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CORPORATE REPORT

NO: R259 COUNCIL DATE: December 1, 2025

REGULAR COUNCIL

TO:	**Mayor & Council**	DATE:	**November 27, 2025**
FROM:	**General Manager, Finance**	FILE:	**1880-20**
SUBJECT:	**Quarterly Financial Report - Third Quarter – 2025**		

RECOMMENDATION

The Finance Department recommends that Council receive this report for information.

INTENT

The purpose of this report is to provide Council with an update on the City's financial activity for the first three quarters of 2025 and to compare this activity relative to the 2025 Financial Plan.

DISCUSSION

The following discussion provides a summary of the current economic environment including key economic factors globally, nationally, provincially, and within the City, followed by an outline of Surrey's financial performance through the first three quarters of 2025, in comparison to the adopted Five-Year (2025-2029) Financial Plan.

Economic Environment and Key Economic Factors

<u>International Overview</u>

A fragile ceasefire between Israel and Hamas is in effect but has been marked by Israeli airstrikes and mutual accusations of violations. The current six-week-old truce, brokered by the United States ("US") and regional actors, involves humanitarian aid increases and hostage/prisoner exchanges. However, the agreement is precarious, with concerns that Hamas is using the pause to rearm and reassert control, while Israel faces international criticism for continued attacks and aid obstruction.

A severe humanitarian crisis, including widespread hunger and lack of adequate shelter, persists in Gaza. Recent Israeli airstrikes have killed at least 33 Palestinians, some of the deadliest violence since the ceasefire began on October 10. Israel stated its military responded after soldiers came under fire in southern Gaza and the West Bank, while Hamas denied firing on troops and called the Israeli strikes a "massacre."

Famine conditions have been officially declared in the Gaza Governorate area, and winter weather is exacerbating the plight of the estimated 1.9 million displaced Palestinians living in tents and makeshift shelters. Restrictions imposed by Israeli authorities continue to hinder the entry of essential aid and reconstruction supplies, including medical equipment and vehicles for humanitarian work.

The United Nations Security Council recently backed a US-led plan for transitional governance in Gaza and an international stabilization force, a plan that has been met with mixed international reactions and outright rejection from Hamas. Discussions on the second phase of the ceasefire, including the withdrawal of Israeli forces and disarmament of Hamas, are ongoing.

Geopolitical tensions in Europe have risen in recent months amid growing fears that the war between Russia and Ukraine could spill over into other regions. There have been reports of Russian aggression toward neighboring European countries, including multiple suspected drone sightings near Denmark, Norway, and Germany, which caused temporary airport closures. In September, three Russian jets violated Estonian airspace, prompting the North Atlantic Treaty Organization ("NATO") to dispatch fighter jets for interception. Russia's recent actions are widely viewed as an attempt to test NATO leaders' resolve to increase defense spending and deter further Russian aggression. Analysts suggest that Russia hopes these threats will weaken European support for Ukraine.

A US-drafted 28-point plan to end the war has been circulated, reportedly requiring Ukraine to cede some land and reduce its military size. Ukrainian President Volodymyr Zelenskyy has expressed willingness to work on the plan but insists peace cannot be a capitulation and involves no territorial concessions. European nations are urging that any peace plan must include Ukrainian and European input and not accept demands that amount to Kyiv's surrender. A high-level US military delegation recently arrived in Kyiv to assess the situation and discuss potential next steps.

The International Monetary Fund ("IMF") released an updated global economic outlook in October, showing upward revisions for most major economies. The global economy is now projected to grow by 3.2% this year, an increase of 0.4 percentage points from April's forecast. In 2025, the IMF forecasts Gross Domestic Product ("GDP") growth of 2.0% for the United States, 4.8% for China, 1.2% for Canada, and 1.3% for the United Kingdom ("UK"). The European Union ("EU") is expected to lag behind, with a more modest growth rate of 1.2%. Compared to previous forecasts, Canada's growth projection was revised down by 0.2%, China's adjusted upward by 0.8%, and the EU's raised by 0.4%, while the US and UK each saw smaller upward adjustments of 0.2%.

The IMF noted that recent trade agreements between the US and several key partners, including Japan, the EU, and the UK, have contributed to lower average US tariff levels. Current tariff rates applied to most countries range between 10% and 20%, with certain exceptions for specific sectors. However, the IMF cautioned that it is too early to conclude that US tariffs have had no impact on global economic growth. The IMF Chair stated that many countries' decisions to not retaliate against US tariffs have helped stabilize the global economy, preventing the kind of damaging escalation seen earlier between the US and China. Global headline inflation is estimated to be 4.2% this year, unchanged from the IMF's previous projection.

United States Overview

The US Federal Reserve (the "Fed") cut its benchmark interest rate for the first time this year, trimming it down by 0.25%. The central bank cited a weakening job market and rising unemployment as key reasons for the rate reduction. The US labour market bounced back with job growth of 119,000 positions reported for September. The unemployment rate reached 4.4% in September, an increase of 0.4 percentage points since the beginning of the year.

The Fed operates under a dual mandate to promote maximum employment and maintain price stability. US core inflation came in at 3.0% in September, and the effects of recent US tariff policies do not appear to have fully filtered through the economy yet. The central bank noted that downside risks to employment have increased amid ongoing economic uncertainty and stated that it remains prepared to further reduce interest rates if necessary.

In April, the US President disrupted global trade by imposing sweeping tariffs on trading partners under the International Emergency Economic Powers Act ("IEEPA"). Lawmakers and business leaders have argued that the President lacks the authority to impose tariffs under the IEEPA, as the act contains no provisions for their application. The power to levy tariffs resides with Congress. The legality of the President's tariffs has been challenged in both federal district court and the Court of International Trade. A federal district court has since ruled that the tariffs imposed under the IEEPA are illegal but allowed them to remain in place until October 14th to give the US government time to appeal.

The US administration has appealed the ruling to the Supreme Court, with a hearing scheduled for early November and a decision expected by year-end. Should the Court rule against the President's use of the IEEPA to impose tariffs, the US Treasury Secretary estimates that approximately half of the tariffs collected would need to be refunded. Until the Supreme Court issues a ruling, US businesses will continue to face uncertainty and a volatile trade environment. The President has already indicated that his administration will seek alternative legal mechanisms to reimpose sector-specific tariffs should the Court's decision not go in his favor. Regardless of the outcome, a swift return to trade normalcy in the US is unlikely.

Trade tensions between the US and China reignited in October when China announced restrictions on the export of rare earth elements and related technologies critical to high-tech manufacturing. The US quickly responded by threatening to impose a 100% tariff on Chinese imports by November 1st and by restricting exports of US software to China. Unlike in April, the announcement did not trigger a major sell-off in financial markets, as investors have become accustomed to tariff threats being scaled back or reversed. In November, the US and Chinese Presidents met and agreed to a one-year trade truce whereby China has agreed to lift additional export restrictions on rare earth minerals and increase purchases of US agricultural products in exchange for the US dialing back tariff rates. It remains to be seen if the trade truce will be upheld.

The US government shut down that started October 1st ended after 43 days when eight Democrat senators voted with Republicans to reopen the government and approve funding to the end of next January. The Democrat senators cited the hardship faced by the three million federal workers and 42 million recipients of food stamps that have gone without pay and support during the shutdown as the reason for voting with the Republican senators. It is possible that in the new year, another government shut down will occur if both parties cannot come to an agreement on a funding bill.

The government shutdown has caused delays in the publication of economic data causing more economic uncertainties.

Canadian Overview

The Bank of Canada ("BOC") trimmed its key interest rate by 0.25% at its October meeting, bringing its key interest rate down by 1.00% over the last year. The BOC Governor previously cited uncertainties surrounding US trade policies and the potential impact of tariffs as key reasons for keeping the policy rate unchanged during previous central bank interest rate announcements.

The BOC noted that the Canadian economy and labour market have slowed in recent months, warranting an interest rate reduction. Canada's GDP contracted by 1.6% on an annualized basis in the second quarter. Based on preliminary data, economists are projecting weak GDP growth for the third quarter as well. Canada's unemployment rate came in at 6.9% in October, edging down by 0.2% from the prior month. The labour market rebounded with job gains of 67,000 in October and 60,000 in September, a positive turnaround following the loss of 106,000 positions between July and August.

Canada's inflation rate came in at 2.2% in October, down 0.2% from September. The year-over-year comparison is influenced by the cancellation of the consumer carbon tax. Consumers continue to face a higher cost of living, with grocery costs increasing by 3.4% and rent rising by 5.2% year-over-year. Despite recent acceleration, inflation is still within the central bank's target range. Economists do not expect inflation to rise enough to prompt further rate cuts. At this time, the BOC is expected to hold their policy interest rate at the current level, given low inflation risk. The BOC chair cautioned that there is a limitation to the extent that monetary policy can support the economy and called on the federal government to implement fiscal policies that would raise Canada's productivity.

The central bank also noted that inflationary pressures are subsiding as most counter-tariffs against the US were removed effective September 1st. The Canada-United States-Mexico free trade agreement ("CUSMA") is scheduled for review next year. Ongoing uncertainties surrounding US trade policies continue to weigh on business investment and the labour market. Prime Minister Carney indicated that the CUSMA review is unlikely to resolve outstanding issues in the steel, aluminum, automotive, forest products, and pharmaceutical sectors, which the US considers strategically important.

The Canadian government announced several policies to support businesses and workers affected by US tariffs. To help domestic industries, the government will implement a "Buy Canada" policy, directing federal spending to prioritize Canadian suppliers and counteract the effects of US tariffs. A $5.0 billion fund will be established to help companies pivot to new markets, with funding available across all sectors. Additionally, the government plans to expand business support programs by increasing the maximum loan amount available through the Business Development Bank of Canada from $2.0 million to $5.0 million. To assist workers, the government will extend employment benefits from 45 weeks to 65 weeks.

The Carney government tabled its inaugural budget in November, the first since April 2024 under former Prime Minister Trudeau. The timing of the federal budget presentation will shift from spring to fall each year. Ahead of the announcement, the federal government indicated that the budget would separate operational and capital activities, with the goal of achieving balanced operational spending within three years. Critics argue that this presentation format may divert attention away from the government's growing debt levels.

The proposed federal budget includes new spending of $141.0 billion over the next five years with planned cuts and savings of $51.2 billion. The largest budget items announced were $51.0 billion allotted for infrastructure and an $81.0 billion funding package for military spending. The government is planning a 10% reduction to the public service workforce by 2029. The Carney government plans to find efficiencies in its operations, with each federal department mandated to find 15% in savings over the next three years with an anticipated spending reduction of $13.0 billion annually. The government is projecting a $78.0 billion deficit this fiscal year, dropping to $57.0 billion by 2029-2030. The budget was approved in Parliament, averting the need for a snap election.

<u>British Columbia Overview</u>

British Columbia's ("BC") inflation rate fell to 2.0% in October, coming in below the national average. There will likely be less pressure on prices going forward as there are signs the economy is slowing. In September's unemployment report, BC reported a reduction of 2,900 positions and the jobless rate rose to 6.4%. The labour market continues to show weakness with job losses reported in three of the last four months. The provincial government is forecasting GDP growth of 1.5% this year, reflecting slower economic activity and reduced investment levels.

Although BC is less exposed to US trade compared to other provinces, tariff-related risks continue to affect the economy. The BC lumber industry has warned that mills may close or reduce operations due to recently announced US tariffs, which have raised duties on lumber to 45%. In response, the federal government announced $500.0 million in long-term support and $700.0 million in loan guarantees in August. The BC Premier has urged the federal government to expedite the rollout of these programs to protect the province's forestry sector.

The BC government released its fiscal update in September, revising the provincial deficit upward to $11.6 billion for this fiscal year, double the level recorded during the pandemic. The government cited decreased revenue from natural resources, lower property transfer tax receipts, and the elimination of the carbon tax as key contributors to the widening deficit. BC's deficit has continued to grow over the past three years as government spending outpaces revenue.

The provincial debt is projected to rise to $155.0 billion this year, $185.0 billion next year, and $212.0 billion the following year. The Minister of Finance acknowledged that higher debt-servicing costs will reduce funds available for infrastructure and other government priorities. While the government has stated it will review spending, it has no plans to balance the budget in the near term, with deficits projected for at least the next three years. Economists and business leaders continue to call for tax and regulatory reform to encourage investment and strengthen economic growth.

Negotiations between the BC General Employees' Union ("BCGEU"), representing public service workers, and the provincial government reached an impasse over wages, resulting in a strike involving more than 25,000 workers. The strike led to the closure of government-owned liquor and cannabis stores and the suspension of some non-essential services at provincial ministries. The closure of liquor stores caused supply shortages for restaurants and event venues, prompting some hospitality businesses to reduce operating hours. The strike also affected ministries responsible for licensing and permitting, disrupting business operations across the province. The BCGEU reached an agreement with the government at the end of October, with the employer agreeing to increase wages by 13.49% over a three-year period.

The provincial government is also in active negotiations with the BC Teachers' Federation ("BCTF") and the BC Nurses' Union ("BCNU") and is acutely aware that major wage increases in one sector could set precedents for others. The government has emphasized its goal of protecting critical services while seeking operational efficiencies. BC Public service workers, teachers, and nurses are all advocating for wage increases aligned with the cost of living. It is estimated that each 1.0% increase in public service wages would cost the government approximately $532.0 million annually.

<u>City of Surrey Overview</u>

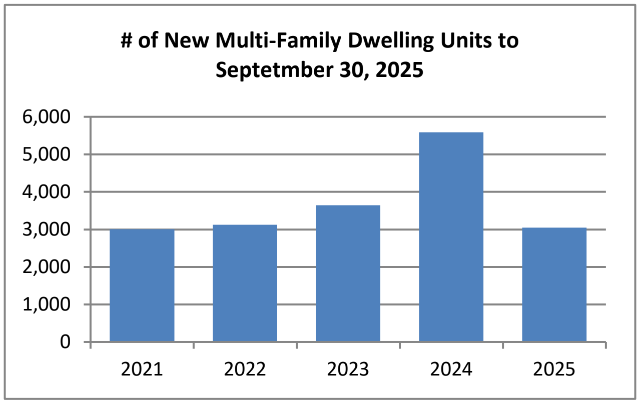
The first three quarters of 2025 witnessed a significant decline in residential development activities compared to the same period last year when the City experienced a surge in the issuance of building permits due to the April 2024 expiration of the one-year, in-stream project rate protection period for the new Metro Vancouver Water Development Cost Charge ("MVDCC"). Although Q1 2025 saw a surge in development activities in advance of scheduled Metro Vancouver DCC rate increases, the following six months experienced a slowdown, mainly due to the high degree of economic uncertainty resulting from ongoing tariff situation and continuing elevated construction costs.

In the residential development category, the decline is focused on multi-family projects, including low and high-rise developments. This contraction can be primarily attributed to macro-economic uncertainties and dampened investor sentiment stemming from the ongoing tariff related environment. This slowdown has been offset by significant development activity from Small Scale Multi-Unit Housing ("SSMUH"), including multiplexes and duplexes with garden suites and coach houses, introduced in mid-2024. Overall, the number of residential permits were unchanged in this nine-month period as compared to 2024.

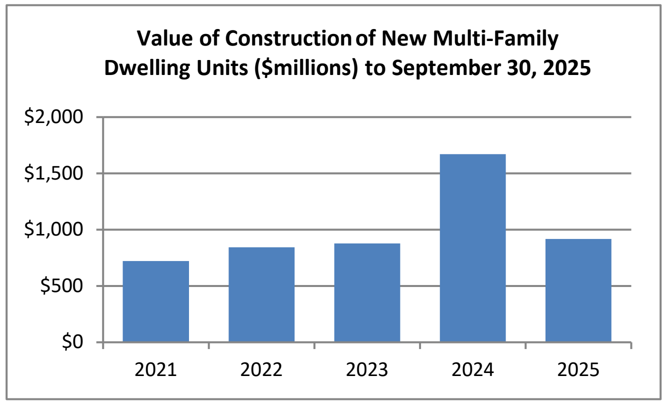
In the Industrial, Commercial & Institutional ("ICI") development category, the overall economic uncertainty has caused developers to re-evaluate their projects while trying to adjust to the challenging economic landscape, resulting in a 6% drop in the number of ICI permits issued in this nine-month period of 2025 as compared to the same period last year.

City of Surrey's Key Performance Indicators

The following graphs show data for the first nine months of 2025 compared to the same time period in the previous four years.



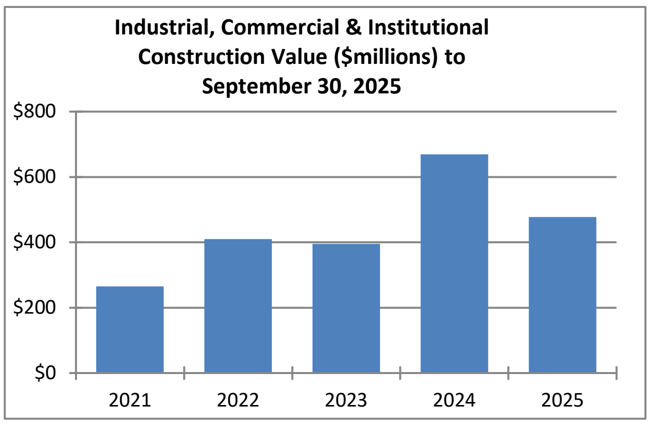
Graph 1



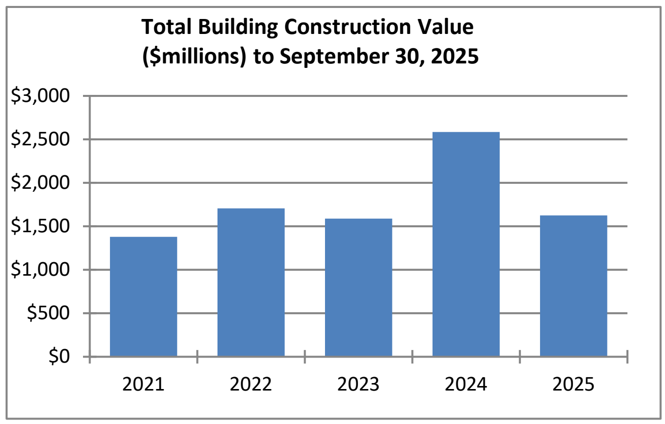
Graph 2

As discussed, there has been an overall decline in development activity in multi-family residential projects in 2025. This nine-month period has seen a decrease in multi-family dwelling units by 45%.

Consistent with the decrease in the number of new multi-family dwelling units in this period as compared to the same period last year, the value of construction for these units has decreased by 45% when compared to the same period last year.



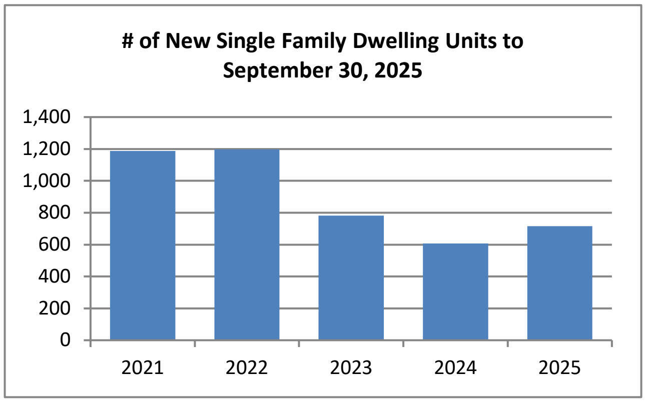
Graph 3



Graph 4

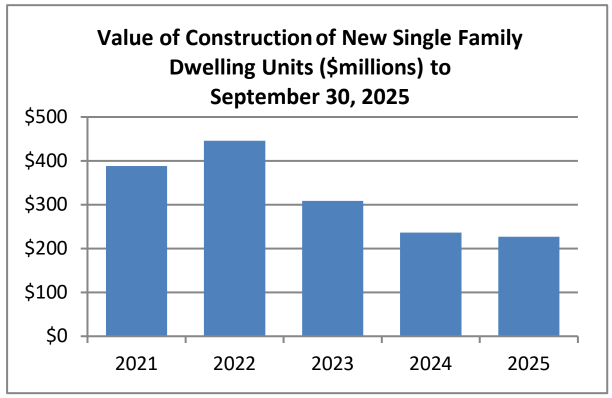
Construction value of ICI permits for this nine-month period of 2025 is lower by 29% as compared to the same period in 2024. This is primarily due to uncertainties related to the current economic environment.

Consistent with the slowdown in overall development activity in this nine-month period, total building construction value in the City year-to-date is lower by 37% compared to the same period last year.



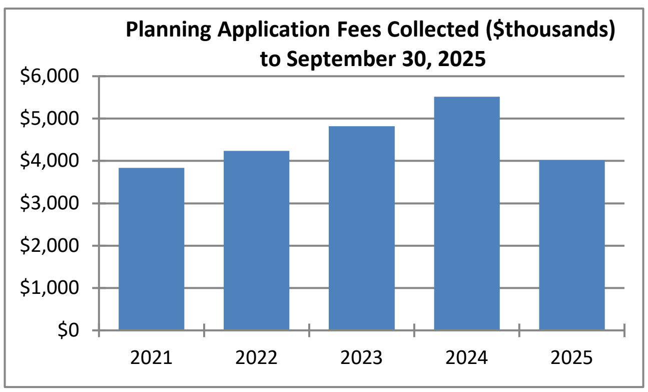
Graph 5

Due to a continued shift in residential development activity from multi-family to SSMUH, new Single Family Dwelling units have increased by 18% in this nine-month period, as compared to the same period in 2024.



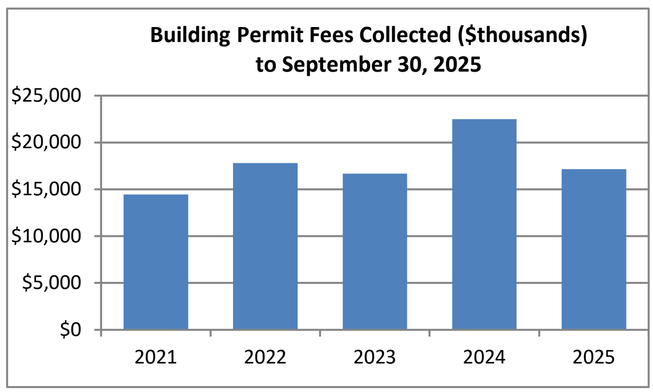
Graph 6

Due to a decline in the number of new single-family with secondary suite permits issued in this nine-month period as compared to the same period last year, the value of construction of these units has correspondingly decreased by 4% when compared to the same period last year.



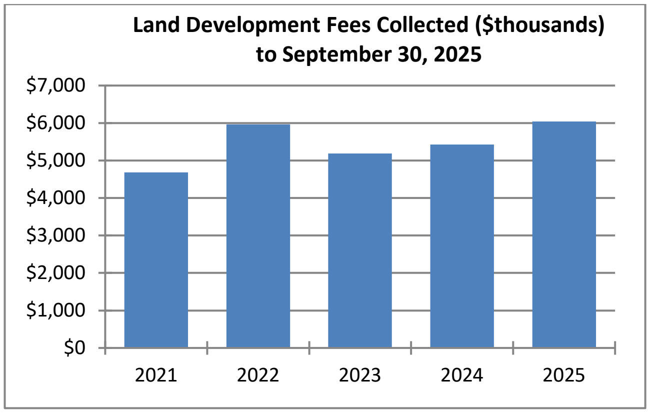
Graph 7

Due to a slowdown in development activity in the City resulting from economic uncertainties, there has been a reduction in planning application fees collected in this nine-month period by 27% as compared to the same period last year.

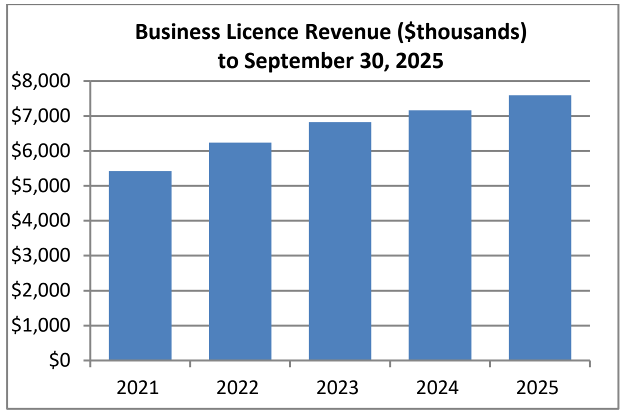


Graph 8

Since total building construction value in the City has significantly decreased compared to the same period last year (as reflected in Graph 4), building permit fees collected in this nine-month period compared to the same period last year has decreased by 24%.



Graph 9



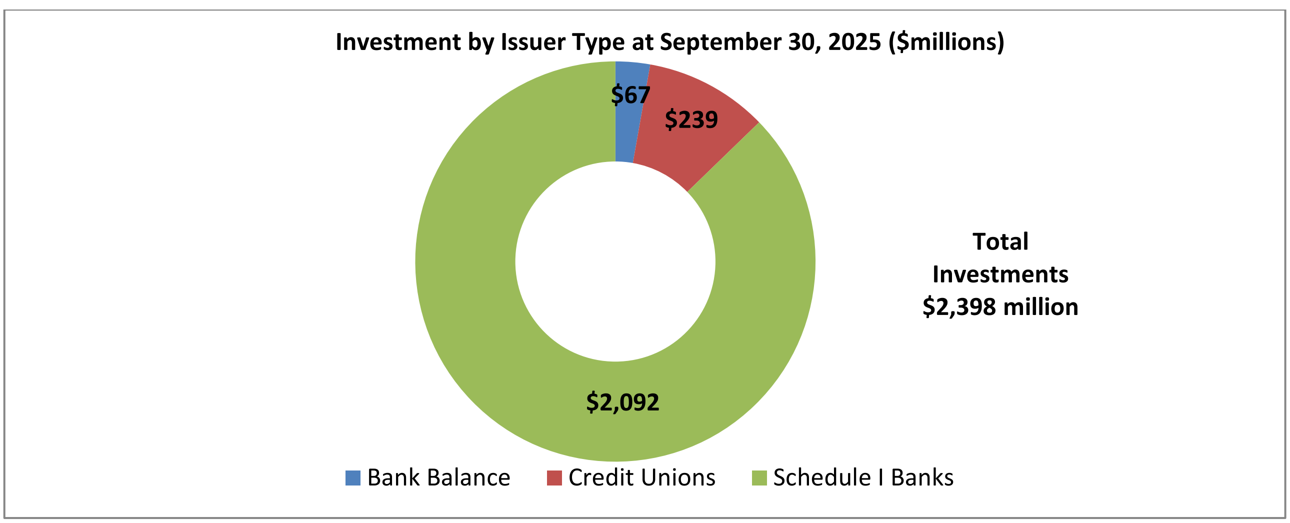
Graph 10

Due to the Phase-In of Metro Vancouver Development Cost Charges and the corresponding increase in the number of projects getting permits in Q1 of this year to mitigate the financial impact of higher fees from Metro Vancouver, there has been an increase in the number of servicing agreements finalized by the City, resulting in a 11% increase in land development fees collected in the this nine-month period of 2025, compared to 2024.

Consistent with increases over the last few years, business license revenue in this nine months of 2025 increased by 6% as compared to the same period last year.

City Investment Portfolio

The City invests public funds in a prudent manner, providing investment return and long-term security while meeting daily cash flow needs. The investment portfolio is currently valued at $2,398 million. Most of these funds have either been committed to specific capital projects or are funds that have been invested until they are needed to pay current operating expenses. Graph 11 shows the City's Investment Portfolio by issuer type.



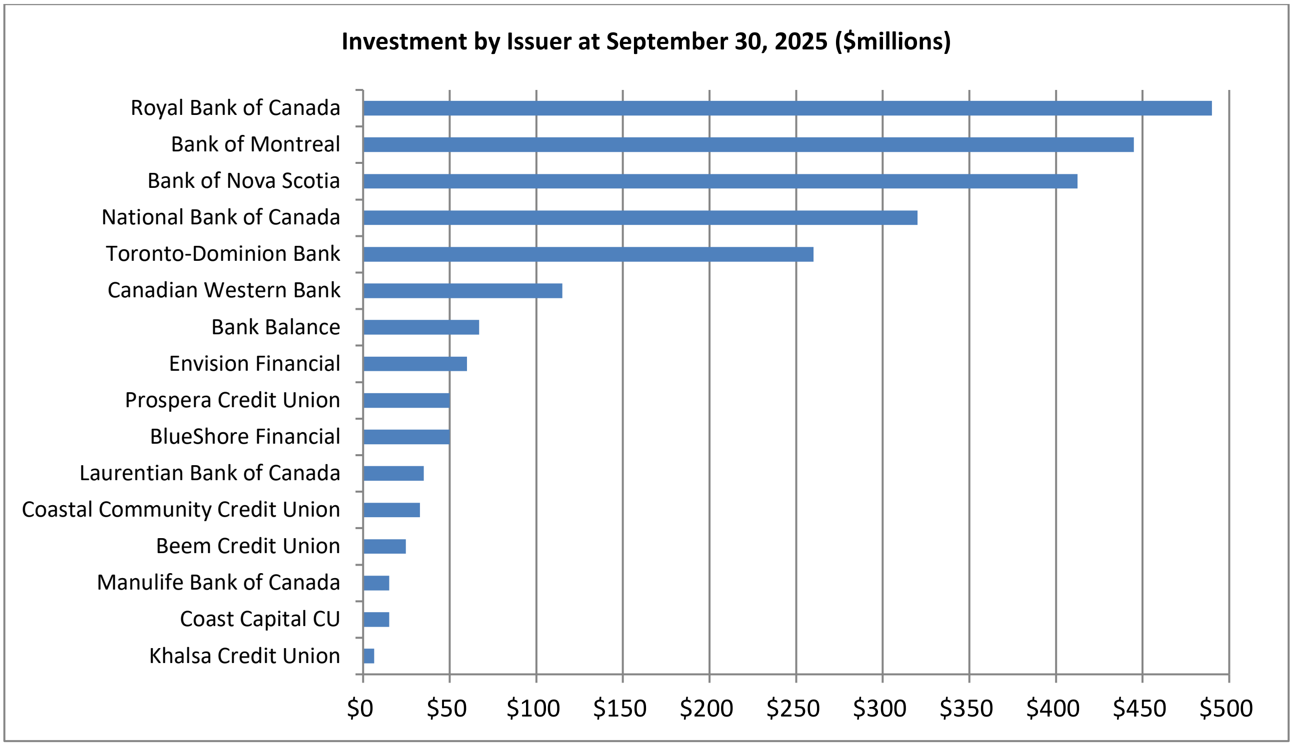
Graph 11

Investments within the portfolio are managed within the framework of the City's Investment Policy.

Objectives of the Policy include the following:

Diversification

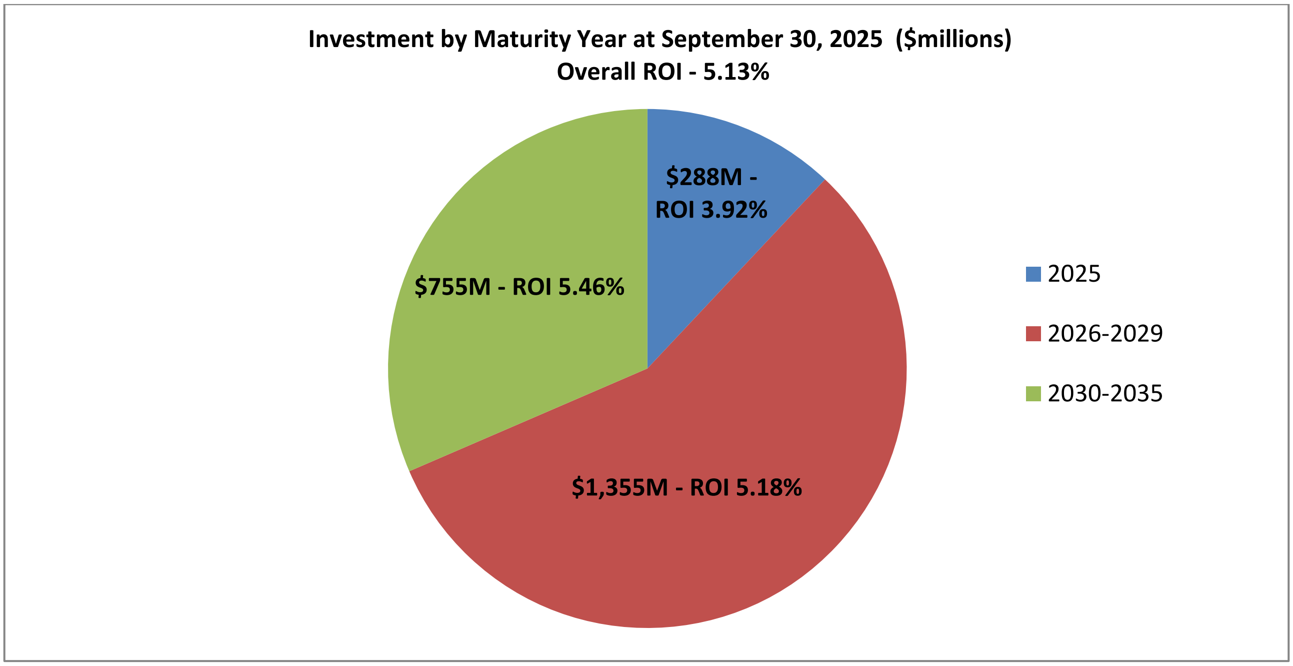
In order to reduce overall portfolio risk, the City diversifies its investment holdings across a range of security types and financial institutions. Graph 12 shows a listing of the City's portfolio by Financial Institution.



Graph 12

Liquidity

The City ensures that the investment portfolio remains sufficiently liquid in order to meet all reasonably anticipated operating and capital cash flow requirements. Maturities coincide with cash requirements, as much as reasonably possible. The investment portfolio is managed through the laddering of investment maturities to account for the timing of cashflow demands. The City's forecasted cash balances are currently in a healthy position with efforts ongoing to remain prepared as new information is incorporated into the cashflow forecast. In the event the City's cash flow requirements change drastically, we are well positioned to add liquidity as necessary. Graph 13 shows the portfolio by maturity terms.



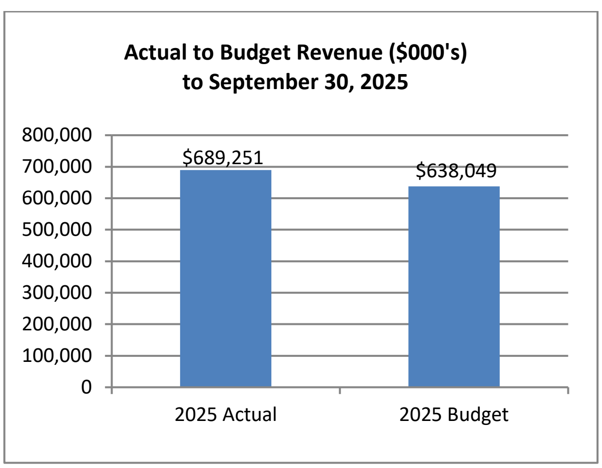
Graph 13

Return on Investment

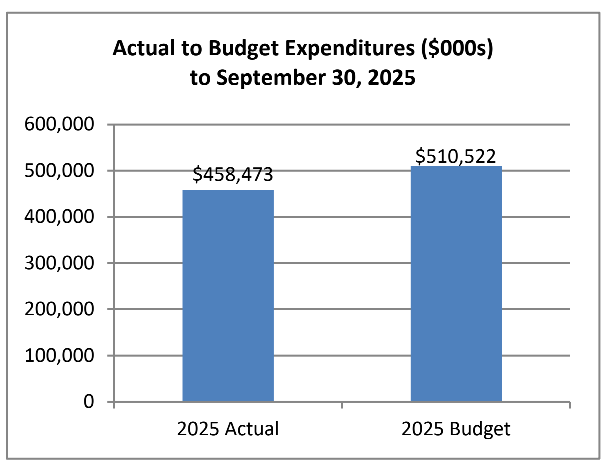
The City strives to earn a reasonable rate of return on the investment portfolio throughout varying budgetary and economic cycles, taking into account investment risk constraints and liquidity needs. During the nine-month period ending September 30, 2025, the City's investment portfolio earned a combined rate of approximately 5.13% (during the nine-month period ending September 30, 2024 – 5.37%) while maintaining investment security as outlined in the City's investment policy.

Actual Revenues and Expenditures Relative to the Budget (Financial Plan)

The following graphs illustrate the variances between the actual and the budgeted operating revenues and expenditures respectively, excluding transfers, for the first three quarters of 2025.



Graph 14



Graph 15

Appendix "I" documents the revenues and expenditures at the end of the third quarter of 2025 at a more detailed level. Departments are proactively monitoring their actual results on a monthly basis.

The following section provides an explanation on a Department-by-Department basis of year-to-date variances in relation to the 2025 budget and as shown in Appendix "II".

Policing Services
The 2025 Police Services Operating budget reflects a combined policing strength, between Surrey Police Service ("SPS") and Surrey Provincial Operations Support Unit ("SPOSU") members of 810 sworn members by the end of 2025. In accordance with Provincial legislation, the Police Act, the Surrey Police Board (the "Board") submitted their 2025 provisional and revised budgets to the City, inclusive of three main components: SPS Operations, Lower Mainland Integrated Police Services, and SPOSU (comprised of RCMP members supporting SPS).

In relation to the quarter three budget, Police Services currently has a favourable variance of $44.15 million, primarily due to the timing of hiring of budgeted SPS members, and the timing of operating, capital and one-time expenditures. The favourable variance is expected to be maintained to the end of the year, resulting in a favourable forecasted year-end variance of $22.32 million.

The policing transition is ongoing and will be completed when SPS no longer requires the assistance of the SPOSU when providing adequate and effective policing in Surrey.

Fire Department currently has a favourable variance of $5.91 million, primarily due to higher-than-budgeted dispatch revenues resulting from higher than estimated client dispatch call volumes; and timing of the hiring of approved new Fire personnel positions in 2025. Fire is currently forecasted to have a favourable variance at year end of $4.60 million.

Engineering Services - General Operating currently has a favourable variance of $2.12 million, primarily due to higher-than-expected land development revenues, staff vacancies and timing of operating costs and is forecasted to have a favourable variance at year end of $1.85 million.

Parks, Recreation & Culture ("PRC") Department currently has a favourable variance of $1.68 million. This is primarily due to vacancies and timing of expenditures and higher than expected program and facility rental revenues and unbudgeted grants received from other levels of government. At this point, staff are forecasting a favourable variance for PRC at year end of $0.35 million.

Planning & Development Department currently has a favourable variance of $9.46 million. This is attributable to savings from vacancies, recoveries from the Housing Accelerator Fund grant and higher than expected permit revenues resulting from recognition of revenues from cash collections from 2024, which was a record-breaking year where the City experienced a surge in the issuance of building permits due to the April 2024 expiration of the one-year rate protection period for in-stream projects for the new Metro Vancouver Water DCC. Staff are forecasting a favourable variance at year end of $11.98 million.

Surrey Public Library currently has an unfavourable variance of $0.58 million, due to timing of operating costs. Staff are forecasting that Surrey Libraries will be on budget at year end.

Mayor and Council currently have a favourable variance of $0.09 million and is expected to have a variance of $0.14 million at year end.

City Grants currently have a favourable variance of $0.41 million and are expected to be on budget at year end.

City Manager's Department currently has a favourable variance of $0.39 million primarily due to the timing of expenditures and is expected to have a variance of $1.23 million at year end.

Corporate Services Department has a favourable variance of $0.81 million due to timing of operating costs and savings from vacancies and is forecasted to have an unfavourable variance at year end of $1.27 million, primarily due to higher than budgeted postage costs and more than expected facility repairs and maintenance costs.

Finance Department currently has a favourable variance of $1.27 million, primarily due to timing of operating costs and savings from vacancies and is forecasted to have a favourable variance at year end of $1.63 million.

Public Safety Administration and Bylaws currently have a favourable variance of $2.41 million, primarily due to savings from vacancies and higher than expected business license revenues and is forecasted to have a favourable variance at year end of $2.23 million.

CONCLUSION

In summary, the City's third quarter financial results for 2025 demonstrate effective budgetary oversight and prudent fiscal management across all departments. This proactive approach ensures the City is well-positioned to meet its financial commitments and maintain fiscal stability as the year closes.

Kam Grewal
CFO / General Manager
Finance

Appendix "I": 2025 Third Quarter Council Report, Executive Summary - Revenues & Expenditures
Appendix "II": 2025 Third Quarter Council Report, Departmental Detail

Appendix "I"

2025 3rd QUARTER COUNCIL REPORT
EXECUTIVE SUMMARY - REVENUES & EXPENDITURES
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REVENUE SUMMARY	2025: 3rd Qtr YTD Actual	2025 YTD BUDGET	2025: 3rd Qtr YTD Variance	2025 ANNUAL FORECAST	2025 ANNUAL BUDGET	2025 Projected Variance
Net Taxation	437,386	432,911	4,475	582,703	578,228	4,475
Secondary Suite Infrastructure Fee	31,319	24,073	7,246	43,738	36,492	7,246
Other Corporate Fees	6,047	2,708	3,339	6,983	3,646	3,337
Investment Interest	63,459	49,101	14,358	81,216	62,390	18,826
Provincial Casino Revenue Sharing	2,222	2,222	-	2,962	2,962	-
Other Trsf from Government	20,158	18,883	1,275	62,623	60,923	1,700
Penalties & Interest on Taxes	10,686	7,323	3,364	11,686	8,000	3,686
Corporate Leases	10,293	10,044	249	13,591	13,392	199
Non-Tax Revenues	144,184	114,353	29,831	222,800	187,805	34,995
Program Revenues	107,680	90,785	16,896	131,479	116,870	14,609
TOTAL REVENUES	689,251	638,049	51,202	936,982	882,903	54,079

EXPENDITURE SUMMARY	2025: 3rd Qtr YTD Actual	2025 YTD BUDGET	2025: 3rd Qtr YTD Variance	2025 ANNUAL FORECAST	2025 ANNUAL BUDGET	2025 Projected Variance
Program Expenditures, net of transfers	440,795	492,026	51,231	625,465	655,915	30,450
Council Priorities	213	213	-	260	260	-
Fiscal Services	230	437	208	850	1,383	533
Debt Interest & Principal	15,192	15,192	-	18,719	18,719	-
Other	2,043	2,654	610	11,673	11,673	-
TOTAL EXPENDITURES	458,473	510,522	52,049	656,967	687,950	30,983

CORPORATE TRANSFER SUMMARY	2025: 3rd Qtr YTD Actual	2025 YTD BUDGET	2025: 3rd Qtr YTD Variance	2025 ANNUAL FORECAST	2025 ANNUAL BUDGET	2025 Projected Variance
Transfer to /(from) Operating Sources	14,155	(17,638)	(31,793)	19,430	(23,541)	(42,971)
Transfer to /(from) Reserve Sources	24,861	24,861	-	33,800	33,800	-
Transfer to /(from) Surplus	161,989	141,856	(20,132)	194,218	184,694	(9,524)
TOTAL TRANSFERS	201,005	149,080	(51,925)	247,448	194,953	(52,495)
Surplus (Deficit)	29,772	(21,553)	51,325	32,567	-	32,567
Trsf (To)From Unapprop Surplus	(29,772)	21,553	(51,325)	(32,567)	-	(32,567)
BALANCED BUDGET	-	-	-	-	-	-

3rd Quarter YTD Actual to Budget Variance:	$	51,325

Appendix "II"

2025 3rd QUARTER COUNCIL REPORT
DEPARTMENTAL DETAIL
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PROGRAM REVENUES	2025: 3rd Qtr YTD ACTUAL	2025 YTD BUDGET	2025: 3rd Qtr YTD Variance	2025 Projected ACTUAL	2025 ANNUAL BUDGET	2025 Projected Variance
Police Services	11,938	8,570	3,369	11,020	10,508	512
Fire	6,756	5,795	961	6,201	5,352	849
Engineering Services	7,296	6,759	538	9,248	8,477	771
Parks, Recreation & Culture	30,816	27,530	3,286	40,781	37,696	3,085
Planning & Development	30,033	23,535	6,499	38,821	31,379	7,442
Surrey Public Library	1,617	1,365	252	1,691	1,455	236
Mayor & Council	-	-	-	-	-	-
City Grants	-	-	-	-	-	-
City Manager	1,876	1,800	76	2,551	2,400	151
Corporate Services	6,124	5,921	204	6,754	6,920	(166)
Finance	1,174	1,158	16	1,560	1,544	16
Public Safety Admin. & Bylaws	10,050	8,354	1,696	12,852	11,139	1,713
TOTAL PROGRAM REVENUES	**107,680**	**90,785**	16,896	**131,479**	**116,870**	**14,609**

PROGRAM EXPENDITURES NET OF TRANSFERS	2025: 3rd Qtr YTD ACTUAL	2025 YTD BUDGET	2025: 3rd Qtr YTD Variance	2025 Projected ACTUAL	2025 ANNUAL BUDGET	2025 Projected Variance
Police Services	149,503	190,288	40,785	228,843	250,649	21,806
Fire	66,151	71,098	4,946	93,443	97,193	3,750
Engineering Services	6,557	8,134	1,578	9,495	10,575	1,080
Parks, Recreation & Culture	90,269	88,664	(1,605)	123,717	120,980	(2,737)
Planning & Development	20,030	22,995	2,966	26,182	30,724	4,542
Surrey Public Library	19,444	18,612	(832)	25,193	24,957	(236)
Mayor & Council	1,553	1,640	87	2,041	2,181	140
City Grants	4,463	4,877	414	5,203	5,203	-
City Manager	11,110	11,425	314	14,001	15,080	1,079
Corporate Services	53,325	53,934	609	72,326	71,227	(1,099)
Finance	8,292	9,545	1,254	11,382	12,993	1,611
Public Safety Admin. & Bylaws	10,099	10,814	715	13,640	14,153	513
TOTAL PROGRAM EXPENDITURES	**440,795**	**492,026**	51,231	**625,465**	**655,915**	30,450

NET PROGRAM	2025: 3rd Qtr YTD ACTUAL	2025 YTD BUDGET	2025: 3rd Qtr YTD Variance	2025 Projected ACTUAL	2025 ANNUAL BUDGET	2025 Projected Variance
Police Services	137,565	181,719	44,153	217,823	240,141	22,318
Fire	59,395	65,303	5,908	87,242	91,841	4,599
Engineering Services	(739)	1,376	2,115	247	2,098	1,851
Parks, Recreation & Culture	59,453	61,134	1,681	82,936	83,284	348
Planning & Development	(10,003)	(539)	9,464	(12,639)	(655)	11,984
Surrey Public Library	17,827	17,247	(580)	23,502	23,502	-
Mayor & Council	1,553	1,640	87	2,041	2,181	140
City Grants	4,463	4,877	414	5,203	5,203	-
City Manager	9,234	9,625	390	11,450	12,680	1,230
Corporate Services	47,200	48,014	813	65,572	64,307	(1,265)
Finance	7,118	8,387	1,269	9,822	11,449	1,627
Public Safety Admin. & Bylaws	49	2,460	2,411	788	3,014	2,226
NET PROGRAM TOTAL	**333,115**	**401,242**	68,127	**493,986**	**539,045**	45,059