportunities, which were quite often, spread over several years and incorporated several phases of development.

The Multi-Phased Financing Model was developed to meet this need. The model calculates the cost of required financing for up to four phases. Each phase has its own unique interest rate, inflation factor, and principal requirement. It also incorporates anticipated annual operating costs adjusted for inflation. Finally, it calculates the Property Tax Rate increase required to fund the annual costs.

The Model can be used to create many different potential financing options. A sample of this Model is shown at the end of this section.

FIVE YEAR PLANNING MODEL

Once several funding options have been developed. Each option has to be analyzed to determine what future impact each may have on future Operating and Capital Budgets. This is why the Five Year Budget Model was developed.

The first section of this Model collects the variable data. Most of this data was generated using the previous model. The rest of the data can be populated using different possible scenarios; other data can be manipulated to test the impact of many available options over a five year period.

Once the data has been entered, the results of the selected option appear in the next section. It shows the impact on both the operating and capital components of the Budget over the next five years.

Variables

The first section of this Model collects the variable data. It is divided into three areas:

- Capital Related;
- Operating Related, and
- Other.

Capital Related

The data in this area can originate from the information generated in the previous model. It can also include data originating from the most current Long Term Capital Plan.

Operating Related

The data in this area arises from different scenarios relating to potential changes to future operating budgets. There are numerous options available. The Model demonstrates how one small change in one year can have a larger impact in future years, due to a compounding effect.

Other

This area contains sundry information over which Surrey does not necessarily have control. Projecting several different scenarios in this area, allows us to study the effect of external changes on Surrey's future.

The Model

This section is formula driven, and contains two areas, Operating and Capital. The Operating area is forced to zero at the line labeled "Surplus/Deficit". In the Capital area "Total Contributions" are forced to equal "Total Expenditures" by adjusting the shaded line called "Borrowing".

A sample of the 5 Year Planning Model is provided in the following pages, after the Phased-In Financing Model.

	PHASE 1	PHASE 2	PHASE 3	PHASE 4
	$ 14,000,000	$ 5,000,000	$ 4,000,000	$ 3,000,000
Phase-In Start	2004	2005	2006	2007
Phase-In End	2008	2006	2007	2008
Interest Rate	4.50%	5.00%	5.50%	6.00%
Operations	$ 500,000	$ 100,000	$ 80,000	$ 70,000

Initialization Data

LOAN DATA		OTHER DATA	
Loan amount:	$ 26,000,000	Total Annual Operating Costs:	$ 750,000
Term in years:	4	Property Tax Base:	$ 135,400,000
Payments per year:	1	Growth Rate:	2.5%
First payment due:	31/12/2004	Inflation Rate:	1.0%

Table

No.	Payment Date	Beginning Balance 0	Interest 0	Principal 0	Ending Balance 0	Operating Costs	Total Costs per Period	% Tax Rate Increase
1	2003	$ -	$ -	$ -	$ -	$ 106,000	$ 106,000	0.08%
2	2004	$ -	$ -	$ -	$ -	$ 180,000	$ 180,000	0.05%
3	2005	$ 14,000,000	$ 630,000	$ 3,272,411	$ 10,727,589	$ 181,800	$ 4,084,211	2.81%
4	2006	$ 10,727,589	$ 482,742	$ 3,419,670	$ 7,307,919	$ 183,618	$ 4,086,029	0.00%
5	2007	$ 7,307,919	$ 328,856	$ 3,573,555	$ 3,734,365	$ 185,454	$ 4,087,865	0.00%
6	2008	$ 3,734,365	$ 168,046	$ 3,734,365	$ -	$ 187,309	$ 4,089,720	0.00%
7	2009	$ -	$ -	$ -	$ -	$ 189,182	$ 189,182	0.00%
8	2010	$ -	$ -	$ -	$ -	$ 191,074	$ 191,074	0.00%
9	2011	$ -	$ -	$ -	$ -	$ 192,984	$ 192,984	0.00%
10	2012	$ -	$ -	$ -	$ -	$ 194,914	$ 194,914	0.00%
11	2013	$ -	$ -	$ -	$ -	$ 196,863	$ 196,863	0.00%
12	2014	$ -	$ -	$ -	$ -	$ 198,832	$ 198,832	0.00%
13	2015	$ -	$ -	$ -	$ -	$ 200,820	$ 200,820	0.00%
14	2016	$ -	$ -	$ -	$ -	$ -	$ -	0.00%

THE CITY OF SURREY
5 YEAR PLANNING MODEL
$ 000's

VARIABLES	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Capital Related					
Value of Additional Land Sales	$ 8,500	$ 8,125	$ 7,250	$ 5,400	$ 5,570
Value of Commercial/Industrial Increase	$ 200,000	$ 200,000	$ 500,000	$ 500,000	$ 500,000
Contribution from P3's	$ 0	$ 0	$ 0	$ 0	$ 0
Capital Levy	0.00%	0.00%	0.00%	0.00%	0.00%
Based on Long Term Capital Plan					
Base Capital Programs	$ 96,493	$ 91,189	$ 92,774	$ 92,997	$ 93,252
DCC/NCP & Other Contributions	$ 94,143	$ 86,264	$ 84,704	$ 84,947	$ 84,682
Ranked Capital Projects	$ 11,350	$ 10,700	$ 7,880	$ 7,550	$ 9,700
Borrowing					
From Reserves	$ 0	$ 0	$ 0	$ 0	$ 0
Other	$ 0	$ 0	$ 0	$ 0	$ 0
OPERATING RELATED					
# of Additional Firefighters	8	8	0	0	0
# of Additional Police Officers	20	20	20	15	15
Provincial Grants	$ 0	$ 0	$ 0	$ 0	$ 0
Other Additions to Operating Base	$ 0	$ 0	$ 0	$ 0	$ 0
Departmental Initiatives	$ 0	$ 0	$ 0	$ 0	$ 0
Operating Cost of New Capital	0.00%	0.00%	0.00%	0.00%	0.00%
General Tax Rate Increase	2.90%	2.90%	2.90%	2.90%	2.90%
Fire Levy	0.00%	0.00%	0.00%	0.00%	0.00%
Police Levy	0.00%	0.00%	0.00%	0.00%	0.00%
OTHER					
Cost of Living	1.50%	1.50%	1.50%	1.50%	1.50%
Growth Rate	2.40%	2.40%	2.40%	2.40%	2.40%
Borrowing Rate	5.00%	5.00%	5.00%	5.00%	5.00%
Payback Term on Borrowing (Years)	5	5	5	5	5

THE CITY OF SURREY
5 YEAR PLANNING MODEL
$ 000's

GENERAL OPERATING	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Revenue Summary					
Prior Year Tax Levy	$ 126,886	$ 131,362	$ 137,108	$ 142,985	$ 151,877
General Assessment Growth	2,236	3,506	3,651	3,803	4,027
Comm/Indust Assessment Growth	1,930	1,930	1,930	4,824	4,824
Land Sales Assessment Growth	310	310	297	265	197
Tax Rate Increase	4,056	4,118	4,292	4,470	4,736
Protection Levy	0	0	0	0	0
Police Levy	0	0	0	0	0
Other Tax Levies	10,645	10,900	11,162	11,430	11,704
Current Year Tax Levy	146,063	152,127	158,440	167,777	177,365
Provincial Grants	0	0	0	0	0
Interest Revenue	9,726	9,240	8,778	7,530	7,575
Program Revenues	55,920	56,759	57,610	58,474	59,351
	$ 211,709	**$ 218,125**	**$ 224,828**	**$ 233,782**	**$ 244,292**
Expenditure Summary					
Program Expenditures	205,855	209,373	215,301	223,833	231,787
Additional Firefighters/Police Officers	2,940	2,940	2,500	1,875	1,875
Other Additions	0	0	0	0	0
Departmental Initiatives	0	0	0	0	0
Council Projects	250	250	250	250	250
Transfer to Capital	5,200	7,500	8,700	10,200	12,700
Less: Adjustment to Capital Contributions	0	0	0	0	0
Operating Costs of New Capital	0	550	500	0	0
Debt Servicing - 1998 Borrowing	0	0	0	0	0
Debt Servicing - Future Borrowing	403	403	403	403	403
Debt Servicing - Repayment to Reserves	0	0	0	0	0
Transfer (To)/From Surplus	0	0	0	0	0
Total General Operating Expenditures	**$ 214,648**	**$ 221,016**	**$ 227,654**	**$ 236,561**	**$ 247,015**
Transfer To/(From) Surplus	(2,939)	(2,891)	(2,827)	(2,779)	(2,723)
SURPLUS/DEFICIT	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

GENERAL CAPITAL

	2004 BUDGET	2005 PLAN	2006 PLAN	2007 PLAN	2008 PLAN
Contribution Summary					
Contribution from General Operating	$ 5,200	$ 7,500	$ 8,700	$ 10,200	$ 12,700
Less: Temp Reduction in Capital Contrib.	0	0	0	0	0
Capital Levy Revenue	0	0	0	0	0
DCC/NCP & Other Contributions	94,143	86,264	84,704	84,947	84,682
Borrowing from Reserves	0	0	0	0	0
Contribution from P3's	0	0	0	0	0
Additional Land Sales	8,500	8,125	7,250	5,400	5,570
Borrowing	0	0	0	0	0
Total Contributions	**$ 107,843**	**$ 101,889**	**$ 100,654**	**$ 100,547**	**$ 102,952**
Expenditure Summary					
Base Programs	96,493	91,189	92,774	92,997	93,252
Requested Ranked Projects	11,350	10,700	7,880	7,550	9,700
TOTAL EXPENDITURES	**$ 107,843**	**$ 101,889**	**$ 100,654**	**$ 100,547**	**$ 102,952**

This year, $11,350,000 was available for ranked capital projects. The Long Term Capital Planning Task Force recommended the following projects, which were subsequently approved by Council.

FRASER HEIGHTS MULTI-PURPOSE & RCMP OFFICE ($3,000,000)

Planning and design for this project will commence in 2004, providing a mini gymnasium, multi-purpose rooms and a Fraser Heights RCMP office. This facility will allow for community and leisure service programs as well as much needed space for community meetings and other activities. It will also improve RCMP services to the community of Fraser Heights, as staff will be located north of Highway 1. It is anticipated that this facility will open in 2005 with ongoing operating costs of $400,000 per year, which has been included in the 2005 Plan.

SOUTH SURREY MULTI-PURPOSE FACILITY ($1,500,000)

This $8,000,000 facility will be located near the youth centre in South Surrey Athletic Park and will include gymnasium space, multi-purpose rooms, community meeting space and other program space. The facility will be designed to accommodate all age groups and will allow for future expansion to meet the needs of a growing community. The design phase is expected to be completed in the first part of 2004 with construction to commence in the fall. Initial funding of $1,500,000 has been allocated in 2004 with the remaining $6,500,000 in funding allocated in 2005. Ongoing operating costs of $500,000 are included in the 2005 Plan.

RCMP MAIN DETACHMENT RENOVATIONS ($1,000,000)

In 2004, Surrey RCMP will begin renovations at the Main Detachment to accommodate the centralization of investigation units in order to streamline operations and coordinate intelligence. In addition, the Operational Communication Centre will be expanded by 2,400 sq. ft. in order to accommodate additional staff to meet increased volume and to allow the Detachment to provide a higher quality of service and timelier processing of calls for service.

SURREY MUSEUM AND ARCHIVES ($1,000,000)

The centre is being planned as a $5,000,000 project with the City contributing $3,000,000 over two years and funding of $2,000,000 being provided by the Canada/BC Infrastructure Program. The project budget of $5 million will create a new 10,000 square foot City Museum to be located on Highway 10 east of the historic 1912 municipal hall. The project is currently being designed and construction is expected to begin in the spring of 2004 with a projected opening in the fall of 2005. Ongoing operating costs of $150,000 have been included in the 2005 Plan.

FIRE HALL RENOVATIONS ($750,000)

Fire Halls 4, 6 and 8 are slated for improvements. Upgrading Fire halls built in the 1960's is necessary to keep pace with new firefighting equipment and required support facilities. The project will consist of interior and exterior renovations of the truck bay and staff areas.

SURREY SPORT & LEISURE UPPER FLOOR RENVOATIONS ($500,000)

The Surrey Sports and Leisure Complex currently has unfinished space on the second floor. The completed space will be accessed from the arena lobby and will include three multi-purpose rooms, which will be used for a variety of functions that include leisure programs, pre-school programs, community meetings and conferences. Overall this will create about 5,000 square feet of much-needed program and meeting space in the Fleetwood Community.

SOUTH SURREY FAMILY CHANGE ROOM ($400,000)

The South Surrey Pool is very popular with residents of the South Surrey Peninsula. The first phase of improvements was completed in 2001, which included upgrades to the weight and cardio room. The final phase of the planned upgrades is the addition of family change rooms, which were not part of the original facility construction 25 years ago. The new family change rooms will help to serve clients of the facility better. Parking lot improvements will also be part of the upgrades.

BRIDGE REPLACEMENT ($1,000,000)

In 2002, the Engineering Department carried out a program of condition inspections of all bridges in Surrey. Based on these inspections and life cycle cost analysis, a Bridge Maintenance Management and Replacement Program were developed. In 2003 the replacement of 192nd Street/Nicomekl River Bridge was designed and environmental approvals received, construction will be carried out during the "fisheries window" in 2004. The 184 Street/ Nicomekl River Bridge has also deteriorated to a state that life cycle cost analysis indicates that bridge replacement is the more economical alternative compared to additional and ongoing repair. The overall condition rating of this bridge establishes it as the next highest priority for replacement. Detailed design and environmental approvals will be completed in 2004 with construction scheduled for the “fisheries window” in 2005.

BEAR CREEK PARK PARKING LOT IMPROVEMENTS ($700,000)

With the recent renovations and additions that took place at the Arts Centre, Bear Creek Park is becoming more popular than ever. This success has required a serious look at the current parking lot located east of the main north entrance to the park. The improvements planned will see total redesign of the main park entrance on 88 Avenue and the three parking bays on its east side. Through careful review of the existing parking area and proposed modifications, it is envisioned that more parking stalls will be provided without impacting the existing natural areas or sports fields located nearby.

PORT MANN PASSIVE PARK ($600,000)

The first phase of improvements are planned at Port Mann Park, which is located north of Highway 1, east of the Port Mann Bridge. This site offers fantastic views to the north shore mountains and the Fraser River. A community input process will take place early in 2004 with planned improvements to take place during the summer months in an effort to provide public use by the fall of 2004.

FRASER HEIGHTS PARK GRASS FIELDS ($300,000)

Additional land was acquired in 2001 to complete the master plan for Fraser Heights Park. As part of the planned improvements at Fraser Heights Park (Youth Park, Washrooms and Multi-Purpose Centre) an additional grass sport-field at the south end of the park is proposed in order to serve the Fraser Heights community.

GREENWAYS ($300,000)

Each year the proposed greenway network is being implemented in partnership with Engineering, Community Groups, Translink and other community partners. The focus is geared towards the completion of the Official Spur to the Trans Canada Trail. The work planned for 2004 will see the completion of a segment of the Serpentine Greenway, which forms a part of the official Spur.

GUILDFORD YOUTH PARK ($300,000)

A youth park has been planned for Hjorth Road Park. It is expected that detailed design will be done in the spring with construction early in the summer of 2004 and will open early in the fall.

BASE GENERAL CAPITAL PROGRAM ($17,996,000)

The base general capital program is designed to provide funding for the preservation of previous investments in the City's Capital Assets. As capital assets age, they require more maintenance and upkeep, thus requiring them to be restored to the level of their original investment. Assets that require maintenance and upgrades include Buildings, Roads, Parks, Engineering Fleet equipment, Fire equipment, and Information Technology. An ongoing source of funding is provided to this area to ensure that these assets are maintained and protected.

RESIDENTIAL WATER METERING ($1,000,000)

In 1997, the City introduced a "User Pay" billing system for water and sewer, beginning with new commercial development. By 1999, the conversion of all commercial users and all new residential users to water meters has been completed. In 2000, the City began a 10-year program to convert all "Flat Rate" residential utility users to water meters, the annual contribution was established at $3,000,000, however in 2002 the City received a federal infrastructure grant for this program, allowing the contributions to be reduced to $1,000,000 per year for the years 2003 to 2005. The City also entered into an agreement with BCG Services to install 30,000 water meters in existing homes over that same three-year period.

UTILITY BUILDING CONTRIBUTION ($4,000,000)

This funding is the utility contribution to the 27,000 square foot expansion at City Hall that was approved by Council during 2003. The funding will also support future expansion at the City Works Yard.

WATER, SEWER AND DRAINAGE PRE-SERVICING OF INDUSTRIAL LANDS ($2,500,000)

One of Council's strategic directions is to increase the commercial/industrial tax base within Surrey. In order to encourage the sale and development of industrial lands, pre-servicing agreements are being developed to install water mains on all roads, and new sanitary and storm sewers to the benefiting areas.

BASE WATER CAPITAL PROGRAM ($6,361,000)

The base capital program for Water is designed to provide funding for the preservation of previous investments in the City's water infrastructure. As the capital infrastructures ages, it requires more maintenance and upkeep, thus requiring them to be restored to the level of their original investment. The infrastructure maintenance program consists of system management, replacing & upsizing water lines and connections, as well as minor extensions and relocations. An ongoing source of funding is provided to this area to ensure that these assets are maintained and protected.

BASE SEWER & DRAINAGE CAPITAL PROGRAM ($7,091,000)

The base capital program for Sewer and Drainage is designed to provide funding for the preservation of previous investments in the City's sewer and drainage infrastructure. As the capital infrastructures ages, it requires more maintenance and upkeep, thus requiring them to be restored to the level of their original investment. The infrastructure maintenance program consists of replacing & upsizing sewer lines and connection, as well as maintaining our drainage pump stations. An ongoing source of funding is provided to this area to ensure that these assets are maintained and protected.

LOWLAND DRAINAGE ($4,000,000)

The lowland drainage program includes works at the Serpentine River and the Nicomekl River Basins. This is a comprehensive lowland flood protection program that encompasses improvements at dykes, ditches as well as drainage pump stations to meet Agri-Food Regional Development Subsidiary Agreement (ARDSA) standards.

5 YEAR CAPITAL FINANCIAL PLAN
RANKED CAPITAL PROJECTS
$ 000's

FUNDING AVAILABLE	2004	2005	2006	2007	2008
Contribution from General Operating	**$ 5,200**	$ 7,500	$ 8,700	$ 10,200	$ 12,700
Capital Legacy Fund	**1,500**	1,600	1,600	1,600	1,600
Funding from Operating Appropriation Surplus	**6,250**	3,100	1,000	500	500
Land Sales	**8,500**	8,125	7,250	5,400	5,570
Vehicles & Equipment Reserve	**3,707**	4,427	4,505	4,615	4,578
Utility Contributions	**10,975**	11,013	11,236	12,060	12,083
Utility Rate Stabilization	**11,900**	6,712	7,812	6,812	6,812
Non-Discretionary Contributions	**48,885**	48,486	47,675	48,459	48,208
External Contributions	**10,911**	10,911	20,861	20,886	10,886
Sundry	**20,015**	20,015	20,015	20,015	20,015
	127,843	121,889	130,654	130,547	122,952
Less: Base Capital Funding					
Building Repairs & Upgrades	**2,500**	2,500	2,500	2,500	2,500
Utility Engineering Structures	**24,952**	19,452	20,752	20,577	20,577
Non-Discretionary Works	**53,545**	52,844	53,101	53,389	53,681
Engineering Public Works	**9,323**	9,323	9,323	9,323	9,323
Parks	**870**	870	820	820	820
Equipment Replacement					
Engineering Fleet Equipment	**1,231**	1,231	1,231	1,231	1,231
Fire Services	**776**	1,496	1,574	1,684	1,647
Information Technology	**2,500**	2,500	2,500	2,500	2,500
Parks	**128**	128	128	128	128
Sundry	**20,668**	20,845	20,845	20,845	20,845
	116,493	111,189	112,774	112,997	113,252
	$ 11,350	$ 10,700	$ 17,880	$ 17,550	$ 9,700

RANKED PROJECTS	CATEGORY	2004	2005	2006	2007	2008
Fraser Heights Multi-Purpose/RCMP	Buildings	**$ 3,000**	$ 0	$ 0	$ 0	$ 0
South Surrey Multi-Purpose	Buildings	**1,500**	6,500	0	0	0
RCMP Main Detachment Renovations	Buildings	**1,000**	0	0	0	0
Surrey Museum & Archives	Buildings	**1,000**	0	0	0	0
Fire Hall Renovations	Buildings	**750**	0	0	0	0
Surrey Sport & Leisure Upper Floor	Buildings	**500**	0	0	0	0
South Surrey Family Change Room	Buildings	**400**	0	0	0	0
Bridge Replacement	Eng. Structures	**1,000**	0	1,000	0	0
Bear Creek Park Parking	Eng. Structures	**700**	0	0	0	0
Port Mann Passive Park	Eng. Structures	**600**	0	0	0	0
Fraser Heights Park Grass Fields	Eng. Structures	**300**	300	0	0	0
Greenways	Eng. Structures	**300**	0	200	200	130
Guildford\Hjorth Park Youth Park	Eng. Structures	**300**	300	0	0	0
RCMP Main Detachment Addition	Buildings	**0**	700	1,300	0	0
Artificial Turf Fields	Eng. Structures	**0**	1,400	1,900	0	0
Sullivan Heights Kabaddi Field	Eng. Structures	**0**	1,000	0	0	0
Road Rehabilitation	Eng. Structures	**0**	500	500	500	600
New Firehall # 10 - Newton	Buildings	**0**	0	2,300	0	0
Newton Youth Centre/Kabaddi Facility	Buildings	**0**	0	680	820	0
Cloverdale Multi-Purpose/RCMP	Buildings	**0**	0	0	6,030	6,970
RCMP Whalley District Office - Land	Buildings	**0**	0	0	0	2,000
Guildford Indoor Pool	Note: Council indicated this need, however, a funding source has not yet been determined					
		$ 11,350	$ 10,700	$ 7,880	$ 7,550	$ 9,700

2004 CAPITAL PROGRAM
PROPERTY ACQUISITION AND BUILDINGS
$ 000's

PROPERTY ACQUISITION	GENERAL OPERATING REVENUE	EXTERNAL SOURCES	DEBT	DCC RESERVE FUNDS	OTHER RESERVE FUNDS	2004 BUDGET
2004 Program						
General Corporate						
Advance Planning	$ 20	$ 0	$ 0	$ 0	$ 0	**$ 20**
Cranley Drive	0	0	0	0	15	**15**
Sundry & Contingency	23	0	0	0	300	**323**
	43	0	0	0	315	**358**
Parks, Recreation & Culture Services						
Parkland Acquisition	695	0	2,000	13,200	2,590	**18,485**
	695	0	2,000	13,200	2,590	**18,485**
	$ 738	**$ 0**	**$ 2,000**	**$ 13,200**	**$ 2,905**	**$ 18,843**

BUILDINGS	GENERAL OPERATING REVENUE	EXTERNAL SOURCES	DEBT	DCC RESERVE FUNDS	OTHER RESERVE FUNDS	2004 BUDGET
2004 Program						
General Corporate						
City Hall/Corporate Renovations	$ 1,880	$ 0	$ 0	$ 0	$ 0	**$ 1,880**
Cloverdale Fairgrounds - Minor	100	0	0	0	0	**100**
Library Facilitiy Renovations	100	0	0	0	0	**100**
Advance Planning	20	0	0	0	0	**20**
	2,100	0	0	0	0	**2,100**
Parks, Recreation & Culture Services						
PRC Facilities Renovations	400	500	0	0	0	**900**
Town Centre Recreation Centres	0	0	0	0	220	**220**
Surrey Museum & Archives	0	0	0	0	1,000	**1,000**
Fraser Heights Multi-Purpose/RCMP	0	0	0	0	3,000	**3,000**
South Surrey Family Change Room	0	0	0	0	400	**400**
South Surrey Multi-Purpose	0	0	0	0	1,500	**1,500**
Surrey Sport & Leisure Upper Floor	0	0	0	0	500	**500**
	400	500	0	0	6,620	**7,520**
Protective Services						
Fire Hall Renovations	750	0	0	0	0	**750**
RCMP Main Detachment Additions	0	0	0	0	1,000	**1,000**
	750	0	0	0	1,000	**1,750**
	$ 3,250	**$ 500**	**$ 0**	**$ 0**	**$ 7,620**	**$ 11,370**

2004 CAPITAL PROGRAM
ENGINEERING STRUCTURES AND EQUIPMENT
$ 000's

ENGINEERING STRUCTURES	GENERAL OPERATING REVENUE	EXTERNAL SOURCES	DEBT	DCC RESERVE FUNDS	OTHER RESERVE FUNDS	2004 BUDGET
2004 Program						
General Corporate						
Aerial Photography	$ 70	$ 0	$ 0	$ 0	$ 0	**$ 70**
Advance Planning	20	0	0	0	0	**20**
	90	0	0	0	0	**90**
Engineering Services						
Bridge Replacement	0	0	0	0	1,000	**1,000**
Non-Arterial Paving	310	0	1,000	3,470	470	**5,250**
Road Construction	4,406	4,073	0	14,310	0	**22,789**
Sewer and Drainage Services	14,015	100	1,000	6,510	0	**21,625**
Water Services	8,460	80	2,000	3,410	0	**13,950**
	27,191	4,253	4,000	27,700	1,470	**64,614**
Parks, Recreation & Culture Services						
Base Program	720	0	0	0	0	**720**
Park Development	196	0	0	3,720	345	**4,261**
Developer Trees	0	150	0	0	0	**150**
Bear Creek Park Parking	0	0	0	0	700	**700**
Fraser Heights Park Grass Fields	0	0	0	0	300	**300**
Guildford\Hjorth Park Youth Park	0	0	0	0	300	**300**
Port Mann Passive Park	600	0	0	0	0	**600**
Greenways	0	0	0	0	300	**300**
	1,516	150	0	3,720	1,945	**7,331**
	$ 28,797	**$ 4,403**	**$ 4,000**	**$ 31,420**	**$ 3,415**	**$ 72,035**

EQUIPMENT	GENERAL OPERATING REVENUE	EXTERNAL SOURCES	DEBT	DCC RESERVE FUNDS	OTHER RESERVE FUNDS	2004 BUDGET
2004 Program						
General Corporate						
Corporate Technology	$ 500	$ 0	$ 0	$ 0	$ 2,000	**$ 2,500**
Library Furniture and Equipment	40	0	0	0	240	**280**
Public Works Fleet Equipment	0	0	0	0	1,231	**1,231**
Furniture and Office Equipment	160	0	0	0	0	**160**
Sundry Equipment	20	0	0	0	0	**20**
	720	0	0	0	3,471	**4,191**
Parks, Recreation & Culture Services						
PRC Minor Equipment	120	0	0	0	0	**120**
Recreation Equipment Replacement	0	8	0	0	0	**8**
	120	8	0	0	0	**128**
Protective Services						
Fire Vehicles & Equipment	0	0	0	0	476	**476**
Small Equipment Purchases	300	0	0	0	100	**400**
	300	0	0	0	576	**876**
Utilities						
Water Information Technology	200	0	0	0	0	**200**
Sewer Information Technology	200	0	0	0	0	**200**
	400	0	0	0	0	**400**
	$ 1,540	**$ 8**	**$ 0**	**$ 0**	**$ 4,047**	**$ 5,595**

5 YEAR CAPITAL FINANCIAL PLAN
EXECUTIVE SUMMARY
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
DCC Reserve Funds	$ 44,620	$ 44,436	$ 44,642	$ 44,852	$ 45,066	**$ 223,616**
NCP Reserve Funds	1,675	1,420	350	870	350	**4,665**
Other Statutory Reserve Funds	2,590	2,630	2,683	2,737	2,792	**13,432**
	48,885	48,486	47,675	48,459	48,208	**241,713**
Discretionary Contributions						
Operating Appropriated Surplus	18,150	9,812	8,812	7,312	7,312	**51,398**
Contribution from Operating	16,175	18,513	19,936	22,260	24,783	**101,667**
Other Statutory Reserve Funds	13,722	14,167	13,370	11,630	11,763	**64,652**
	48,047	42,492	42,118	41,202	43,858	**217,717**
Other Contributions						
External Sources	4,911	4,911	4,861	4,886	4,886	**24,455**
Borrowing Proceeds	6,000	6,000	6,000	6,000	6,000	**30,000**
	10,911	10,911	10,861	10,886	10,886	**54,455**
Unspecified - Budget Authority	20,000	20,000	20,000	20,000	20,000	**100,000**
Total Current Year's Contributions	**127,843**	**121,889**	**120,654**	**120,547**	**122,952**	**613,885**
Carry Fwd from Previous Years	**115,059**	**109,700**	**108,589**	**108,492**	**110,657**	**552,497**
	$ 242,902	**$ 231,589**	**$ 229,243**	**$ 229,039**	**$ 233,609**	**$ 1,166,382**

EXPENDITURE SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Property Acquisition	$ 18,843	$ 18,038	$ 18,091	$ 18,145	$ 18,200	**$ 91,317**
Buildings	3,220	3,000	3,000	3,000	3,000	**15,220**
Engineering Structures	68,835	64,001	65,380	65,439	65,676	**329,331**
Equipment	5,595	6,150	6,303	6,413	6,376	**30,837**
	96,493	91,189	92,774	92,997	93,252	**466,705**
Ranked Projects						
Buildings	8,150	7,200	4,280	6,850	8,970	**35,450**
Engineering Structures	3,200	3,500	3,600	700	730	**11,730**
	11,350	10,700	7,880	7,550	9,700	**47,180**
Unidentified - Budget Authority	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**100,000**
Total Current Year's Expenditures	**127,843**	**121,889**	**120,654**	**120,547**	**122,952**	**613,885**
Carry Fwd from Previous Years	**115,059**	**109,700**	**108,589**	**108,492**	**110,657**	**552,497**
	$ 242,902	**$ 231,589**	**$ 229,243**	**$ 229,039**	**$ 233,609**	**$ 1,166,382**

5 YEAR CAPITAL FINANCIAL PLAN
CONTRIBUTION SUMMARY
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
DCC Reserve Funds						
Arterial Roads	$ 14,310	$ 12,863	$ 12,863	$ 12,863	$ 12,863	**$ 65,762**
Major Collector Roads	3,470	3,135	3,135	3,135	3,135	**16,010**
Park Lands	13,200	12,230	12,230	12,230	12,230	**62,120**
Parkland Development	3,720	3,130	3,130	3,130	3,130	**16,240**
Drainage	4,550	6,000	6,120	6,242	6,367	**29,279**
Sewer	1,960	1,890	1,928	1,967	2,006	**9,751**
Water	3,410	2,380	2,428	2,477	2,527	**13,222**
	44,620	44,436	44,642	44,852	45,066	**223,616**
NCP Reserve Funds						
Fire	100	75	50	50	50	**325**
Police	75	0	0	150	0	**225**
Library Services	240	100	100	100	100	**640**
Recreation Services	1,260	1,245	200	570	200	**3,475**
	1,675	1,420	350	870	350	**4,665**
Other Statutory Reserve Funds						
Cash In Lieu of Parkland	2,590	2,630	2,683	2,737	2,792	**13,432**
	2,590	2,630	2,683	2,737	2,792	**13,432**
	48,885	**48,486**	**47,675**	**48,459**	**48,208**	**241,713**
Discretionary Contribution						
Operating Appropriated Surplus						
Other Appropriations	6,250	3,100	1,000	500	500	**11,350**
Utility Rate Stabilization Reserve	11,900	6,712	7,812	6,812	6,812	**40,048**
	18,150	9,812	8,812	7,312	7,312	**51,398**
Contributions from Operating						
Current Year's General Operating	5,200	7,500	8,700	10,200	12,700	**44,300**
Water	4,460	4,345	4,351	4,156	4,162	**21,474**
Sewer & Drainage	6,515	6,668	6,885	7,904	7,921	**35,893**
	16,175	18,513	19,936	22,260	24,783	**101,667**
Other Statutory Reserve Funds						
City Land Sales	8,500	8,125	7,250	5,400	5,570	**34,845**
Cranley Drive Revolving	15	15	15	15	15	**75**
Vehicles & Equipment	3,707	4,427	4,505	4,615	4,578	**21,832**
Capital Legacy Fund	1,500	1,600	1,600	1,600	1,600	**7,900**
	13,722	14,167	13,370	11,630	11,763	**64,652**
	48,047	**42,492**	**42,118**	**41,202**	**43,858**	**217,717**
Other Contributions						
External Sources						
Private Contributions	838	838	788	813	813	**4,090**
GVTA	4,073	4,073	4,073	4,073	4,073	**20,365**
	4,911	4,911	4,861	4,886	4,886	**24,455**
Borrowing						
Parkland Borrowing	2,000	2,000	2,000	2,000	2,000	**10,000**
Local Improvement	4,000	4,000	4,000	4,000	4,000	**20,000**
	6,000	6,000	6,000	6,000	6,000	**30,000**
	10,911	**10,911**	**10,861**	**10,886**	**10,886**	**54,455**
Unspecified - Budget Authority	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**100,000**
	$ 127,843	**$ 121,889**	**$ 120,654**	**$ 120,547**	**$ 122,952**	**$ 613,885**

5 YEAR CAPITAL FINANCIAL PLAN
EXPENDITURE SUMMARY
$ 000's

EXPENDITURE SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Property Acquisition						
General Corporate	$ 358	$ 535	$ 535	$ 535	$ 535	**$ 2,498**
Parks, Recreation & Culture	18,485	17,503	17,556	17,610	17,665	**88,819**
	18,843	18,038	18,091	18,145	18,200	**91,317**
Buildings						
General Corporate	2,100	2,100	2,100	2,100	2,100	**10,500**
Parks, Recreation & Culture	1,120	900	900	900	900	**4,720**
	3,220	3,000	3,000	3,000	3,000	**15,220**
Engineering Structures						
General Corporate	90	90	90	90	90	**450**
Engineering Services	28,039	26,163	26,163	26,163	26,163	**132,691**
Parks, Recreation & Culture	5,131	4,165	4,115	4,115	4,115	**21,641**
Sewer & Drainage Services	21,625	21,738	22,113	22,318	22,499	**110,293**
Water Services	13,950	11,845	12,899	12,753	12,809	**64,256**
	68,835	64,001	65,380	65,439	65,676	**329,331**
Equipment						
General Corporate	4,191	4,051	4,051	4,051	4,051	**20,395**
Protective Services	876	1,571	1,624	1,734	1,697	**7,502**
Parks, Recreation & Culture	128	128	128	128	128	**640**
Sewer & Drainage Services	200	200	250	250	250	**1,150**
Water Services	200	200	250	250	250	**1,150**
	5,595	6,150	6,303	6,413	6,376	**30,837**
	96,493	**91,189**	**92,774**	**92,997**	**93,252**	**466,705**
Ranked Projects						
Buildings						
General Corporate	0	0	0	0	0	**0**
Protective Services	1,750	700	3,600	0	2,000	**8,050**
Parks, Recreation & Culture	6,400	6,500	680	6,850	6,970	**27,400**
	8,150	7,200	4,280	6,850	8,970	**35,450**
Engineering Structures						
Engineering Services	1,000	500	1,500	500	600	**4,100**
Parks, Recreation & Culture	2,200	3,000	2,100	200	130	**7,630**
	3,200	3,500	3,600	700	730	**11,730**
	11,350	**10,700**	**7,880**	**7,550**	**9,700**	**78,017**
Unranked Projects	**0**	**0**	**0**	**0**	**0**	**0**
Unidentified - Budget Authority	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**100,000**
	$ 127,843	**$ 121,889**	**$ 120,654**	**$ 120,547**	**$ 122,952**	**$ 613,885**

5 YEAR CAPITAL FINANCIAL PLAN
GENERAL CORPORATE
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
NCP Reserve Funds						
NCP Reserve Funds - Library	$ 240	$ 100	$ 100	$ 100	$ 100	**$ 640**
	240	**100**	**100**	**100**	**100**	**640**
Discretionary Contributions						
Contributions from Operating						
Current Year`s Contribution	603	530	2,630	3,130	3,130	**10,023**
Other Appropriations	2,350	2,600	500	0	0	**5,450**
	2,953	3,130	3,130	3,130	3,130	**15,473**
Other Statutory Reserve Funds						
City Land Sales	300	300	300	300	300	**1,500**
Cranley Drive Revolving	15	15	15	15	15	**75**
Vehicles, Equipment & Other	3,231	3,231	3,231	3,231	3,231	**16,155**
	3,546	3,546	3,546	3,546	3,546	**17,730**
	6,739	**6,776**	**6,776**	**6,776**	**6,776**	**33,843**
Unspecified - Budget Authority	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**100,000**
	$ 26,739	**$ 26,776**	**$ 26,776**	**$ 26,776**	**$ 26,776**	**$ 133,843**

EXPENDITURE SUMMARY

	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Property Acquisition						
Cranley Drive	$ 15	$ 15	$ 15	$ 15	$ 15	**$ 75**
Sundry	343	520	520	520	520	**2,423**
	358	535	535	535	535	**2,498**
Buildings						
Corporate Building Renovations	1,880	1,880	1,880	1,880	1,880	**9,400**
Cloverdale Fairgrounds	100	100	100	100	100	**500**
Library Renovations	100	100	100	100	100	**500**
Sundry	20	20	20	20	20	**100**
	2,100	2,100	2,100	2,100	2,100	**10,400**
Engineering Structures						
Aerial Photography	70	70	70	70	70	**350**
Sundry	20	20	20	20	20	**100**
	90	90	90	90	90	**450**
Equipment						
Public Works Fleet Equipment	1,231	1,231	1,231	1,231	1,231	**6,155**
Library	280	140	140	140	140	**840**
Information Technology	2,500	2,500	2,500	2,500	2,500	**12,500**
Office Equipment	160	160	160	160	160	**800**
Sundry	20	20	20	20	20	**100**
	4,191	4,051	4,051	4,051	4,051	**20,395**
	6,739	**6,776**	**6,776**	**6,776**	**6,776**	**33,843**
Unspecified - Budget Authority	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**100,000**
	$ 26,739	**$ 26,776**	**$ 26,776**	**$ 26,776**	**$ 26,776**	**$ 133,843**

5 YEAR CAPITAL FINANCIAL PLAN
ENGINEERING SERVICES
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
DCC Reserve Funds						
Arterial Roads	$ 14,310	$ 12,863	$ 12,863	$ 12,863	$ 12,863	**$ 65,762**
Major Collector Roads	3,470	3,135	3,135	3,135	3,135	**16,010**
	17,780	**15,998**	**15,998**	**15,998**	**15,998**	**81,772**
Discretionary Contributions						
Contribution from Operating						
Current Year's Contribution	1,230	3,780	2,880	3,880	4,350	**16,120**
City's Share - DCC Program	936	842	842	842	842	**4,304**
Other Appropriations	2,550	500	500	500	500	**4,550**
	4,716	5,122	4,222	5,222	5,692	**24,974**
Other Statutory Reserve Funds						
City Land Sales	1,470	470	2,370	370	0	**4,680**
	1,470	470	2,370	370	0	**4,680**
	6,186	**5,592**	**6,592**	**5,592**	**5,692**	**29,654**
Other Contributions						
External Sources						
GVTA	4,073	4,073	4,073	4,073	4,073	**20,365**
	4,073	4,073	4,073	4,073	4,073	**20,365**
Borrowing Proceeds						
Local Improvement	1,000	1,000	1,000	1,000	1,000	**5,000**
	1,000	1,000	1,000	1,000	1,000	**5,000**
	5,073	**5,073**	**5,073**	**5,073**	**5,073**	**25,365**
	$ 29,039	**$ 26,663**	**$ 27,663**	**$ 26,663**	**$ 26,763**	**$ 136,791**

EXPENDITURE SUMMARY

	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Engineering Structures						
Growth Related - Arterial	$ 15,063	$ 13,540	$ 13,540	$ 13,540	$ 13,540	**$ 69,223**
Growth Related - Non-Arterial	3,653	3,300	3,300	3,300	3,300	**16,853**
Non-Growth Related - Arterial	2,337	2,337	2,337	2,337	2,337	**11,685**
Non-Growth Related - Non-Arterial	2,913	2,913	2,913	2,913	2,913	**14,565**
GVTA	4,073	4,073	4,073	4,073	4,073	**20,365**
	28,039	**26,163**	**26,163**	**26,163**	**26,163**	**132,691**
Ranked Projects						
Engineering Structures						
Bridge Replacement	1,000	0	1,000	0	0	**2,000**
Road Rehabilitation	0	500	500	500	600	**2,100**
	1,000	**500**	**1,500**	**500**	**600**	**4,100**
	$ 29,039	**$ 26,663**	**$ 27,663**	**$ 26,663**	**$ 26,763**	**$ 136,791**

5 YEAR CAPITAL FINANCIAL PLAN
PARKS, RECREATION & CULTURE
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
DCC Reserve Funds						
Park Lands	$ 13,200	$ 12,230	$ 12,230	$ 12,230	$ 12,230	**$ 62,120**
Parkland Development	3,720	3,130	3,130	3,130	3,130	**16,240**
	16,920	15,360	15,360	15,360	15,360	**78,360**
NCP Reserve Funds						
Park Development	840	1,045	0	370	0	**2,255**
Police	0	0	0	150	0	**150**
Recreational Facilities	420	200	200	200	200	**1,220**
	1,260	1,245	200	720	200	**3,625**
Other Statutory Reserve Funds						
Cash In Lieu of Parkland	2,590	2,630	2,683	2,737	2,792	**13,432**
	2,590	2,630	2,683	2,737	2,792	**13,432**
	20,770	**19,235**	**18,243**	**18,817**	**18,352**	**95,417**
Discretionary Contributions						
Contributions from Operating						
Current Year's Contribution	1,240	1,240	1,240	1,240	3,270	**8,230**
City's Share - DCC Program	891	808	808	808	808	**4,123**
Other Appropriations	600	0	0	0	0	**600**
	2,731	2,048	2,048	2,048	4,078	**12,953**
Other Statutory Reserve Funds						
City Land Sales	5,805	6,655	980	4,730	4,870	**23,040**
Capital Legacy Fund	1,500	1,600	1,600	1,600	0	**6,300**
	7,305	8,255	2,580	6,330	4,870	**29,340**
	10,036	**10,303**	**4,628**	**8,378**	**8,948**	**42,293**
Other Contributions						
External Sources						
Sport & Leisure Contributions	8	8	8	8	8	**40**
Private Developer Contributions	150	150	100	100	100	**600**
Sundry Contributions	500	500	500	500	500	**2,500**
	658	658	608	608	608	**3,140**
Borrowing Proceeds	2,000	2,000	2,000	2,000	2,000	**10,000**
	2,658	**2,658**	**2,608**	**2,608**	**2,608**	**13,140**
	$ 33,464	**$ 32,196**	**$ 25,479**	**$ 29,803**	**$ 29,908**	**$ 150,850**

5 YEAR CAPITAL FINANCIAL PLAN
PARKS, RECREATION & CULTURE
$ 000's

EXPENDITURE SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Property Acquisition						
Park Land	$ 18,485	$ 17,503	$ 17,556	$ 17,610	$ 17,665	**$ 88,819**
	18,485	17,503	17,556	17,610	17,665	**88,819**
Buildings						
Town Centre Facility Improvements	220	0	0	0	0	**220**
Recreation Facilities Improvements	900	900	900	900	900	**4,500**
	1,120	900	900	900	900	**4,720**
Engineering Structures						
Base Park Development	720	720	720	720	720	**3,600**
NCP/DCC Park Development	4,261	3,295	3,295	3,295	3,295	**17,441**
Developer Tree Program	150	150	100	100	100	**600**
	5,131	4,165	4,115	4,115	4,115	**21,641**
Equipment						
Minor Equipment	120	120	120	120	120	**600**
Recreation Equipment Replacement	8	8	8	8	8	**40**
	128	128	128	128	128	**640**
	24,864	**22,696**	**22,699**	**22,753**	**22,808**	**115,820**
Ranked Projects						
Buildings						
Surrey Museum & Archives	1,000	0	0	0	0	**1,000**
Fraser Heights Multi-Purpose/RCMP	3,000	0	0	0	0	**3,000**
South Surrey Family Change Room	400	0	0	0	0	**400**
South Surrey Multi-Purpose	1,500	6,500	0	0	0	**8,000**
Surrey Sport & Leisure Upper Floor	500	0	0	0	0	**500**
Cloverdale Multi-Purpose/RCMP	0	0	0	6,030	6,970	**13,000**
Newton Youth Centre/Kabaddi Facility	0	0	680	820	0	**1,500**
	6,400	6,500	680	6,850	6,970	**27,400**
Engineering Structures						
Artificial Turf Fields	0	1,400	1,900	0	0	**3,300**
Bear Creek Park Parking	700	0	0	0	0	**700**
Fraser Heights Park Grass Fields	300	300	0	0	0	**600**
Guildford\Hjorth Park Youth Park	300	300	0	0	0	**600**
Port Mann Passive Park	600	0	0	0	0	**600**
Sullivan Heights Kabaddi Field	0	1,000	0	0	0	**1,000**
Greenways	300	0	200	200	130	**830**
	2,200	3,000	2,100	200	130	**7,630**
	8,600	**9,500**	**2,780**	**7,050**	**7,100**	**35,030**
	$ 33,464	**$ 32,196**	**$ 25,479**	**$ 29,803**	**$ 29,908**	**$ 150,850**

5 YEAR CAPITAL FINANCIAL PLAN
PROTECTIVE SERVICES
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
NCP Reserve Funds						
Fire	$ 100	$ 75	$ 50	$ 50	$ 50	**$ 325**
Police	75	0	0	0	0	**75**
	175	**75**	**50**	**50**	**50**	**400**
Discretionary Contributions						
Contributions from Operating						
Current Year's General Operating	300	300	300	300	300	**1,500**
Other Appropriations	750	0	0	0	0	**750**
	1,050	300	300	300	300	**2,250**
Other Statutory Reserve Funds						
Vehicles and Equipment	476	1,196	1,274	1,384	1,347	**5,677**
City Land Sales	925	700	3,600	0	400	**5,625**
Capital Legacy Fund	0	0	0	0	1,600	**1,600**
	1,401	1,896	4,874	1,384	3,347	**5,677**
	2,451	**2,196**	**5,174**	**1,684**	**3,647**	**15,152**
	$ 2,626	**$ 2,271**	**$ 5,224**	**$ 1,734**	**$ 3,697**	**$ 15,552**

EXPENDITURE SUMMARY

	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Equipment						
Fire Vehicles & Equipment	$ 476	$ 1,196	$ 1,274	$ 1,384	$ 1,347	**$ 5,677**
Small Equipment Purchases	400	375	350	350	350	**1,825**
	876	**1,571**	**1,624**	**1,734**	**1,697**	**7,502**
Ranked Projects						
Buildings						
Fire Hall Renovations	750	0	0	0	0	**750**
New Firehall # 10 - Newton	0	0	2,300	0	0	**2,300**
RCMP Guildford District Office	0	0	0	0	0	**0**
RCMP Main Detachment Renovations	1,000	0	0	0	0	**1,000**
RCMP Main Detachment Addition	0	700	1,300	0	0	**2,000**
RCMP Cloverdale District Office	0	0	0	0	0	**0**
RCMP Whalley District Office - Land	0	0	0	0	2,000	**2,000**
	1,750	**700**	**3,600**	**0**	**2,000**	**8,050**
	$ 2,626	**$ 2,271**	**$ 5,224**	**$ 1,734**	**$ 3,697**	**$ 15,552**

5 YEAR CAPITAL FINANCIAL PLAN
WATER SERVICES
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
DCC Reserve Funds						
Water	$ 3,410	$ 2,380	$ 2,428	$ 2,477	$ 2,527	**$ 13,222**
Campbell Heights	0	936	936	936	936	**3,744**
	3,410	**3,316**	**3,364**	**3,413**	**3,463**	**16,966**
Discretionary Contributions						
Appropriated Surplus						
Rate Stabilization Provision	4,200	2,304	3,354	3,354	3,354	**16,566**
	4,200	2,304	3,354	3,354	3,354	**16,566**
Contribution from Operating						
Current Year's Contribution	4,081	3,977	3,977	3,777	3,777	**19,589**
City's Share - DCC Program	379	368	374	379	385	**1,885**
	4,460	4,345	4,351	4,156	4,162	**21,474**
	8,660	**6,649**	**7,705**	**7,510**	**7,516**	**38,040**
Other Contributions						
External Sources						
Sundry Contributions	80	80	80	80	80	**400**
	80	80	80	80	80	**400**
Borrowing Proceeds						
Local Improvement	2,000	2,000	2,000	2,000	2,000	**10,000**
	2,000	2,000	2,000	2,000	2,000	**10,000**
	2,080	**2,080**	**2,080**	**2,080**	**2,080**	**10,400**
	$ 14,150	**$ 12,045**	**$ 13,149**	**$ 13,003**	**$ 13,059**	**$ 65,406**

EXPENDITURE SUMMARY

	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Engineering Structures						
Growth Related	$ 3,789	$ 3,788	$ 3,842	$ 3,896	$ 3,952	**$ 19,267**
Non-Growth Related	6,161	6,057	6,057	5,857	5,857	**29,989**
	9,950	9,845	9,899	9,753	9,809	**49,256**
Equipment						
Information Technology	200	200	250	250	250	**1,150**
	200	200	250	250	250	**1,150**
	10,150	**10,045**	**10,149**	**10,003**	**10,059**	**50,406**
Other Projects						
Utility Building	2,000	0	0	0	0	**2,000**
Residential Metering	1,000	1,000	3,000	3,000	3,000	**11,000**
Pre-Servicing Industrial Lands	1,000	1,000	0	0	0	**2,000**
	4,000	**2,000**	**3,000**	**3,000**	**3,000**	**15,000**
	$ 14,150	**$ 12,045**	**$ 13,149**	**$ 13,003**	**$ 13,059**	**$ 65,406**

5 YEAR CAPITAL FINANCIAL PLAN
SEWER/DRAINAGE SERVICES
$ 000's

CONTRIBUTION SUMMARY	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Non-Discretionary Contributions						
DCC Reserve Funds						
Sewer	$ 1,960	$ 1,890	$ 1,928	$ 1,967	$ 2,006	**$ 9,751**
Drainage	4,550	6,000	6,120	6,242	6,367	**29,279**
Campbell Heights	0	1,872	1,872	1,872	1,872	**7,488**
	6,510	**9,762**	**9,920**	**10,081**	**10,245**	**46,518**
Discretionary Contributions						
Appropriated Surplus						
Rate Stabilization Provision	7,700	4,408	4,458	3,458	3,458	**23,482**
	7,700	4,408	4,458	3,458	3,458	**23,482**
Contribution from Operating						
Current Year's Contribution - Sewer	2,001	1,793	1,793	1,793	1,793	**9,173**
Current Year's Contribution - Drainage	3,790	3,790	3,990	4,990	4,990	**21,550**
City's Share - DCC Program	724	1,085	1,102	1,121	1,138	**5,170**
	6,515	6,668	6,885	7,904	7,921	**35,893**
	14,215	**11,076**	**11,343**	**11,362**	**11,379**	**59,375**
Other Contributions						
External Sources						
Local Improvements	1,000	1,000	1,000	1,000	1,000	**5,000**
Sundry Contributions	100	100	100	125	125	**550**
	1,100	1,100	1,100	1,125	1,125	**5,550**
	1,100	**1,100**	**1,100**	**1,125**	**1,125**	**5,550**
	$ 21,825	**$ 21,938**	**$ 22,363**	**$ 22,568**	**$ 22,749**	**$ 111,443**

EXPENDITURE SUMMARY

	2004	2005	2006	2007	2008	5 YEAR PROGRAM
Statutory & Asset Maintenance						
Engineering Structures						
Growth Related - Sewer	$ 2,178	$ 2,100	$ 2,142	$ 2,186	$ 2,229	**$ 10,835**
Growth Related - Drainage	5,056	6,667	6,800	6,936	7,074	**32,533**
Non-Growth Related - Sewer	3,101	3,101	3,101	3,126	3,126	**15,555**
Non-Growth Related - Drainage	3,790	3,790	3,990	4,990	4,990	**21,550**
	14,125	17,738	18,113	19,318	19,499	**88,793**
Equipment						
Information Technology	200	200	250	250	250	**1,150**
	200	200	250	250	250	**1,150**
	14,325	**17,938**	**18,363**	**19,568**	**19,749**	**89,943**
Other Projects						
Utility Building	2,000	0	0	0	0	**2,000**
Lowland Drainage	4,000	3,000	3,000	3,000	3,000	**16,000**
Pre-Servicing Industrial Sites	1,500	1,000	1,000	0	0	**3,500**
	7,500	**4,000**	**4,000**	**3,000**	**3,000**	**21,500**
	$ 21,825	**$ 21,938**	**$ 22,363**	**$ 22,568**	**$ 22,749**	**$ 111,443**

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Activity - Departmental efforts that contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget.

Annualize - Taking changes that occurred mid-year and calculating their cost for a full year, for the purpose of preparing an annual budget.

Appropriation - A legal authorization to incur obligations and to make expenditures for specific purposes.

Appropriated Surplus – Funds set aside for a non-statutory specific purpose.

Assessed Valuation - The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

Assessment Ratio - The ratio at which the tax rate is applied to the assessment base.

Assets - Resources owned or held by the City, which have monetary value.

Base Budget - Cost of continuing the existing levels of service in the current budget year.

BC Assessment Authority (BCAA) - The organization that is responsible for establishing the assessed property values within British Columbia.

Budget - A plan of financial operations embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budgetary Basis - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash or modified accrual.

Business Improvement Area (BIA)- A separate specific contained area where funds are spent to improve business commercial potential.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also called fixed asset

Capital Budget - The appropriation of internal and external contributions for improvements and additions to facilities, infrastructure, and parks.

Capital Improvements - Expenditures related to the acquisition, expansion or rehabilitation of an element of the City's physical plant; sometimes referred to as infrastructure.

Capital Legacy Fund – A statutory reserve fund established by Council, to provide a renewable internal financing source for one-time General Capital opportunities and projects with abroad based community support.

Capital Project - Major construction, acquisition, or renovation activities which add value to the City's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Reserve - An account used to segregate a portion of the City's equity to be used for future capital program expenditures.

Collective Bargaining Agreement - A legal contract between the employer and a recognized bargaining unit for specific terms and conditions of employment (e.g., hours, working conditions, salary, fringe benefits, and matters affecting health and safety of employees).

Consumer Price Index (CPI) - a statistical description of price levels provided by Statscan (Government of Canada). The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Services rendered to the City by private firms, individuals, or other governmental agencies. Examples include rent, leases, maintenance agreements, and professional consulting services.

Cost-of-living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

Canadian Union of Public Employees (CUPE) - Union representing City's unionized staff.

Debt Service - The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.

Department - The basic organizational unit of the City, which is functionally unique in its delivery of services.

Depreciation - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development Cost Charges (DCC) - Those fees and charges contributed by developers to support development and growth in the City.

Disbursement - The expenditure of monies from an account.

Distinguished Budget Presentation - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Employee Benefits - Contributions made by the City to meet commitments or obligations for employee fringe benefits. Included is the City's share of costs for various pensions, medical and life insurance plans.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Expenditure - The payment for property or services for the purpose of acquiring an asset, service or settling a loss. Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

External Recoveries - Funds received from other organizations for services provided by the City and its departments.

F.E.S.T. - Festival and events strategic team is a team of key players within the City that review and recommend approval of various events held within the City. The team includes representatives from Public Affairs, Economic Development, By-laws and RCMP.

Fiscal Year - A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization.

Fixed Assets - Assets of long-term character that is intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Freedom of Information (FOI) - Freedom of Information Act gives individuals rights to access information held by local government and protects their privacy by placing restrictions on local government when collecting or disclosing personal information.

Full-time Equivalent Position (FTE) - Employee positions, which are authorized in the adopted budget, to be filled during the year. A part-time position converted to the decimal equivalent of a full-time position. For example, a part-time typist working for 18 hours per week would be the equivalent to .5 of a full-time position.

Fund - A fiscal entity with revenues and expenditures, which are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carryover.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

GST - Goods & Services Tax

Grants - A contribution by a City or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

GVRD - Greater Vancouver Regional District.

GVS&DD - Greater Vancouver Sewer & Drainage District.

GDP - Gross Domestic Product as provided by Statistics Canada.

Guidepost - See Goal.

Infrastructure - The physical assets of a City (e.g., streets, water, sewer, public buildings and parks).

Interfund Transfers - The movement of monies between funds of the same governmental entity.

Internal Services Used - The charges to user departments for internal services provided by another department, such as data processing or insurance funded from a central pool.

Internal Services Recovered - Recovery from charges to user departments by the charging department. See Internal Services Used.

Levy - To impose taxes for the support of City activities.

Line-item Budget - A budget prepared along departmental lines that focuses on what is to be bought.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Materials and Supplies - Expendable materials and operating supplies necessary to conduct departmental operations.

Neighbourhood Concept Plan (NCP) - Part of the City's Official Community Plan.

Object of Expenditure - An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

Objective - Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame. See Goal

Obligations - Amounts, which the City may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Official Community Plan (OCP) - The City's prime development planning document.

Operating Revenues - Funds that the City receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Expenditures - The cost for personnel, materials and equipment required for a department to function.

Program - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible.

Program Budget - A budget, which allocates money to the functions or activities of the City rather than to specific items of cost or to specific departments.

Program Revenue - Revenues earned by a program, including fees for services, license and permit fees, and fines.

PST - Provincial Sales Tax.

Public Sector Accounting Board (PSAB) - Issues recommendations and guidance on accounting matters in the public section. These recommendations serve the public interest by strengthening accountability in the public sector through developing, recommending and gaining acceptance of accounting and financial reporting standards of good practise.

Reserve for Future Expenditures (RFFE) - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Revenue - Sources of income financing the operations of the City.

RCMP - Royal Canadian Mounted Police.

South Fraser Perimeter Road (SFPR) - Capital roads project undertaken by the City.

Tax Levy - The total amount to be raised by general property taxes when the tax rate is multiplied by the assessed values.

Taxes - Compulsory charges levied by the City for the purpose of financing services performed for the common benefit of the citizens.

Transfers To/From Own Sources - Amounts transferred to/from one fund to another fund or amount transferred to/from deferred revenue or reserve accounts.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party who benefits from the service.