CITY OF SURREY

FINANCIAL INFORMATION ACT REPORT

STATEMENT OF FINANCIAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2003

(In Compliance with the Public Bodies
Financial Information Act Statutes
of British Columbia, Chapter 140)

STATEMENT OF FINANCIAL INFORMATION

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FINANCIAL SECTION

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AUDITORS' REPORT TO THE MAYOR AND COUNCILORS

We have audited the consolidated statement of financial position of the City of Surrey as at December 31, 2003 and the consolidated statements of financial activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Surrey, Canada

March 26, 2004

Consolidated Statement of Financial Position

as at December 31, 2003 (in thousands of dollars)

	2003	2002
Financial Assets		
Cash and cash equivalents	**$ 19,892**	$ 2,491
Investments *(note 2)*	**471,554**	431,378
Accounts receivable *(note 3)*	**70,079**	60,991
Deposits, Municipal Finance Authority *(note 4)*	**–**	259
	561,525	495,119
Liabilities		
Accounts payable and accrued liabilities *(note 5)*	**50,305**	46,730
Deposits and prepayments	**56,259**	48,943
Deferred revenue	**11,204**	8,310
Deferred development cost charges *(note 6)*	**136,659**	119,091
Long-term debt *(note 7)*	**–**	559
	254,427	223,633
Net Financial Assets	**307,098**	271,486
Capital Assets *(note 8)*	**1,612,203**	1,510,110
	$ 1,919,301	$ 1,781,596
Financial Equity		
Work in progress *(note 9)*	**$ 95,297**	$ 85,618
Unappropriated surplus *(note 10)*	**16,599**	16,599
Appropriated surplus *(note 11)*	**67,209**	59,909
Reserve funds *(schedule 6)*	**127,993**	109,919
	307,098	272,045
Capital Equity *(note 12)*	**1,612,203**	1,509,551
	$ 1,919,301	$ 1,781,596

Commitments and Contingencies *(note 13)*

Vivienne Wilke, CGA
General Manager,
Finance, Technology & HR Department

D.W. McCallum
Mayor, City of Surrey

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

Consolidated Statement of Financial Activities

for the year ended December 31, 2003 (in thousands of dollars)

	2003 Budget (note 1(d))	2003 Actuals	2002 Actuals
Revenues (schedule 9)			
Taxation for City purposes	$ 151,565	**$ 153,956**	$ 145,849
Sales of goods and services	85,009	**86,819**	84,731
Development cost charges (note 6)	77,877	**39,148**	25,302
Developer contributions	19,545	**16,081**	13,477
Investment income	12,761	**20,921**	19,075
Transfers from other governments	4,549	**3,470**	2,234
Other	19,035	**41,791**	32,274
	370,341	**362,186**	322,942
Expenditures (schedule 10)			
Fire and police protection	88,384	**82,174**	75,147
Water, sewer and drainage	51,990	**48,914**	46,131
Parks, recreation and culture	30,114	**28,373**	28,331
General government	22,372	**17,553**	18,629
Public works	15,569	**14,617**	13,759
Environment and health	14,029	**13,754**	14,315
Planning and development	10,190	**9,281**	8,664
Surrey Public Library	9,211	**9,127**	8,202
Debt interest, fiscal services and other	435	**688**	768
Capital assets (schedule 8)	233,001	**102,093**	81,585
	475,295	**326,574**	295,531
Excess (deficiency) of revenues over expenditures	(104,954)	**35,612**	27,411
Debt principal payments	(559)	**(559)**	(1,624)
Increase (decrease) in financial equity	$ (105,513)	**35,053**	25,787
Financial equity, beginning of year		**272,045**	246,258
Financial equity, end of year		**$ 307,098**	$ 272,045

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

Consolidated Statement of Cash Flows

for the year ended December 31, 2003 (in thousands of dollars)

	2003	2002
Operating Transactions		
Excess of revenues over expenditures	**$ 35,612**	$ 27,411
Cash generated from (required for):		
Accounts receivables	**(9,088)**	(5,868)
Deposits, Municipal Finance Authority	**259**	609
Accounts payable and accrued liabilities	**3,575**	(307)
Deposits and prepayments	**7,316**	4,641
Deferred revenue	**2,894**	1,307
Deferred development cost charges	**17,568**	22,879
Net cash generated from operations	**58,136**	50,672
Investing Transactions		
Increase in investments	**(40,176)**	(42,421)
Financing Transactions		
Debt principal payments	**(559)**	(1,624)
Increase in cash and cash equivalents	**17,401**	6,627
Cash and cash equivalents, beginning of year	**2,491**	(4,136)
Cash and cash equivalents, end of year	**$ 19,892**	$ 2,491

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

GENERAL

The Notes to the Consolidated Financial Statements are an integral part of the statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations, which cannot be conveniently expressed in the Consolidated Financial Statements.

1. Significant Accounting Policies

a) Basis of Accounting

The Consolidated Financial Statements of the City of Surrey are the representation of management prepared in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The Consolidated Financial Statements reflect a combination of the City's Operating, Capital and Reserve Funds consolidated with the Surrey Public Library. Inter-fund transactions, fund balances, and activities have been eliminated on consolidation.

Revenues and expenditures of the City must be in accordance with the Financial Plan adopted by City Council. Management is required to make estimates and assumptions that affect the reported amounts in the financial statements and the disclosure of contingent liabilities. Significant areas requiring the use of management estimates relate to the determination of accrued sick benefits, allowance for doubtful accounts receivable and provision for contingencies. Actual results could differ from those estimates. The Consolidated Financial Statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies outlined in Note 1 for the following funds:

Operating Funds

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

Capital Funds

These funds include the General, Water, and Sewer and Drainage Capital Funds. They are used to record the acquisition costs of capital assets and any related long-term debt outstanding.

Reserve Funds

Under the Community Charter of BC, City Council may by by-law establish reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by by-law 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.

Trust Funds

These funds account for assets, which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the City's Consolidated Financial Statements. Information relating to the trust funds administered by the City is presented in Note 15.

b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

c) Revenues

Revenues are recorded using the accrual basis of accounting. The City is required to act as the agent for the collection of taxes and fees imposed by other authorities. Collections for other authorities (schedule 9) are excluded from the City's taxation revenues.

d) Budget Information

Unaudited budget information, presented on a basis consistent with that used for actual results, was included in the Surrey Consolidated Five-Year Financial Plan and was adopted through By-law #14903 on February 17, 2003.

e) Deferred Revenue

The City defers a portion of the revenue collected from permits, licenses and other fees and recognizes this revenue in the year in which related inspections are performed or other related expenditures are incurred.

f) Expenditures

Expenditures are recognized as they are incurred as a result of the receipt of goods and services or the creation of an obligation to pay. Interest expense on debenture and other debt is accrued to December 31, 2003.

g) Replacement of Capital Assets

The replacement of vehicles and equipment is provided for on a straight-line basis in accordance with the estimated useful lives of the assets through equipment usage charges with corresponding transfers to the Equipment and Building Replacement Reserve Fund (schedule 6). Computer system replacements are funded through an annual charge to each department. Except for the City works yard building, a capital consumption or replacement provision for buildings or infrastructure is not charged to City operating departments.

The City's annual operating budget includes a provision for the replacement of existing capital assets and the acquisition of new capital assets, and also a provision for debt repayment related to capital acquired with borrowed money. The City has also appropriated a portion of operating surpluses for the replacement of capital assets.

A capital ranking model is used to assist City Council in setting priorities for the replacement and acquisition of capital assets.

h) Investments

Investments are recorded at cost, which approximates market value, and are comprised of money market instruments, term deposits and bonds.

for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

i) Capital Inventory

Capital inventory is recorded at cost, which is not in excess of replacement cost.

j) Long-Term Debt

Long-term debt is recorded net of any related sinking fund balances.

k) Financial Equity, Work in Progress

These balances represent amounts set aside from operations for specific operating and capital projects in progress previously approved by Council (note 9).

l) Financial Equity, Unappropriated Surplus

These balances represent operating surpluses from current and prior years, which have not yet been allocated for specific purposes (note 10). Interest revenue earned on these monies is used to fund operations. The Community Charter does not allow the City to budget for a deficit unless the deficit can be eliminated through the use of prior years' surplus.

m) Financial Equity, Appropriated Surplus

These balances represent amounts set aside by City Council for specific purposes, including contingency provisions for emergencies, revenue stabilization, self insurance claims and for the internal financing of capital projects (note 11).

n) Capital Assets and Capital Equity

Capital assets consist of capital expenditures recorded at cost (note 8). Amortization is not recorded on capital assets. Capital equity reflects the accumulated historical cost of assets acquired, constructed or developed by the City for which no outstanding debt remains (note 12). The value of infrastructure constructed by developers and transferred to the City at no cost is not included in Capital equity. The costs for repairs and upgrading which do not materially add to the value or the life of an asset are recorded in the financial statements as operating expenditures.

2. Investments

	2003	2002
Investments maturing within one year	**$ 157,498**	$ 159,511
Investments maturing within two years	**93,354**	81,433
Investments maturing within seven years	**220,702**	190,434
	$ 471,554	$ 431,378

Average portfolio yield 4.65% (2002 - 5.09%). All investments can be liquidated on demand.

for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

3. Accounts Receivable, net of allowances

	2003	2002
Property taxes	**$ 10,306**	$ 11,970
Utility rates	**986**	601
Accounts receivable	**10,616**	9,530
Due from other authorities	**808**	731
Development cost charges	**46,525**	37,176
Property acquired for taxes	**838**	983
	$ 70,079	$ 60,991

4. Deposits, Municipal Finance Authority

The City, along with other municipalities, borrowed money by issuing debt instruments through the Municipal Finance Authority (MFA). Part of the proceeds of the borrowing are withheld as deposits by the MFA to act as security against the possibility of debt repayment default. The deposits were refunded to the City in 2003 upon retirement of the related debt.

5. Accounts Payable and Accrued Liabilities

	2003	2002
Trade accounts payable	**$ 21,649**	$ 19,282
Contractors' holdbacks	**3,454**	2,906
Due to Federal Government	**11,958**	12,047
Due to Province of British Columbia	**3,832**	3,977
Due to regional districts	**7,988**	7,661
Due to other authorities	**1,424**	857
	$ 50,305	$ 46,730

for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

6. Deferred Development Cost Charges

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

	2003	2002
Deferred DCC's:		
Drainage/storm water detention	**$ 15,594**	$ 10,540
Arterial roads	**31,282**	29,051
Collector roads	**9,053**	6,891
Parkland	**55,575**	48,079
Water	**11,040**	12,147
Sanitary sewer	**14,115**	12,383
	$ 136,659	$ 119,091
Deferred DCC's, beginning of year	**$ 119,091**	$ 96,212
Transfers to General Capital Fund	**(30,281)**	(18,481)
Transfers to Water Capital Fund	**(4,888)**	(1,821)
Transfers to Sewer and Drainage Capital Fund	**(3,979)**	(5,000)
Total DCC's recognized as revenue	**(39,148)**	(25,302)
DCC's levied for the year	**53,022**	44,778
Investment income	**3,694**	3,403
Net increase for the year	**17,568**	22,879
Deferred DCC's, end of year	**$ 136,659**	$ 119,091

7. Long-Term Debt

The City's debenture debt was fully retired in 2003. The City earned interest revenue on monies paid into sinking funds for debt repayment, and this interest revenue was applied to debt principal. Interest rate on debenture debt was 12.35%.

for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

8. Capital Assets

	2003	2002
General Capital Fund		
Land	**$ 276,207**	$ 258,193
Buildings	**204,632**	193,772
Infrastructure	**636,240**	596,291
Machinery and equipment	**103,019**	96,829
	1,220,098	1,145,085
Water Capital Fund		
Infrastructure	**154,942**	142,069
Sewer and Drainage Capital Fund		
Infrastructure	**221,659**	207,452
Shared Water Facilities		
Whalley-Clayton Facility	**2,523**	2,523
Surrey-Langley Facility	**12,794**	12,794
Other	**187**	187
	15,504	15,504
	$ 1,612,203	$ 1,510,110

for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

9. Work In Progress

	2003	2002
General		
Operating	**$ 9,098**	$ 8,634
Capital	**43,393**	38,328
	52,491	46,962
Water		
Operating	**162**	689
Capital	**16,913**	15,564
	17,075	16,253
Sewer and Drainage		
Operating	**330**	330
Capital	**24,770**	21,584
	25,100	21,914
Surrey Public Library		
Operating	**631**	489
	$ 95,297	$ 85,618

10. Unappropriated Surplus

	2003	2002
General Operating Fund	**$ 10,599**	$ 10,599
Water Operating Fund	**3,000**	3,000
Sewer and Drainage Operating Fund	**3,000**	3,000
	$ 16,599	$ 16,599

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for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

11. Appropriated Surplus

	2003	2002
General Operating Fund		
Operating contingency and emergencies	**$ 4,500**	$ 4,500
Environmental emergencies	**2,590**	2,000
Interest revenue stabilization	**1,000**	1,000
Revenue stabilization	**4,000**	4,000
Self insurance	**12,643**	11,043
Innovation fund	**903**	878
Employee future benefits	**2,500**	2,000
	28,136	25,421
Water Operating Fund		
Operating contingency and emergencies	**1,500**	1,500
Revenue stabilization	**8,074**	7,483
Infrastructure replacement	**8,527**	8,168
Capital legacy	**4,441**	1,210
Self insurance	**3,654**	3,500
	26,196	21,861
Sewer and Drainage Operating Fund		
Operating contingency and emergencies	**1,500**	1,500
Infrastructure replacement	**2,379**	4,668
Self insurance	**4,550**	4,668
Long term improvements	**4,448**	1,791
	12,877	12,627
	$ 67,209	$ 59,909

for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

12. Capital Equity

	2003	2002
General Capital Fund, beginning of year	**$ 1,145,085**	$ 1,093,302
Deferred DCC's	**30,281**	18,481
Reserve funds	**19,856**	13,120
Operating funds	**14,455**	11,520
Government transfers	**410**	96
Debt retirement	**–**	415
Other	**10,011**	8,151
General Capital Fund, end of year	**1,220,098**	1,145,085
Water Capital Fund, beginning of year	**157,014**	146,053
Deferred DCC's	**4,888**	1,821
Restricted capital reserves	**1,717**	32
Operating funds	**5,064**	7,777
Government transfers	**842**	–
Debt retirement	**559**	1,055
Other	**362**	276
Water Capital Fund, end of year	**170,446**	157,014
Sewer and Drainage Capital Fund, beginning of year	**207,452**	186,987
Deferred DCC's	**3,979**	5,000
Reserve funds	**228**	108
Restricted capital reserves	**782**	–
Operating funds	**9,217**	14,432
Government transfers	**120**	–
Debt retirement	**–**	154
Other	**(119)**	771
Sewer and Drainage Capital Fund, end of year	**221,659**	207,452
	$ 1,612,203	$ 1,509,551

13. Commitments and Contingencies

a) The City has significant future contractual commitments for incomplete capital acquisitions and capital construction projects in progress. The City records the capital costs incurred to the end of the year on these projects as capital asset expenditures. In order to provide for the completion of the projects, unexpended budget money for incomplete projects is appropriated as work in progress. The Financial Plan, updated annually, provides for the financing of these and future obligations within the estimated financial resources of the City.

b) The City, as a member of the Greater Vancouver Water District, the Greater Vancouver Sewerage and Drainage District, and the Greater Vancouver Regional District, is jointly and severally liable for the net capital liabilities of these Districts.

The City converted two Class "B" shares to Class "A" shares of E-Comm Emergency Communications for Southwest British Columbia (E-Comm) in June 2003. Upon withdrawal from E-Comm, Class "A" shareholders shall be obligated to pay to the withdrawal date as requested by E-Comm their share of the Class "A" Shareholders' obligation to any long-term capital obligations, including any lease obligations, or repayments thereof committed to by E-Comm up to the withdrawal date.

c) The City has entered into an agreement with The YMCA of Greater Vancouver in regard to the joint development of the land and facility in Surrey. The City contributed $5.5 million dollars towards the completion of the project, which was matched by the YMCA. The City has also entered into an $8.0 million non-recourse first collateral mortgage in favour of the Royal Bank of Canada registered against the land and facility.

d) The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusted pension plan governed by the BC Public Sector Pension Plans Act. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of the Plan. The Plan is a multi-employer contributory defined benefit pension plan with about 123,000 active contributors, including approximately 28,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The most recent valuation as at December 31, 2000 indicates a surplus of $436 million. The Joint Trust Agreement specifies how surplus assets can be used. The actuary does not attribute portions of the surplus to individual employers. The City records employer contributions to the Plan as salaries and benefits expenditures in the year in which the payments are made. The City contributed $6.4 million in 2003 (2002 - $6.0 million) while employees contributed $5.0 million (2002 - $4.8 million).

e) The City insures itself through a combination of insurance policies and self-insurance. The City has a funded self-insurance appropriation (note 11). Based on estimates, this appropriation reasonably provides for all outstanding claims.

There are several lawsuits pending in which the City is involved. It is considered that the potential claims against the City resulting from such litigation and not covered by insurance would not materially affect the consolidated financial statements of the City.

f) Employees of the City accumulate sick leave entitlement at the rate of 1.5 days per month. The sick leave entitlement is not paid out when an employee retires or ceases employment with the City. As at December 31, 2003, the total accumulated entitlement has an approximate value of $29.2 million, of which $2.5 million has been recorded as a reserve. This reserve represents the approximate value of sick time taken annually.

for the year ended December 31, 2003 (tabular amounts in thousands of dollars)

14. Significant Taxpayers

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

15. Trust Funds

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

	2003	2002
Assets		
Cash and short term investments	**$ 1,914**	$ 1,784

Equity	**Employee Benefits Fund**	**Cemetery Perpetual Care Fund**		
Balance, beginning of year	**$ 480**	**$ 1,304**	**$ 1,784**	$ 1,803
Contributions	**–**	**31**	**31**	23
Interest revenue	**21**	**57**	**78**	87
Employment insurance rebate	**47**	**–**	**47**	45
Benefits purchased	**(21)**	**–**	**(21)**	(153)
Refunded to employees	**(5)**	**–**	**(5)**	(21)
Balance, end of year	**$ 522**	**$ 1,392**	**$ 1,914**	$ 1,784

16. Comparative Figures

Certain of the 2002 figures have been reclassified to conform to the 2003 financial statement presentation.

SUPPLEMENTARY FINANCIAL INFORMATION

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AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION TO THE MAYOR AND COUNCILORS

We have audited and reported separately herein on the consolidated financial statements of the City of Surrey as at and for the year ended December 31, 2003.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in Schedules 1 through 10 is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

KPMG LLP

Chartered Accountants

Surrey, Canada

March 26, 2004

Schedule 1 Statement of Financial Position - By Fund

as at December 31, 2003 (in thousands of dollars)

	Operating Funds			
	General	Water	Sewer and Drainage	Surrey Public Library
Financial Assets				
Cash and cash equivalents	$ 19,892	$ –	$ –	$ –
Investments	473,467	–	–	–
Accounts receivable	23,274	–	–	–
Due from other funds	–	47,319	42,046	656
Deposits, Municipal Finance Authority	–	–	–	–
	516,633	47,319	42,046	656
Liabilities				
Accounts payable and accrued liabilities	50,305	–	–	–
Deposits and prepayments	54,175	1,048	1,036	–
Due to other funds	309,781	–	–	–
Deferred revenue	11,146	–	33	25
Deferred development cost charges	–	–	–	–
Long-term debt	–	–	–	–
	425,407	1,048	1,069	25
Net Financial Assets	91,226	46,271	40,977	631
Capital Assets	–	–	–	–
	$ 91,226	$ 46,271	$ 40,977	$ 631
Financial Equity				
Work in progress	$ 52,491	$ 17,075	$ 25,100	$ 631
Unappropriated surplus	10,599	3,000	3,000	–
Appropriated surplus	28,136	26,196	12,877	–
Reserve funds	–	–	–	–
	91,226	46,271	40,977	631
Capital Equity	–	–	–	–
	$ 91,226	$ 46,271	$ 40,977	$ 631

Vivienne Wilke, CGA
General Manager,
Finance, Technology & HR Department

D.W. McCallum
Mayor, City of Surrey

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Capital Funds					Consolidated	
General	Water	Sewer and Drainage	Reserve Funds	Adjustments	2003	2002
$ –	$ –	$ –	$ –	$ –	**$ 19,892**	$ 2,491
–	–	–	–	(1,913)	**471,554**	431,378
–	–	–	46,805	–	**70,079**	60,991
–	8,899	1,126	207,822	(307,868)	**–**	–
–	–	–	–	–	**–**	259
–	8,899	1,126	254,627	(309,781)	**561,525**	495,119
–	–	–	–	–	**50,305**	46,730
–	–	–	–	–	**56,259**	48,943
–	–	–	–	(309,781)	**–**	–
–	–	–	–	–	**11,204**	8,310
–	–	–	136,659	–	**136,659**	119,091
–	–	–	–	–	**–**	559
–	–	–	136,659	(309,781)	**254,427**	223,633
–	8,899	1,126	117,968	–	**307,098**	271,486
1,220,098	170,446	221,659	–	–	**1,612,203**	1,510,110
$ 1,220,098	$ 179,345	$ 222,785	$ 117,968	$ –	**$ 1,919,301**	$ 1,781,596
$ –	$ –	$ –	$ –	$ –	**$ 95,297**	$ 85,618
–	–	–	–	–	**16,599**	16,599
–	–	–	–	–	**67,209**	59,909
–	8,899	1,126	117,968	–	**127,993**	109,919
–	8,899	1,126	117,968	–	**307,098**	272,045
1,220,098	170,446	221,659	–	–	**1,612,203**	1,509,551
$ 1,220,098	$ 179,345	$ 222,785	$ 117,968	$ –	**$ 1,919,301**	$ 1,781,596

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Schedule 2 Statement of Financial Activities - By Fund

for the year ended December 31, 2003 (in thousands of dollars)

	Operating Funds			
	General	Water	Sewer and Drainage	Surrey Public Library
Revenues				
Taxation, grants-in-lieu, assessments	$ 300,183	$ 142	$ 17,536	$ –
Collections for other authorities	(163,905)	–	–	–
Taxation for City purposes	136,278	142	17,536	–
Sales of goods and services	35,064	27,787	23,683	189
Development cost charges	–	–	–	–
Developer contributions	–	–	–	–
Investment income	9,618	2,006	1,760	–
Transfers from other governments	1,260	–	–	838
Other	20,813	299	261	432
	203,033	30,234	43,240	1,459
Expenditures				
Fire and police protection	82,174	–	–	–
Water, sewer and drainage	–	18,940	29,974	–
Parks, recreation and culture	28,373	–	–	–
General government	17,553	–	–	–
Public work	14,617	–	–	–
Environment and health	13,754	–	–	–
Planning and development	9,281	–	–	–
Surrey Public Library	–	–	–	9,127
Debt interest, fiscal services and other	656	29	–	3
Capital assets	–	–	–	–
	166,408	18,969	29,974	9,130
Excess (deficiency) of revenues over expenditures	36,625	11,265	13,266	(7,671)
Debt principal payments	–	(559)	–	–
Transfer from (to) operating funds	(7,460)	(172)	(181)	7,813
Transfer from (to) reserve funds	(6,466)	(313)	(432)	–
Transfer from (to) capital funds	(14,455)	(5,064)	(9,217)	–
Increase in financial equity	8,244	5,157	3,436	142
Financial equity, beginning of year	82,982	41,114	37,541	489
Financial equity, end of year	$ 91,226	$ 46,271	$ 40,977	$631

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Capital Funds					Consolidated	
General	Water	Sewer and Drainage	Reserve Funds	Adjustments	**2003**	2002
$ –	$ –	$ –	$ –	$ –	**$ 317,861**	$ 301,385
–	–	–	–	–	**(163,905)**	(155,536)
–	–	–	–	–	**153,956**	145,849
–	–	–	96	–	**86,819**	84,731
–	–	–	39,148	–	**39,148**	25,302
9,461	362	(119)	6,377	–	**16,081**	13,477
–	1,992	1,252	4,293	–	**20,921**	19,075
410	842	120	–	–	**3,470**	2,234
550	–	–	19,436	–	**41,791**	32,274
10,421	3,196	1,253	69,350	–	**362,186**	322,942
–	–	–	–	–	**82,174**	75,147
–	–	–	–	–	**48,914**	46,131
–	–	–	–	–	**28,373**	28,331
–	–	–	–	–	**17,553**	18,629
–	–	–	–	–	**14,617**	13,759
–	–	–	–	–	**13,754**	14,315
–	–	–	–	–	**9,281**	8,664
–	–	–	–	–	**9,127**	8,202
–	–	–	–	–	**688**	768
75,013	12,873	14,207	–	–	**102,093**	81,585
75,013	12,873	14,207	–	–	**326,574**	295,531
(64,592)	(9,677)	(12,954)	69,350	–	**35,612**	27,411
–	–	–	–	–	**(559)**	(1,624)
14,455	5,064	9,217	7,211	(35,947)	–	–
50,137	4,888	4,207	–	(52,021)	–	–
–	–	–	(59,232)	87,968	–	–
–	275	470	17,329	–	**35,053**	25,787
–	8,624	656	100,639	–	**272,045**	246,258
$ –	$ 8,899	$ 1,126	$ 117,968	$ –	**$ 307,098**	$ 272,045

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Schedule 3 General Operating Fund

for the year ended December 31, 2003 (in thousands of dollars)

	2003 Tax Levy Budget	**2003 Actuals** *(schedule 2)*	2002 Actuals
Revenues			
Taxation, grants-in-lieu, assessments	*$ 287,621*	**$ 300,183**	$ 284,334
Collections for other authorities	*(151,653)*	**(163,905)**	(155,536)
Taxation for city purposes	*135,968*	**136,278**	128,798
Sales of goods and services	*31,867*	**35,064**	35,895
Investment income	*9,447*	**9,618**	8,903
Transfers from other governments	*1,844*	**1,260**	1,358
Other	*18,720*	**20,813**	19,569
	197,846	**203,033**	194,523
Expenditures			
Fire and police protection	*88,384*	**82,174**	75,147
Parks, recreation and culture	*30,114*	**28,373**	28,331
General government	*22,372*	**17,553**	18,629
Public works	*15,569*	**14,617**	13,759
Environment and health	*14,029*	**13,754**	14,315
Planning and development	*10,190*	**9,281**	8,664
Debt interest, fiscal services and other	*400*	**656**	394
	181,058	**166,408**	159,239
Excess of revenues over expenditures	*16,788*	**36,625**	35,284
Debt principal payments	–	–	(415)
Net excess of revenues over expenditures	*16,788*	**36,625**	34,869
Transfers to other funds and reserves	*(16,788)*	**(28,381)**	(23,301)
Increase in financial equity	*$ –*	**8,244**	11,568
Financial equity, beginning of year		**82,982**	71,414
Financial equity, end of year		**$ 91,226**	$ 82,982

The 2003 Tax Levy Budget was used to determine 2003 taxation rates.

Water Operating Fund *Schedule 4*

for the year ended December 31, 2003 (in thousands of dollars)

	2003 Utility Rates Budget	2003 Actuals (schedule 2)	2002 Actuals
Revenues			
Taxation, grants-in-lieu, assessments	$ –	**$ 142**	$ 224
Sales of goods and services	28,254	**27,787**	27,200
Investment income	1,740	**2,006**	2,377
Transfers from other governments	1,525	**–**	–
Other	135	**299**	209
	31,654	**30,234**	30,010
Expenditures			
Water operations	19,534	**18,940**	17,961
Debt interest, fiscal services and other	35	**29**	328
	19,569	**18,969**	18,289
Excess of revenues over expenditures	12,085	**11,265**	11,721
Debt principal payments	(559)	**(559)**	(1,055)
Net excess of revenues over expenditures	11,526	**10,706**	10,666
Transfers to other funds and reserves	(11,526)	**(5,549)**	(8,818)
Increase in financial equity	$ –	**5,157**	1,848
Financial equity, beginning of year		**41,114**	39,266
Financial equity, end of year		**$ 46,271**	$ 41,114

The 2003 Utility Rates Budget was used to determine 2003 taxation rates.

Schedule 5 Sewer and Drainage Operating Fund

for the year ended December 31, 2003 (in thousands of dollars)

	2003 Utility Rates Budget	**2003 Actuals** (schedule 2)	2002 Actuals
Revenues			
Taxation, grants-in-lieu, assessments	$ 15,597	**$ 17,536**	$ 16,827
Sales of goods and services	24,888	**23,683**	21,373
Investment income	1,574	**1,760**	2,721
Other	1,360	**261**	262
	43,419	**43,240**	41,183
Expenditures			
Sewer and drainage operations	32,456	**29,974**	28,170
Debt interest, fiscal services and other	–	–	43
	32,456	**29,974**	28,213
Excess of revenues over expenditures	10,963	**13,266**	12,970
Debt principal payments	–	–	(154)
Net excess of revenues over expenditures	10,963	**13,266**	12,816
Transfers to other funds and reserves	(10,963)	**(9,830)**	(15,968)
Increase (decrease) in financial equity	$ –	**3,436**	(3,152)
Financial equity, beginning of year		**37,541**	40,693
Financial equity, end of year		**$ 40,977**	$ 37,541

The 2003 Utility Rates Budget was used to determine 2003 taxation rates.

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Schedule 6 Reserve Funds

for the year ended December 31, 2003 (in thousands of dollars)

	Equipment and Building Replacement	Tax Sale Land	Municipal Land	Park Land Acquisition	*Capital Legacy	**Local Improvement Financing
Balance, beginning of year	$ 26,857	$ 130	$ 17,213	$ 2,757	$ 30,152	$ 8,849
Investment income	1,182	6	757	122	1,327	254
Asset disposals	–	–	19,436	–	–	–
Other revenue	43	–	24	3,188	–	–
Capital expenditures	–	–	–	–	–	–
	1,225	6	20,217	3,310	1,327	254
Transfers from (to)						
Operating funds	5,494	–	–	–	740	977
Capital funds	(4,607)	–	(9,104)	(2,750)	(1,943)	(228)
	887	–	(9,104)	(2,750)	(1,203)	749
Balance, end of year	$ 28,969	$ 136	$ 28,326	$ 3,317	$ 30,276	$ 9,852

Additional Information:

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

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

Capital Legacy Fund prior to internal borrowing	$ 37,886
Principal repayable, Surrey Sport and Leisure Complex Ice Arena loan	(6,184)
Principal repayable, Surrey Sport and Leisure Complex Aquatic Retail Complex loan	(1,041)
Principal repayable, Port Kells pre-servicing loan	(385)
Funds on hand for financing projects	$ 30,276

**** Local Improvement Financing Reserve Fund:**

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

Equity, December 31, 2003	$ 9,852
Receivable from property owners	(2,728)
Funds on hand for financing projects	$ 7,124

					Restricted Capital Reserves		
Water Claims	**Affordable Housing**	**Parking Space**	**Neighbourhood Concept Plan**	**Reserves Subtotal**	**Water Capital**	**Sewer and Drainage Capital**	**Reserves Total**
$ 899	$ 8,496	$ 1,072	$ 4,214	**$ 100,639**	$ 8,624	$ 656	**$ 109,919**
39	374	47	185	**4,293**	1,992	1,252	**7,537**
–	–	–	–	**19,436**	–	–	**19,436**
–	–	29	3,189	**6,473**	–	–	**6,473**
–	–	–	–	–	(1,717)	(782)	**(2,499)**
39	374	76	3,374	**30,202**	275	470	**30,947**
–	–	–	–	**7,211**	–	–	**7,211**
–	(245)	–	(1,207)	**(20,084)**	–	–	**(20,084)**
–	(245)	–	(1,207)	**(12,873)**	–	–	**(12,873)**
$ 938	$ 8,625	$ 1,148	$ 6,381	**$ 117,968**	$ 8,899	$ 1,126	**$ 127,993**

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Schedule 7 Reserves, Contingencies and Surplus

for the year ended December 31, 2003 (in thousands of dollars)

Reserve Funds	2003	2002	2001	2000	1999
Equipment and building replacement	**$ 28,969**	$ 26,857	$ 24,990	$ 21,965	$ 19,368
Tax sale land	**136**	130	124	117	111
Municipal land	**28,326**	17,213	9,002	12,157	15,505
Park land acquisition	**3,317**	2,757	1,158	1,120	1,071
Capital Legacy	**30,276**	30,152	29,558	29,142	27,390
Local improvement financing	**9,852**	8,849	7,621	6,491	5,447
Water claims	**938**	899	857	812	770
Affordable housing	**8,625**	8,496	8,142	7,731	7,344
Parking space	**1,148**	1,072	993	942	893
Neighbourhood Concept Plan	**6,381**	4,214	3,606	3,378	3,008
	117,968	100,639	86,051	83,855	80,907
Restricted capital reserves	**10,025**	9,280	8,271	9,516	11,566
	$ 127,993	$ 109,919	$ 94,322	$ 93,371	$ 92,473
Unappropriated Surplus					
General Operating fund	**$ 10,599**	$ 10,599	$ 10,599	$ 10,015	$ 10,623
Water Operating fund	**3,000**	3,000	3,000	3,854	546
Sewer and Drainage Operating fund	**3,000**	3,000	2,450	1,983	2,092
Surrey Public Library	**–**	–	42	69	65
	$ 16,599	$ 16,599	$ 16,091	$ 15,921	$ 13,326
Appropriated Surplus					
Operating contingency and emergencies	**$ 7,500**	$ 7,500	$ 6,500	$ 6,500	$ 5,500
Environmental emergencies	**2,590**	2,000	2,000	2,000	2,000
Interest revenue stabilization	**1,000**	1,000	1,000	1,000	1,000
Revenue stabilization	**12,074**	11,483	9,892	8,000	7,922
Self insurance	**18,676**	19,211	18,757	17,560	16,412
Innovation fund	**903**	878	853	828	1,078
Employee future benefits	**2,500**	2,000	2,000	2,000	–
Capital Legacy fund	**4,441**	1,210	–	–	–
Sport and leisure complex	**–**	–	–	137	1,448
Infrastructure replacement	**13,077**	12,836	12,243	11,605	11,000
Long term improvements	**4,448**	1,791	9,644	21,664	24,973
Surrey Public Library	**–**	–	1	1	1
	$ 67,209	$ 59,909	$ 62,890	$ 71,295	$ $71,334
Work in Progress					
General operating and capital	**$ 52,491**	$ 46,962	$ 36,496	$ 40,330	$ 39,569
Water operating and capital	**17,075**	16,253	17,244	12,897	12,953
Sewer and Drainage operating and capital	**25,100**	21,914	18,695	15,688	16,326
Surrey Public Library	**631**	489	520	378	307
	$ 95,297	$ 85,618	$ 72,955	$ 69,293	$ 69,155

Capital Expenditures and Funding Sources *Schedule 8*

for the year ended December 31, 2003 (in thousands of dollars)

	Contributions from						
	Reserves & DCC's	Restricted Capital Reserves	Government Transfers	Other	Operating Funds	Total Expenditures 2003	Total Expenditures 2002
General Capital Fund							
Land	$ 16,839	$ –	$ –	$ 120	$ 1,055	**$ 18,014**	$ 9,738
Buildings	2,822	–	–	1,239	6,799	**10,860**	7,733
Infrastructure	25,843	–	410	8,627	5,069	**39,949**	27,731
Machinery and equipment	4,633	–	–	25	1,532	**6,190**	6,166
	$ 50,137	$ –	$ 410	$ 10,011	$ 14,455	**$ 75,013**	$ 51,368
Water Capital Fund							
Infrastructure	$ 4,888	$ 1,717	$ 842	$ 362	$ 5,064	**$ 12,873**	$ 9,906
Sewer and Drainage Capital Fund							
Infrastructure	$ 4,207	$ 782	$ 120	$ (119)	$ 9,217	**$ 14,207**	$ 20,311
Summary							
General Capital	$ 50,137	$ –	$ 410	$ 10,011	$ 14,455	**$ 75,013**	$ 51,368
Water Capital	4,888	1,717	842	362	5,064	**12,873**	9,906
Sewer and Drainage Capital	4,207	782	120	(119)	9,217	**14,207**	20,311
	$ 59,232	$ 2,499	$ 1,372	$ 10,254	$ 28,736	**$ 102,093**	$ 81,585

Schedule 9 Consolidated Revenues

for the year ended December 31, 2003 (in thousands of dollars)

	2003	2002	2001	2000	1999
Taxation for City Purposes					
Property taxes	**$ 127,589**	$ 120,557	$ 116,884	$ 114,420	$ 111,773
Sewer frontage taxes	**17,268**	16,719	12,886	12,710	12,520
Grants-in-lieu of taxes	**8,576**	8,064	7,184	6,774	6,520
Other	**448**	617	865	753	636
Collections for other authorities					
Province of BC - school taxes	**132,139**	127,350	122,073	119,689	117,253
Greater Vancouver Regional District	**10,175**	8,883	8,485	7,058	6,952
BC Assessment Authority	**4,398**	4,337	4,234	4,176	4,102
Greater Vancouver Transportation Authority	**14,664**	13,779	10,694	10,413	10,223
Other	**2,604**	1,079	55	8	8
	317,861	301,385	283,360	276,001	269,987
Collections for other authorities	**(163,905)**	(155,536)	(145,637)	(141,444)	(138,535)
	153,956	145,849	137,723	134,557	131,452
Sales of Goods and Services					
Application fees	**2,172**	1,740	1,307	1,138	866
Garbage levy	**15,437**	15,098	14,085	14,049	13,408
Recreation and culture	**8,431**	8,121	7,016	6,444	6,849
Utility rates and fees	**51,470**	48,560	47,191	44,614	41,144
Other	**9,309**	11,212	8,668	5,964	7,420
	86,819	84,731	78,267	72,209	69,687
Development Cost Charges	**39,148**	25,302	22,019	23,869	46,796
Developer Contributions	**16,081**	13,477	11,008	8,658	8,342
Investment Income	**20,921**	19,075	20,072	19,299	18,265
Transfers from Other Governments					
Provincial government	**3,023**	1,882	3,210	5,000	3,660
Federal government	**447**	352	236	259	121
	3,470	2,234	3,446	5,259	3,781
Other					
Licenses and permits	**14,072**	13,456	10,317	10,076	10,471
Leases and rentals	**3,449**	3,056	3,117	2,787	2,528
Penalties and interest on taxes	**2,929**	2,772	3,328	2,992	2,835
Miscellaneous	**1,906**	1,210	1,175	1,301	1,629
Asset disposals	**19,435**	11,780	4,119	5,762	6,726
	41,791	32,274	22,056	22,918	24,189
Total Revenues	**$ 362,186**	$ 322,942	$ 294,591	$ 286,769	$ 302,512

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Consolidated Expenditures *Schedule 10*

for the year ended December 31, 2003 (in thousands of dollars)

	2003	2002	2001	2000	1999
Expenditures by Function					
Fire and police protection	**$ 82,174**	$ 75,147	$ 75,181	$ 67,835	$ 62,643
Water, sewer and drainage	**48,914**	46,131	44,401	41,567	39,638
Parks, recreation and culture	**28,373**	28,331	26,487	25,698	24,459
General government	**17,553**	18,629	16,347	16,462	16,486
Public works	**14,617**	13,759	12,406	12,522	11,655
Environment and health	**13,754**	14,315	13,892	13,752	11,627
Planning and development	**9,281**	8,664	8,224	8,172	8,430
Surrey public library	**9,127**	8,202	7,767	7,266	6,744
	223,793	213,178	204,705	193,274	181,682
Debt interest and fiscal services	**688**	768	2,165	2,307	2,534
Capital assets	**102,093**	81,585	89,597	86,575	124,644
	$ 326,574	$ 295,531	$ 296,467	$ 282,156	$ 308,860
Expenditures by Object					
Salaries and benefits	**$ 106,624**	$ 100,478	$ 96,158	$ 93,430	$ 90,245
Consulting and professional services	**3,802**	3,998	3,038	3,715	4,317
RCMP contracted services	**38,171**	34,510	36,892	31,575	27,808
Telephone and communications	**1,874**	1,805	1,573	1,578	1,916
Regional district utility charges	**33,377**	31,327	29,688	27,476	25,262
Utilities	**6,804**	6,660	7,127	5,815	5,292
Garbage collection and disposal	**12,057**	12,777	12,288	12,054	10,884
Maintenance	**4,093**	3,936	3,966	2,706	3,471
Insurance and claims	**2,001**	2,178	1,464	1,637	850
Leases and rentals	**2,879**	3,003	2,525	3,291	2,621
Supplies and materials	**11,783**	11,693	10,253	10,576	10,923
Advertising and media	**2,012**	2,100	2,177	2,157	1,976
Grants and sponsorships	**1,017**	848	808	936	975
Sundry	**10,137**	9,686	7,723	8,654	8,572
Other	**1,207**	1,142	1,198	1,228	1,170
Cost recoveries, net	**(14,045)**	(12,963)	(12,173)	(13,554)	(14,600)
	223,793	213,178	204,705	193,274	181,682
Debt interest and fiscal services	**688**	768	2,165	2,307	2,534
Capital assets	**102,093**	81,585	89,597	86,575	124,644
	$ 326,574	$ 295,531	$ 296,467	$ 282,156	$ 308,860

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STATEMENT OF FINANCIAL INFORMATION

SCHEDULE OF GUARANTEES AND INDEMNITY PAYMENTS

A Schedule of Guarantees and Indemnity Payments has not been prepared because this organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

STATEMENT OF FINANCIAL INFORMATION

SUPPLEMENTARY INFORMATION

Regulations require the City of Surrey to report the total amount of remuneration for each employee that exceeds $75,000 in the year reported. However, certain exceptions have been noted below:

1. Certain employees were hired part way through the year and their remuneration does not reflect a full years cost.

2. Some employees terminated their employment part way through the year and their remuneration does not reflect a full years cost.

3. Certain elected officials came into office part way through the year and their remuneration does not reflect a full years cost.

4. Certain elected officials left office part way through the year and their remuneration does not reflect a full years cost.

5. Total remuneration and benefits include payout of earned time for vacations, gratuity payments, pay for performance and/or banked overtime.

EMPLOYEE NAME	TOTAL RENUMERATION and BENEFITS	TOTAL EXPENSES
ACOB, RIZAL A.	$83,674.69	$0.00
ALLEGRETTO, RICHARD	$80,952.24	$1,460.71
ANDERSON, GORDON A.	$79,554.39	$164.63
ARLT, TIM J.	$77,822.25	$1,358.41
ARNASON, ROBERT F.	$80,834.29 *	$0.00 *
AYERS, ELIZABETH	$75,701.38	$2,699.83
BARGEN, HENRY (HANK)	$76,588.61	$0.00
BARNARD, LANCE W.	$78,009.66 *	$0.00 *
BARNSCHER, DANIEL A.	$92,171.19 *	$0.00 *
BARON, CAROLYN A.	$86,169.96	$3,673.28
BATEMAN, BRIAN D.	$98,314.99	$3,126.11
BEATON, DALE A.	$81,824.17 *	$314.31 *
BERNARD, WAYNE A.	$79,402.79	$1,680.31
BERUBE, MARC	$81,085.07	$1,137.51
BOAN, JAIME A.	$82,140.50	$833.62
BOND, A. JAMES E.	$100,843.94	$1,131.56
BOSWELL, KEITH C.	$84,254.71 *	$0.00 *
CAPUCCINELLO, ANTHONY	$86,654.94	$15,533.57
CAVAN, LAURIE A.	$99,893.80	$4,092.71
CAVIGLIA, JONATHON T	$83,641.56 *	$12.60 *
CHEUNG, WAH (RICK) H	$75,217.73	$1,167.28
CLEAVE, DEAN B.	$78,407.35	$314.31
COSTANZO, ROBERT A.	$95,577.71	$416.79
CROY, OWEN C.	$115,540.37	$4,029.56
DAVEY, BARBARA R.	$80,666.04	$1,775.76
DELUCA, JOSEPH A.	$80,151.40 *	$0.00 *
DEOL, DAVINDER S.	$86,017.75 *	$0.00 *
DINWOODIE, MURRAY D.	$172,661.21	$1,051.48
DIONNE, LESLIE A.	$80,520.76	$0.00
DORWARD, BROCK N	$79,304.73	$0.00
DOUGLAS, KEN B.	$94,307.60	$5,437.72
DUBE, REMI	$78,841.64	$541.63
EATON, WESLEY D.	$80,376.64 *	$2,500.00 *
ELLIS, RICHARD M.	$77,760.73 *	$0.00 *
EVANOCHKO, JOHN N.	$85,747.75	$4,129.83
FILLION, SUZANNE	$87,095.35	$4,711.33
FISHER, ALAN C.	$81,553.75	$0.00
GARDNER, CHARLES	$78,338.20	$30.87
GARIS, LEONARD W	$127,957.75	$8,834.42
GEORGE, ANDREW R.	$75,667.96 *	$0.00 *
GLENDINNING, PATRICK	$80,069.08 *	$26.29 *
GOMM, DAVID A.	$99,007.98	$0.00
HADDEN, G. DALE	$93,139.77	$211.02
HAM, PAUL J.	$155,936.65	$827.00
HANSEN, KENNETH M.	$81,648.56 *	$0.00 *

EMPLOYEE NAME	TOTAL RENUMERATION and BENEFITS	TOTAL EXPENSES
HARMS, GARY E.	$77,616.16	$469.15
HASKINS, BRIAN E.	$86,285.03	$1,583.87
HENZE, RONALD W.	$76,791.55	$0.00
HEPNER, LINDA M.	$87,837.19	$10,999.41
HERBSTREIT, HENRY	$87,958.65	$2,139.04
HILDEBRAND, RALPH G.	$113,122.26	$8,408.05
HO, JANSON	$82,029.73	$1,567.72
HO, TOMMY P.L.	$83,276.81	$5,077.42
HOLOVACH, KELVIN M.	$76,763.08	$13.00
HORTON, DALE S.	$75,099.95	$0.00
INGRAM, JACK W.	$104,390.50	$11.22
IVERSON, EILEEN M	$97,852.28	$1,437.74
JONES, DONNA L.	$88,845.28	$3,745.72
JONES, MARGARET R.	$95,182.85	$2,106.61
KENDALL, ROBERT E.	$80,020.74 *	$0.00 *
KING, FERNANDO R.	$91,640.96	$6,143.73
KOHAN, TERRY W.	$92,908.05	$10.19
LAI, NICHOLAS O.	$96,631.10	$349.20
LALONDE, VINCENT A.	$96,297.60	$2,765.71
LAMONTAGNE, JEAN L.	$90,334.11	$2,224.69
LARSEN, LAURIE F.	$76,234.37	$201.31
LAU, SAMUEL S.	$81,806.92	$1,612.00
LEE, JON D.	$83,051.35	$0.00
LEE, ROBERT T.H.	$87,964.03	$4,405.13
LEPCHUK, RON M.	$77,008.87	$3,399.65
LEUNG, HOW YIN	$116,707.70	$872.06
LEWIS, THOMAS G.	$104,583.72 *	$891.57 *
LI, KOK KUEN	$83,886.51	$2,673.21
LIU, VICTOR W	$77,379.80	$326.68
LIVESEY, GRANT A.	$123,375.71 *	$1,146.48 *
LOWDEN, GERALD B.	$77,078.58 *	$16.65 *
MAC FARLANE, CRAIG	$145,571.06	$7,248.32
MAHIL, GURPAUL S.	$78,563.53	$261.19
MALCOLM, IAIN A.	$77,379.83	$0.00
MARACH, W. NICHOLAS	$108,964.50	$950.41
MATTERSON, STEVEN B.	$77,288.91	$2,416.18
MC AULEY, ROBERT E.	$75,645.03	$60.00
MC CARRON, DARRYL L	$78,037.63	$3,353.92
MC DONALD, MIKE	$110,094.64 ***	$817.41
MC ELHINNEY, GRANT	$82,296.00 *	$17.57 *
MC HARG, GARY D.	$81,034.83 *	$0.00 *
MC INTYRE, JOHN (LAN	$76,611.71 *	$0.00 *
MC KENZIE, JOHN K.	$86,802.64	$851.00
MC KINNON, GERRY L.	$124,112.17	$1,698.26
MC KINNON, SHEILA	$104,180.61	$187.34

EMPLOYEE NAME	TOTAL RENUMERATION and BENEFITS	TOTAL EXPENSES
MC PHEE, RICHARD A.	$78,825.09	$1,064.31
MERRYWEATHER, BRIAN	$98,404.48	$4,954.30
MIHALECH, DAVID J.	$97,234.47	$2,292.86
MITAL, UMENDRA	$250,626.52	$12,037.98
MORGAN, THOMAS A.	$88,931.84 *	$2,184.00 *
MORRISON, BRUCE R.	$75,542.38	$0.00
MUELLER, PETER M.	$80,362.55	$1,072.54
MUNN, DOUG J.	$80,450.51	$0.00
MURRELL, DIAN L.	$86,786.97	$66.35
NAGLE, ROBERT C.	$78,023.27	$0.00
NAYLOR, K. TERRY	$94,200.40	$4,919.58
NAZEMAN, MEHRAN R.	$89,068.34	$756.20
NEDELAK, GARY D.	$76,005.62 *	$12.10 *
NEWBIGGING, GARY A.	$75,086.40	$314.31
OLIVER, L. WAYNE	$81,574.14 *	$0.00 *
PATERSON, ROBERT A.	$90,360.72	$3,055.85
PEREIRA, CHARLES M.	$82,377.12	$3,362.02
PITICCO, RANDY T.	$76,850.91 *	$12.09 *
POWER, WAYNE A.	$87,036.20	$2,429.97
PRETTY, EDWIN F.	$90,466.40	$314.32
PRICE, RONALD W.	$123,971.67 *	$6,523.09 *
RAYTER, KELLY E.	$85,360.48	$4,833.12
RIVETT, DAVID R.	$88,858.99 *	$0.00 *
ROBERTS, MARGARET	$76,125.80	$2,792.68
ROBERTSON, JUDITH I.	$101,135.02	$1,749.20
RUPERT, THOMAS H.	$76,497.51	$0.00
RYAN, RICHARD M.	$85,690.30	$1,568.44
SAMSON, GEOFF P.	$99,661.91	$1,868.75
SHARP, BRAD J.	$79,703.25	$0.00
SHERSTONE, JOHN E	$86,979.42	$3,447.81
SIM, JEFFREY P.	$83,043.13 *	$314.31 *
SIUDUT, GEORGE E.	$96,927.16	$2,649.68
SMITH, CHARLES H.	$78,151.01	$0.00
SMITH, MARY ANN E.	$81,911.14	$3,745.81
SMITH, MINDY B	$80,760.20	$3,764.21
SMITH, RAYMOND J.	$76,952.58	$0.00
SOGAARD, LEIF B.	$79,954.34 *	$19.40 *
SOMMER, BEVERLY A.	$88,119.06	$1,926.86
ST CYR, MAUREEN L.	$103,787.54	$6,842.38
STARCHUK, MICHAEL A.	$80,777.39 *	$354.09 *
STEWART, KAREN R.	$78,100.62	$4,981.32
STRANDT, JOHN F.	$103,534.82	$728.57
SULLIVAN, BRIAN J.	$90,481.99	$314.31
SULLIVAN, RICHARD C.	$84,174.60 *	$0.00 *
TAYLOR, STEPHEN S.	$93,861.03	$1,538.59

STATEMENT OF FINANCIAL INFORMATION 2003 - SCHEDULE OF EMPLOYEE RENUMERATION

EMPLOYEE NAME	TOTAL RENUMERATION and BENEFITS	TOTAL EXPENSES
UNWIN, ANTHONY J.	$78,771.75 *	$0.00 *
VAN ASSELDONK, TED M	$80,918.41 *	$762.10 *
VANDENBOSCH, GERHARD	$94,904.44	$3,621.69
VAUGHAN, LYLE D.	$76,277.65	$0.00
VLIEG, GARY E	$89,678.21	$1,134.20
WARD, GREG A.	$91,091.25	$1,398.26
WATT, JOHN W.	$111,860.77 *	$1,723.18 *
WELCH, JEFF A.	$87,026.59	$2,200.50
WELLS, EDWARD J.	$78,660.21 *	$122.17 *
WEST, LORNE A.	$77,384.08	$54.85
WILKE, VIVIENNE N.	$143,802.74	$2,253.03
WILSON, GERALD J.	$81,631.73 *	$0.00 *
WILSON, GORDON J.	$85,070.37	$300.75
WILSON, ROB A.	$111,638.24	$756.64
WOOD, KEN	$77,105.83 *	$0.00 *
WOZNIKOSKI, BRIAN W	$77,595.26	$625.31
ZECCHEL, STEVEN M.	$75,758.59	$0.00
ZONDERVAN, KEN D.	$104,856.08	$953.97
TOTAL - EMPLOYEES OVER $75,000	**$13,774,361.61**	**$260,401.31**
TOTAL - EMPLOYEES UNDER $75,000	**$70,603,193.28**	**$675,770.78**
ELECTED OFFICIALS		
Mayor MC CALLUM	$85,132.71 **	$7,029.00
Councillor BOSE	$44,270.00	$5,091.00
Councillor HIGGINBOTHAM	$44,661.00	$7,090.00
Councillor HUNT	$43,336.00	$5,681.00
Councillor PRIDDY	$44,337.00	$6,148.00
Councillor STEELE	$42,140.00	$2,458.00
Councillor TYMOSCHUK	$42,302.00	$2,413.00
Councillor VILLENEUVE	$44,499.00	$4,877.00
Councillor WATTS	$45,496.00	$2,522.00
TOTAL ELECTED OFFICIALS	**$436,173.71**	**$43,309.00**
TOTAL - ALL EMPLOYEES	**$84,813,728.60**	**$979,481.09**

* Includes overtime and expenses incurred while assisting the efforts to combat the forest fires in the interior region. The City has been fully reimbursed for its contribution to the fire suppression effort.

** Includes use of City vehicle.

*** Includes one time buy back of pensionable service.

STATEMENT OF FINANCIAL INFORMATION

STATEMENT OF SEVERANCE AGREEMENTS

During the fiscal year ending December 31, 2003, the City of Surrey entered into 5 severance agreements ranging from four months to eighteen months in duration.

SUPPLIER NAME	AMOUNT
32ND AVENUE DEVELOPMENTS LTD.	$134,348.20
394617 BC LTD	$63,954.76
3M CANADA COMPANY COMPAGNIE 3M CANADA	$319,323.79
431660 B.C. LTD. & FOXGROVE PROJECTS INC & ALL WEATHER	$174,257.40
471691 B.C. LTD.	$26,070.00
4TH UTILITY INCORPORATED	$72,241.74
544594 BC LTD	$54,162.95
553086 B.C. LTD.	$410,868.36
595900 B.C. LTD.	$327,495.25
601826 B.C. LTD.	$500,075.41
610771 BC LTD. AQUANOT SYSTEMS LTD.	$45,946.55
618903 B.C. LTD.	$101,089.37
635913 B.C. LTD. DBA MUSTANG CONTRACTING	$25,184.92
639106 BC LTD. DIV MCRAE'S SEPTIC TANK SERV	$119,832.15
647359 B.C. LTD.	$28,788.00
652300 B.C. LTD.	$134,915.35
7218 KG FINANCIAL INC.	$300,296.12
A & T EQUESTRIAN	$30,288.06
A.A. ADVERTISING LTD.	$39,612.66
A.M. P.M. LANDCLEARING & DEMOLITION LTD.	$102,037.47
A.R. THOMSON GROUP	$43,238.53
ACKLANDS-GRAINGER INC.	$116,929.87
ACOM BUILDING MAINTENANCE LTD.	$171,117.74
ADCENTIVES	$95,708.32
AGGRESSIVE ROADBUILDERS LTD.	$9,814,940.09
AIKENHEAD MOSCOVICH & JONES "IN TRUST"	$30,000.00
AIRVAC, INC.	$65,363.01
ALEXANDER, HOLBURN, BEAUDIN & LANG "IN TRUST"	$50,500.00
ALISTAIR MCANDREW "IN TRUST" BARRISTER & SOLICITOR	$184,869.66
ALL SEASONS TREE SERVICE LTD.	$36,380.00
ALLIED SWEEPING LTD.	$57,155.39
ALSCO UNIFORM & LINEN SERVICES LIMITED	$48,547.37
AM BUILDING MAINTENANCE LTD.	$118,149.11
AMBER J. GODDYN "IN TRUST" NOTARY PUBLIC	$1,246,825.85
AON CONSULTING INC.	$70,158.72
APEX COMMUNICATIONS INC.	$77,247.38
APLIN & MARTIN CONSULTANTS LTD.	$366,396.54
APPLEWOOD KIA	$39,164.63
AQUADYNE INDUSTRIES INC.	$378,025.32
ARGUS CARRIERS LTD.	$177,520.84
ARMSTRONG SIMPSON "IN TRUST"	$55,000.00
ARMTEC LIMITED	$67,795.14
ARTS CLUB THEATRE	$160,727.95
ARTS MANAGEMENT SYSTEMS LTD.	$36,107.30
ASSOCIATED ENGINEERING (B.C.) LTD.	$566,928.35
ASSOCIATED FIRE & SAFETY	$28,504.86
ATHLETICA SPORT AND RECREATION DESIGN INC.	$69,870.26

SUPPLIER NAME	AMOUNT
ATLAS POWER SWEEPING LTD.	$93,645.49
AVANTE RAISE-RIGHT CONTRACTING DIVISION OF 568595 B.C. LTD.	$44,273.53
AVENUE MACHINERY CORP.	$76,120.55
AVONDALE SHOPPING CENTRES INC.	$123,351.03
AXIDATA INC.	$155,122.11
AXS-ONE INC.	$173,177.03
B & B BEARING AND ELECTRIC MOTOR LTD.	$71,617.81
B & B CONTRACTING LTD.	$4,068,351.81
B & R METALWORKS 1998 INC.	$45,513.95
B C HYDRO & POWER AUTHORITY	$4,812,370.62
B. CUSANO CONTRACTING INC.	$247,135.78
B.C. HARDWOOD FLOOR CO. LTD.	$42,955.15
BANK OF MONTREAL	$62,191.52
BARNES DISTRIBUTION CANADA	$72,147.45
BASIC BUSINESS SYSTEMS LTD.	$133,598.83
BAY DYNAMICS, INC.	$30,510.00
BBM SERVICES LTD.	$29,029.68
BC ONLINE	$28,479.35
BC PENSION CORPORATION	$11,577,279.78
BC PLANT HEALTH CARE INC.	$403,654.34
BCA CLEARWATER TECNOLOGIES,INC	$122,167.97
BCA INDUSTRIAL CONTROLS (1995) LIMITED	$93,191.77
BCG SERVICES INC.	$192,233.47
BCMG FINANCIAL SERVICES INC.	$74,935.30
BENTLEY APPRAISALS LTD.	$26,653.70
BFW DEVELOPMENTS LTD.	$140,808.60
BILL MATHERS CONTRACTING	$648,643.64
BINPAL, SANGHERA "IN TRUST" BARRISTERS & SOLICITOR	$30,113.07
BLACK & MCDONALD LIMITED	$172,779.40
BLACKSTONE CONSTRUCTION MANAGEMENT LTD.	$31,779.00
BLAIR CROSSON VOYER CHARTERED ACCOUNTANTS	$44,236.05
BLAKE SCOTT LAW OFFICE "IN TRUST"	$447,302.14
BOARD OF SCHOOL TRUSTEES OF SCHOOL DISTRICT NO 36 (SURREY)	$134,985.00
BRADFORD & GREEN LAW OFFICES "IN TRUST"	$700,764.83
BRANDT TRACTOR LTD.	$256,422.96
BRENNTAG CANADA INC.	$26,235.36
BRITISH COLUMBIA BUILDINGS CORPORATION	$36,293.53
BRITISH COLUMBIA SOCIETY FOR THE PREVENTION OF CRUELTY TC	$716,596.02
BULLDOG BAG LTD.	$42,527.47
BURLINGTON NORTHERN SANTA FE	$142,856.64
BUTLER POLE STRUCTURES INC.	$33,499.15
BUTLER SURVEY EQUIPMENT LTD.	$26,028.99
CAMPBELL FROH MAY & RICE "IN TRUST"	$1,750,000.00
CAMPBELL REDMOND "IN TRUST" BARRISTERS & SOLICITORS	$305,553.94
CANADA SECURITY SERVICES LTD.	$84,161.63
CANADIAN LINEN SUPPLY COMPANY LIMITED	$57,377.03
CANADIAN UNION OF PUBLIC EMPLOYEES, SURREY LOCAL 402	$1,115,956.48

SUPPLIER NAME	AMOUNT
CANADIAN WASTE SERVICES INC.	$8,065,816.89
CANDYMAN ENVIRONMENTAL SYSTEMS INC.	$64,845.79
CANNOR NURSERIES LTD.	$43,735.91
CANWEST CUTTING & CORING LTD.	$83,242.75
CAPITAL ENVIRONMENTAL RESOURCE INC.	$125,353.42
CARLOS M. BERNARDINO "IN TRUST"	$677,041.41
CARMICHAEL WILSON PROPERTY CONSULTANTS LTD.	$74,864.19
CARTER DODGE CHRYSLER JEEP LTD	$288,677.84
CARTER PONTIAC BUICK LTD.	$149,398.44
CASCADE WEAR LTD.	$29,719.52
CASCADES RESOURCES DIV/CASCADES FINE PPRS GRP INC	$43,846.93
CEC BROWN ASSOCIATES INC.	$37,450.00
CENTIMARK LTD.	$80,328.66
CHET CONSTRUCTION LTD.	$187,399.62
CHEVRON CANADA LIMITED	$1,147,980.94
CHEVRON TEXACO GLOBAL LUBRICANTS	$31,622.67
CINTAS	$63,625.31
CITIWEST CONSULTING LTD.	$103,523.47
CLASS SOFTWARE SOLUTIONS LTD	$84,197.91
CLASSIC ENVELOPE PLUS LTD.	$74,408.53
CLEAN FOR YOU CLEANING SERVICES LTD.	$275,036.72
CLOVERDALE BUSINESS IMPROVEMENT ASSOCIATION	$116,200.00
COAST PAPER	$47,465.34
COBRA ELECTRIC LTD.	$2,140,138.25
COCA-COLA BOTTLING LTD.	$38,452.07
COGNOS INCORPORATED	$66,125.05
COLUMBIA BITULITHIC LTD.	$129,600.88
COMPASS GROUP CANADA (BEAVER) LTD.	$58,776.49
COMTEX MICRO SYSTEM INC.	$49,549.89
CONCORD PAINTING & WALLCOVERING LTD.	$54,591.48
CONCORD SECURITY CORPORATION	$72,227.43
CONSOLIDATED PRINTING & GRAPHICS INC.	$212,655.72
COQUITLAM RIDGE CONSTRUCTION LTD.	$140,782.95
C-PRINT SOLUTIONS	$38,457.28
CREATIVE TRANSPORTATION SOLUTIONS LTD.	$70,210.11
CRESCENT BEACH LIFE GUARDING CORPORATION	$58,207.99
CUSTOM AIR CONDITIONING LTD.	$192,417.54
D & C REFRIGERATION LTD.	$67,672.87
D. LITCHFIELD & COMPANY LTD.	$87,192.16
D.L. WATTS FLOORINGS (1994) LTD.	$114,911.88
DACON EQUIPMENT LTD.	$51,775.61
DALE FULTON CONTRACTORS LTD.	$66,294.80
DAMS FORD LINCOLN SALES LTD.	$32,392.43
DARWIN CONSTRUCTION (WESTERN) LTD.	$51,847.92
DAY TRAN	$26,941.00
DAYTON & KNIGHT LTD.	$41,729.98
DB PERKS & ASSOCIATES LTD.	$44,309.66

SUPPLIER NAME	AMOUNT
DC TRAFFIC CONTROL (DIV./ INPROTECT SYSTEMS INC.)	$366,831.82
DELCAN CORPORATION	$376,407.44
DELL COMPUTER CORPORATION	$1,628,810.83
DELTA AGGREGATES LTD.	$693,159.32
DEPENDABLE DOOR MAINTENANCE LTD.	$42,021.57
DIAMOND HEAD CONSULTING LTD.	$28,555.80
DILLON CONSULTING LIMITED	$806,209.41
DINESEN NURSERIES LTD.	$185,186.80
DIRECTIONAL MINING & DRILLING LTD.	$451,511.19
DISCOVERY PRODUCTS LTD.	$70,820.27
DIXON HEATING & SHEET METAL LTD.	$89,240.84
DOUBLE M EXCAVATING LTD.	$1,243,992.84
DR. J. BLAIR WALLACE, P.ENG., LTD.	$28,408.50
DSM EXCAVATING LTD	$35,638.49
DYE & DURHAM COMPANY INC.	$85,891.79
DYNIX	$108,430.54
DYNPRO GROUP	$34,848.69
E.B. HORSMAN & SON	$41,304.39
EAGLE VENTURES LTD. (INC. NO. 64618)	$44,000.00
EARTH TECH INC.	$117,893.77
EAST RICHMOND NURSERIES INC.	$76,299.37
EAST-WEST BUILDING MAINTENANCE LTD.	$50,934.14
EASTWOOD HEIGHTS DEVELOPMENTS LTD.	$90,476.28
ECL ENVIROWEST CONSULTANTS LIMITED	$75,355.12
ECOMM,EMERGENCY COMMUNICATIONS FOR SOUTHWEST B.C. INC.	$299,470.00
EEC INDUSTRIES LTD.	$27,657.10
ENERGRATED SYSTEMS CONSULTANTS LTD.	$29,489.65
ENGINEERED PUMP SYSTEMS LTD.	$101,756.31
ENVER CREEK HOMES LTD.	$30,731.26
EPCOR WATER SERVICES INC.	$93,610.98
ERICH GANDER & LORA GANDER	$45,700.00
ERICSSON MFG. LTD.	$25,377.53
ESRI CANADA LIMITED	$60,549.69
EVERGRO CANADA INC.	$28,529.55
EXITCERTIFIED	$32,100.00
FAMILY SERVICES OF GREATER VANCOUVER	$30,025.00
FARM-TEK SERVICES INC.	$217,050.83
FASKEN MARTINEAU DUMOULIN LLP "IN TRUST"	$99,832.62
FB WESTENDORF & SONS LTD	$39,389.92
FEDERATION OF CANADIAN MUNICIPALITIES	$38,022.00
FELLER DRYSDALE "IN TRUST" BARRISTERS & SOLICITORS	$313,392.16
FIELDTURF INC.	$407,869.02
FIELDTURF WEST DISTRIBUTORS INC.	$45,223.46
FINNING INTERNATIONAL INC.	$44,876.04
FITNESS DEPOT COMMERCIAL INC.	$161,361.97
FJORD EQUIPMENT LTD.	$26,666.58
FOMINOFF, ROSS & COMPANY "IN TRUST"	$86,303.40

SUPPLIER NAME	AMOUNT
FORT GARRY INDUSTRIES LTD.	$27,736.48
FORTRAN TRAFFIC SYSTEMS LIMITED	$164,006.03
FRANCES ANDREW SITE FURNISHINGS LTD.	$101,340.18
FRASER PRINTERS (1972) LTD.	$26,814.90
FRASER VALLEY AGGREGATES LTD.	$66,982.14
FRASER VALLEY EQUIPMENT LTD.	$33,558.21
FRASER VALLEY GILBERT & SULLIVAN SOCIETY	$69,288.31
FRED M. PHILPS "IN TRUST" NOTARY PUBLIC	$304,829.42
FRED MASSEY LTD.	$57,009.14
FRED THOMPSON CONTRACTORS (1991) LTD.	$29,639.00
FREIGHTLINER OF VANCOUVER LTD.	$31,725.52
G & R SINGH & SON TRUCKING LTD.	$30,439.39
GALLOWAY TRUCKING	$90,498.49
GARDNER CHEV OLDS PONTIAC BUICK GMC LTD.	$53,002.06
GARTNER CANADA, CO.	$31,566.60
GARTNER LEE LIMITED	$82,895.18
GEAC CANADA LIMITED	$42,081.51
GEMCO CONSTRUCTION LTD.	$1,052,338.93
GENERAL PAINT AFFILIATE OF WILLIAMS HLDG INC	$140,299.44
GETRONICS CANADA INC.	$106,511.29
GLAD TRUCKING	$56,103.34
GOLD KEY PONTIAC BUICK (1984) LTD.	$40,903.02
GOODBYE GRAFFITI SURREY	$109,793.20
GORANSON CONSTRUCTION LTD.	$346,299.90
GRAFFITI BE GONE INC.	$110,512.13
GRAHAM LAINE	$59,420.57
GRAND & TOY LIMITED	$27,735.90
GREATER VANCOUVER REGIONAL DISTRICT	$636,479.23
GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT	$4,626,474.63
GREATER VANCOUVER WATER DISTRICT	$13,458,870.76
GREIG, WILSON & BRAJOVIC "IN TRUST"	$261,891.88
GROUND CONTROL LANDSCAPES INC.	$58,950.59
GUILDFORD HOLDINGS LTD.	$49,519.00
GUILLEVIN INTERNATIONAL CO.	$99,555.51
GUTZ EMS INC.	$33,572.26
H & M EXCAVATING LTD.	$66,414.13
HABITAT SYSTEMS INC.	$70,585.24
HALLMARK AIR CONDITIONING LTD.	$27,430.74
HALLMARK FORD SALES LTD.	$83,285.02
HANLEY AGENCIES LTD.	$208,910.92
HARRIS & COMPANY BARRISTERS & SOLICITORS	$117,835.76
HAY & COMPANY CONSULTANTS INC.	$76,347.40
HB/DIRECT PROTECT GROUP	$64,436.13
HERITAGE VILLAGE HOMES LTD.	$33,392.18
HILL BULLDOZING LTD.	$64,764.07
HOMELIFE BENCHMARK REALTY CORP.	$31,131.36
HOMETIDE HOLDINGS LTD. (INC. #485556)	$32,053.47

SUPPLIER NAME	AMOUNT
HOOKER, UMLAH, CRAIG, LUM	$57,139.21
HORIZON LANDSCAPE CONTRACTORS, INC.	$223,455.99
HOW TO VIDEO INC.	$40,310.92
HUB ENGINEERING INC.	$60,233.43
HUB FIRE ENGINES & EQUIPMENT LTD.	$54,036.54
HUGH & MCKINNON REALTY LTD.	$54,824.57
HUSKY OIL MARKETING COMPANY A DIVISION OF HUSKY OIL LTD	$34,790.18
HUTCHINSON NURSERY SALES LTD.	$134,718.00
HYTEK AIR-CONDITIONING INC.	$52,151.80
I A F F SEC. TREAS LOCAL 1271	$324,251.00
IKON OFFICE SOLUTIONS, INC.	$33,492.90
IMPERIAL PAVING LIMITED	$2,904,605.09
INFRASTRUCTURE SYSTEMS LTD.	$137,747.37
INLINE SALES AND SERVICE LTD.	$28,038.18
INPROTECT SYSTEMS INC. D.C. TRAFFIC CONTROL(1996LTD)	$31,300.39
INTERPROVINCIAL TRAFFIC SERVICES LTD.	$109,304.77
IRON MOUNTAIN	$47,503.81
ITT FLYGT, DIVISION OF ITT INDUSTRIES CANADA LTD.	$26,882.95
J. COTE & SON EXCAVATING LTD.	$1,311,072.41
J. DREXEL CONTRACTING	$38,250.90
J. SCHWARZ TRUCKING LTD.	$49,901.82
JACQUES WHITFORD ENVIRONMENT LIMITED	$41,585.01
JASWANT S. MANN	$40,540.00
JET BINDERY LTD.	$33,759.04
JL LAWN & TREE CARE INC.	$107,073.07
JOHN ONDERWATER & ASSOCIATES B.C. LAND SURVEYORS	$44,221.50
JOHNSON ENTERPRISES LTD.	$76,152.94
JUSTICE INSTITUTE OF BRITISH COLUMBIA	$30,367.45
KAL TIRE	$102,008.50
KANE, SHANNON & WEILER "IN TRUST"	$85,491.59
KEEN ENGINEERING CO. LTD.	$39,906.00
KELA TRACTOR SERVICES LTD.	$64,060.11
KEN MYETTE	$49,942.90
KERR WOOD LEIDAL ASSOCIATES LTD.	$216,202.88
KEY INNOVATIONS, DIVISION OF PACIFIC LASER MARKETING INC.	$56,452.17
KLM CONTRACTING LTD.	$57,375.96
KLOHN CRIPPEN CONSULTANTS LTD.	$49,345.05
KLR CONSULTING INC.	$370,145.14
KOBELT DEVELOPMENT INC.	$26,075.99
KOMATSU INTERNATIONAL (CANADA)	$33,881.16
KOONER CONSTRUCTION LTD.	$73,671.96
KPMG	$60,543.81
KWOK FOO SOO & WOON CHIU SOO	$33,420.90
L.I.T. AQUATICS LTD.	$202,655.19
LANG-FAB FABRICATORS LTD.	$73,858.76
LANGLEY CONCRETE & TILE LTD.	$84,618.55
LASON CANADA COMPANY	$42,704.02

SUPPLIER NAME	AMOUNT
LEHIGH NORTHWEST MATERIALS LTD	$210,526.39
LEISURE AQUATICS (1999) INC.	$629,773.75
LEISURE AQUATICS INC.	$693,360.00
LEVELTON ENGINEERING LTD.	$70,866.56
LGS GROUP INC.	$131,550.70
LIBRARY BOUND INC.	$33,318.91
LOWER FRASER VALLEY CEREBRAL PALSY ASSOCIATION	$43,644.00
LOWER FRASER VALLEY EXHIBITION ASSOCIATION	$148,570.52
MACCALLUM, MCINTYRE "IN TRUST" BARRISTERS & SOLICITORS	$30,000.00
MAINLAND SAND & GRAVEL LTD.	$293,931.06
MAINROAD CONTRACTING LTD.	$105,059.35
MAPLE REINDERS INC.	$370,321.79
MARATHON ATHLETIC SURFACES INC.	$34,910.48
MARK SUTTLE AGENCIES LTD.	$28,281.50
MARSHALL SURVEYS LTD.	$41,538.60
MAR-TECH UNDERGROUND SERVICES LTD.	$830,842.04
MATCON CIVIL CONSTRUCTORS INC	$1,736,626.69
MAXIUM FINANCIAL SERVICES INC.	$40,118.53
MAXWELL FLOORS LTD.	$71,587.40
MCCARTHY TETRAULT LLP BARRISTERS & SOLICITORS	$39,051.38
MCELHANNEY CONSULTING SERVICES LTD.	$521,469.96
MCQUARRIE HUNTER "IN TRUST" BARRISTERS & SOLICITORS	$103,808.67
MCRAE'S ENVIRONMENTAL SERVICES LTD	$148,509.97
MCRAE'S SEPTIC TANK SERVICE (FRASER VALLEY LTD.)	$372,026.46
MCTAR PETROLEUM CO. LTD.	$110,198.77
MEDICAL SERVICES PLAN OF BC	$1,405,146.80
MERLE CAMPBELL LAW CORPORATION "IN TRUST"	$42,500.00
MERLETTI CONSTRUCTION (1999) LTD.	$59,458.83
METRO TESTING LABORATORIES LTD.	$29,443.19
METROVALLEY NEWSPAPER GROUP	$188,787.39
MGF HORTICULTURAL INC.	$83,764.36
MGM CONSTRUCTION LTD.	$68,136.55
MILLS BASICS	$132,524.97
MINISIS INC.	$30,195.40
MINISTER OF FINANCE AND CORPORATE RELATIONS	$255,433.73
MINI-TANKERS CANADA LTD.	$51,916.06
MISSION CONTRACTORS LTD.	$150,722.38
MODERN GROUNDS MAINTENANCE LTD.	$809,672.81
MORGAN CREEK CORPORATE CENTRE INC.	$60,397.16
MRO SOFTWARE, INC.	$164,033.32
MUD BAY DYKING DISTRICT	$75,300.00
MUELLER FLOW CONTROL	$82,486.98
MUSCO SPORTS LIGHTING INC.	$224,133.76
MUSE ATELIER ARCHITECTURE	$39,055.00
N.A.T.S. NURSERY LTD.	$39,615.61
NAPA AUTO PARTS	$34,368.81
NASHCO CONSULTING LTD.	$127,694.74

SUPPLIER NAME	AMOUNT
NEC CANADA, INC.	$256,535.52
NEDCO-DIV OF REXEL CANADA ELECTRICAL INC.	$47,304.12
NEPTUNE FOOD SERVICES	$107,430.88
NEPTUNE TECHNOLOGY GROUP (CANADA) LIMITED	$689,083.89
NEW EAST CONSULTING SERVICES LTD.	$457,000.89
NEW LINE SKATEPARKS INC.	$127,088.39
NEXINNOVATIONS	$85,489.86
NICO RIVER DEVELOPMENTS LTD.	$220,178.71
NO. 221 SEABRIGHT HOLDINGS LTD.	$111,550.91
NORSON CONSTRUCTION LTD.	$5,863,808.18
NORTHCOAST BUILDING PRODUCTS LTD.	$50,286.46
NOVAX INDUSTRIES CORPORATION	$80,188.90
NOW	$225,695.67
OFFICE ESSENTIALS	$44,441.27
OLGA ZAPPONE	$70,066.39
OLSEN & ASSOCIATES LAND SURVEYORS LTD.	$29,130.02
OMNI ENGINEERING INC.	$158,782.57
ORACLE CORPORATION CANADA INC.	$353,882.57
OTTER CO-OP	$68,859.16
PACIFIC ALLIANCE TECHNOLOGIES	$31,030.00
PACIFIC BLUE CROSS	$125,684.36
PACIFIC CHARGE COMPUTER AND DATA SUPPLIES INC.	$26,353.39
PACIFIC CLEANERS C/O LAL SINGH	$31,655.95
PACIFIC FLOW CONTROL LTD.	$127,240.81
PACIFIC LAND RESOURCE GROUP INC.	$71,351.90
PACIFIC NEWSPAPER GROUP INC.	$39,995.21
PACIFIC NORTHWEST FIRE PROTECTION INC.	$90,022.92
PACIFIC SURREY CONSTRUCTION LTD.	$130,760.03
PACIFIC UNDERGROUND INSTALLATIONS (1990) LTD.	$95,431.90
PALADIN SECURITY GROUP LTD.	$81,296.22
PARADISE BUILDING MAINTENANCE LTD.	$42,586.00
PARKLANE VENTURES LTD.	$500,000.00
PAX CONSTRUCTION LTD.	$982,918.70
PEEL'S NURSERIES LTD.	$48,680.53
PENFOLDS ROOFING & SIDING LTD.	$26,696.50
PEOPLESOFT CANADA CO.	$653,814.10
PERFORMANCE ELECTRIC LTD.	$74,332.09
PETER BADER TRUCKING	$29,825.90
PETERSON STARK "IN TRUST" BARRISTERS & SOLICITORS	$68,551.11
PETERSON STARK SCOTT "IN TRUST" BARRISTERS & SOLICITORS	$564,781.96
PETRO-CANADA INC.	$55,033.26
PHILIP BAGA	$35,983.20
PHILIP SERVICES INC.	$25,464.45
PICKSEED CANADA INC.	$34,486.13
PINE MECHANICAL LTD.	$192,504.11
POSTAGE BY PHONE	$374,500.00
PRIME BUILDING MAINTENANCE LTD.	$28,918.45

SUPPLIER NAME	AMOUNT
PROFILE BUSINESS SYSTEMS LIMITED	$209,216.45
PROFIRE EMERGENCY EQUIPMENT INC.	$43,727.61
PROGRESSIVE CONTRACTING (RICHMOND) LTD.	$1,290,022.24
PROGRESSIVE FENCE INSTALLATIONS LTD.	$37,298.56
PRUDENTIAL POWER PLAY REALTY	$74,665.00
QUALICO DEVELOPMENTS (VAN.) INC.	$68,217.06
QUANTUM LIGHTING INC.	$54,073.52
QUANTUM REMEDIATION INC.	$35,606.34
R.BURY MEDIA & SUPPLIES LTD.	$32,395.29
R.D.M. ENTERPRISES LTD.	$48,909.21
R.F. BINNIE & ASSOCIATES LTD.	$894,572.29
R.K.S. BUILDING SERVICES	$27,814.67
RAINBOW PAVING LTD.	$248,529.98
RAYBERN ERECTORS LTD.	$93,158.32
RECEIVER GENERAL FOR CANADA	$38,387,042.75
RECTEC INDUSTRIES INC.	$50,460.16
REMPEL BROS. CONCRETE LTD.	$33,714.04
REMPEL LEXINGTON DEV LTD & REMPEL KENTUCKY DEV LTD.	$38,345.00
RICHARD E. RHODES "IN TRUST" BARRISTER & SOLICITOR	$374,045.25
RITEWAY TREE SERVICE LTD.	$202,653.84
ROCKY MOUNTAIN FIRE & SAFETY INC.	$127,397.87
ROGER HUGHES - PARTNERS ARCHITECTS	$103,333.06
RONA REVY INC.	$41,710.14
ROY CAMMACK "IN TRUST" NOTARY PUBLIC	$269,705.33
SALISH DISPOSAL INC.	$48,773.15
SANDPIPER CONTRACTING LTD.	$1,547,565.37
SCHOOL DISTRICT #36 (SURREY)	$72,219.29
SEAL TEC INDUSTRIES LTD.	$104,865.57
SEMIAHMOO BULLDOZING & TRUCKING LTD.	$107,174.16
SENTINEL SECURITY SOLUTIONS INC.	$79,570.81
SENTRACK CONSULTING INC.	$86,028.00
SHAHNAZ RAHIMTULA "IN TRUST" NOTARY PUBLIC	$203,832.11
SHANAHAN'S LTD.	$195,079.11
SHAW CABLE	$51,382.45
SHER-DAN HOLDINGS LTD.	$771,647.27
SHERINE INDUSTRIES LTD.	$66,130.48
SMITH-CAMERON INDUSTRIAL INC.	$30,262.73
SOUTHERN RAILWAY OF BC LTD.	$140,376.94
SOUTHWESTERN FLOWTECH & ENVIRONMENTAL LTD.	$90,108.45
SPAANS BABCOCK INC.	$39,758.60
SPECIMEN TREES WHOLESALE NURSERIES LTD.	$99,845.14
SPEEDY AUTO GLASS A DIVISION OF TCG INTERNATIONAL, INC.	$62,675.89
STANTEC CONSULTING LTD.	$786,221.21
STARDUST PAINTING & DECORATING	$40,343.55
STERLING FLEET OUTFITTERS	$25,961.64
STEVE MURRAY TRUCKING	$27,913.87
STRICKER BOOKS	$31,997.25

SUPPLIER NAME	AMOUNT
SUMMIT INVESTMENTS LTD.	$58,003.76
SUN LIFE OF CANADA HEALTH INS. CLAIMS OFFICE	$4,145,469.89
SUNDANCE PROJECTS LTD.	$57,871.58
SUPERIOR CITY SERVICES LTD.	$86,352.20
SUPERIOR PROPANE INC.	$26,619.36
SUPERIOR SAFETY SUPPLIES	$483,226.94
SUPREME POWER SWEEPING LTD.	$29,010.37
SURREY ASSOCIATION FOR THE MENTALLY HANDICAPPED	$30,060.00
SURREY CRIME PREVENTION SOCIETY	$25,000.00
SURREY DYKING DISTRICT	$491,652.89
SURREY EAGLES HOCKEY CLUB	$83,857.00
SURREY ENVIRONMENTAL EDUCATION CENTRE	$67,644.31
SURREY FOOD BANK SOCIETY	$32,805.00
SURREY GOLF COURSE LTD.	$156,030.32
SURREY METRO SAVINGS CREDIT UNION	$38,154.35
SURREY TOURISM AND CONVENTION ASSOCIATION	$310,315.55
SUTTON ROAD MARKING LTD.	$224,473.61
SWAGGER CONSTRUCTION LTD.	$58,546.19
SYBERTECH WASTE REDUCTION LTD.	$29,212.43
SYNERTECH SYSTEMS CORPORATION	$32,742.00
SYSTEK ENGINEERING LTD.	$31,297.51
TACEL LTD.	$62,657.10
TAG CONSTRUCTION LTD.	$3,013,495.38
TASS HOMES LTD.	$219,984.51
TCD CONSULTING INC.	$52,949.59
TCM REALTY CORP.	$166,319.65
TDH CONTRACTING	$51,994.51
TELUS COMMUNICATIONS INC.	$916,641.00
TELUS MOBILITY	$201,835.59
TELUS SERVICES INC. PAYMENT PROCESSING	$215,019.14
TELUS SERVICES PARTNERSHIP	$57,880.58
TELUS SYSTEMS SUPPORT INC.	$28,069.31
TERASEN GAS INC.	$1,321,858.46
TERASEN UTILITY SERVICES INC.	$2,068,710.25
TERASEN WATERWORKS SUPPLY INC.	$28,497.66
TERRA DESIGNWORKS INC.	$594,711.78
THE BRITISH COLUMBIA CORPS OF COMMISSIONAIRES	$396,166.27
THE TEMPEST DEVELOPMENT GROUP INC.	$242,702.07
THE TORONTO-DOMINION BANK OF CANADA	$87,379.43
THUNDERBIRD PLASTICS LTD.	$55,225.42
TMF TEXTILE SERVICES	$30,966.91
TMP WORLDWIDE	$82,578.95
TODAY'S TILE LTD	$70,530.78
TOPPING ELECTRONICS A DIVISION OF INSPECTECH	$30,508.16
TOWNSHIP OF LANGLEY	$57,692.00
TRAFCO (CANADA)	$54,148.73
TRANSWEST ROOFING (1994) LTD	$314,463.37

SUPPLIER NAME	AMOUNT
TRICO EXCAVATING INC.	$379,164.32
TRIPLE RIM INVESTMENTS LTD.	$118,469.04
TRIPLE WEST TRANSPORT INC.	$37,185.58
U.S. BANCORP CANADA CO.	$1,086,163.60
UMA ENGINEERING LTD.	$237,040.71
UNION OF BRITISH COLUMBIA MUNICIPALITIES	$145,725.69
UNISOURCE CANADA, INC.	$56,458.34
UNITED LIBRARY SERVICES INC.	$290,943.73
UNITED RENTALS OF CANADA, INC.	$89,428.96
UNITED WAY OF THE LOWER MAINLAND	$168,198.77
UNITOW SERVICES (1978) LTD.	$26,425.16
UNIVAR CANADA LTD.	$32,648.18
UNIVERSAL APPRAISAL CO. LTD.	$31,886.00
URBAN SYSTEMS LTD.	$344,768.13
VAN DER ZALM & ASSOCIATES INC.	$64,165.29
VANE LAWN & GARDEN SERVICES LTD.	$328,447.16
VANTECH ELECTRICAL LTD.	$63,255.46
VARITEK SYSTEMS LTD.	$148,907.39
VCS HYTEK AIR-CONDITIONING IN	$100,599.94
VIMAR EQUIPMENT LTD.	$149,259.78
VOLVO TRUCKS OF VANCOUVER	$111,776.07
WAYNE E. STILLING "IN TRUST"	$68,162.66
WEB ENGINEERING LTD.	$539,821.27
WEBTECH WIRELESS	$27,150.99
WEST COAST FITNESS FIXATIONS, INC.	$54,553.42
WEST COAST MACHINERY LTD.	$106,522.17
WESTBURNE ELECTRIC SUPPLY (BC) DIV OF REXEL CANADA ELECT INC.	$32,727.46
WESTBURNE WOLSELEY BC WATERWORKS	$123,628.04
WESTERN MAILTECH LTD.	$167,191.12
WESTERN WEED CONTROL (1980) LTD.	$77,874.60
WESTPORT CONSTRUCTION GROUP INC.	$445,560.49
WESTPRO CONSTRUCTORS GROUP LTD.	$1,709,626.46
WESTVIEW SALES LTD.	$207,600.00
WHALLEY BUSINESS ASSOCIATION SOCIETY	$500,000.00
WHITELAW & TWINING "IN TRUST"	$160,000.00
WHOLESALE FIRE & RESCUE LTD.	$51,113.90
WILLETTS CONTRACTING LTD.	$120,596.30
WILLIAM KINNE AND NANCY CAMERON KINNE	$40,861.00
WILLIS CANADA INC.	$730,638.00
WINDSOR SQUARE PROJECT	$130,531.20
WINVAN PAVING LTD.	$3,603,275.74
WOLSELEY CANADA INC.	$750,289.88
WON SUP LEE	$35,115.00
WOOD WYANT INC.	$85,854.29
WOO-IL KIM & SUNG JU KIM & DONG HEE PAIK	$66,759.80
WORKERS' COMPENSATION BOARD OF BRITISH COLUMBIA	$839,849.63
XEROX CANADA LTD.	$278,064.14

SUPPLIER NAME	AMOUNT
ZEEMAC VEHICLE LEASE LTD.	$448,990.06
TOTALS - VENDORS GREATER THAN $25,000	**$207,496,488.78**
TOTALS - VENDORS LESS THAN $25,000	**$9,985,407.26**
TOTALS - ALL VENDORS	**$217,481,896.04**

STATEMENT OF FINANCIAL INFORMATION - SCHEDULE OF GRANT PAYMENTS FOR 2003

	Organization Name	Grant
03	Valley Curling club	60,000.00
03	Sunnyside Saddle Club	38,400.00
03	Surrey Sailing Club	24,000.00
03	Panorama Ridge Riding Club	22,500.00
03	Lower Mainland German Shepherd Dog Club	3,600.00
03	Action BMX Association	4,000.00
03	Crescent Beach Swim Club	600.00
03	Fraser Valley Heritage Railway Society	20,400.00
03	Clov Rodeo & Ex (Op)	180,000.00
03	Clov Rodeo & Ex (cap equip)	100,000.00
03	Colebrook Dyking Dist	15,000.00
03	Mud Bay Dyking Dist	74,000.00
03	Surrey Dyking District	171,000.00
03	Trf from Drainage Budget for dyking repair	-260000
03	Cloverdale Chamber of Commerce	10,000.00
03	Sur.Chamber of Commerce	10,000.00
03	WR/SS Chamber of Comm.	10,000.00
03	Crime Stopper of Greater Vancouver	12,500.00
03	Surrey Community Crime Prevention Society	43,500.00
03	South Fraser Community Services	24,000.00
03	Elgin Park	100.00
03	Enver Creek	100.00
03	Fleetwood Park	100.00
03	Frank Hurt Secondary Highschool	100.00
03	Sullivan Height	100.00
03	#2812 Royal Canadian Army	500.00
03	Assn of Neighbourhood House (DBA Crescent Beach	3,000.00
03	Camp Kwomais Sociey	1,000.00
03	Cloverdale Volunteer Fire Bridgade	500.00
03	Douglas College Centre for Environmental	1,000.00
03	Frontiersmen of the Commonwealth	380.86
03	Learning Disabilities Assoc. of BC-Surrey Chapter	500.00
03	Optimist Junior Interclub Curling League	1,500.00
03	Semiahmoo House Society	3,000.00
03	Servants Anonymous Society	1,000.00
03	ST. Helen's Anglican Church	600.00
03	ST. John Ambulance (Surrey)	1,000.00
03	Surrey Aboriginal Cultural Society	2,000.00
03	Surrey City Centre Volunteer Society	493.78
03	Surrey Cultural & Arts Festivals Assoc	280.00
03	Surrey Festival of Dance	1,500.00
03	Surrey Writers Conference	1,000.00
03	Surrey Knight Swim Club	1,000.00
03	Surrey Off Road Cycling Enthusiast Society	400.00
03	Surrey Search & Rescue Society	910.28
03	Surrey Symphony Society	500.00
03	The Young People's Theatre Company of Surrey	500.00
03	Ukrainian Orthodox Church	1,000.00

STATEMENT OF FINANCIAL INFORMATION - SCHEDULE OF GRANT PAYMENTS FOR 2003

	Organization Name	Grant
03	West Coast Harmony Chorus	500.00
03	Whalley Community Festival	1,000.00
03	Whalley Pipe Band	500.00
03	White Rock Come Share Society	500.00
02	Cloverdale Volunteer Fire Bridgade	1,000.00
02	Crescent Beach Community Services	1,000.00
02	Progress Interculture Community	1,000.00
02	Mayor - Special recognition	636.00
02	Whalley Region #229	(1,000.00)
	Total	852,700.92

STATEMENT OF FINANCIAL INFORMATION

SCHEDULE OF DEBTS

A Schedule of debts has not been prepared because The City of Surrey does not have any outstanding debt as of December 31, 2003.

All Long-term Debt was repaid in 2003.

REPORT *from the* General Manager, Finance, Technology & Human Resources

March 31, 2004

To Mayor D. W. McCallum and Members of Council

In accordance with Section 98 of the Community Charter, I am pleased to submit the City of Surrey Annual Financial Report for the year ended December 31, 2003. The report includes the consolidated financial statements and the Auditors' Report.

City management is responsible for the preparation and presentation of the financial statements and related information in the 2003 Annual Financial Report. These statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). The City maintains a comprehensive system of internal controls to safeguard City assets and to provide reliable financial information.

City Council has appointed the accounting firm of KPMG to conduct an audit and express an opinion as to whether the consolidated financial statements present fairly the financial position of the City of Surrey as at December 31, 2003 and the result of its operations for the year then ended.

FINANCIAL OVERVIEW

2003 in Review

City Council made the difficult decision to increase property taxes 2.9% in 2003 after nine consecutive years of zero percent increases. However, Surrey's taxes remain among the lowest in the region. Revenue has increased to $362.2 million ($322.9 million in 2002) primarily due to growth, increased asset sales and the property tax rate increase. This combined with sound financial management to maintain expenditures within the budget has resulted in not having to incur the budgeted $2.9 million transfer from surplus. Total financial equity comprising work-in-progress, all surpluses and reserves has increased by $35.1 million to $307.1 million.

Investments

The City's investment policy, which complies with Community Charter requirements, is to invest funds in a manner that will provide the optimal blend of investment return and security while meeting the City's daily cash flow requirements. The average portfolio balance invested during the year of $471.5 million earned interest of $24.6 million, of which $3.7 million was allocated to deferred development cost charges (DCCs) resulting in an average rate of return of 4.65%.

Reserve Funds

The City's statutory reserve funds have increased to $128.0 million ($109.9 million in 2002). Deferred DCCs have increased to $136.7 million ($119.1 million in 2002). These monies will be used to fund capital projects identified in the five year financial plan. Despite the size of these reserves, there are long-term capital needs that have been identified in the capital planning process, which will only be funded as new revenue sources are identified.

THE FUTURE

The City continues to maintain a strong financial position. Cash and investments have increased to $491.4 million ($433.9 million in 2002). The City's debt was fully retired in 2003. Unappropriated surplus amounts are maintained within the ranges specified by the City's reserve policy. Appropriated surplus accounts for emergencies, revenue stabilization, self-insurance and contingencies remain intact, and the City has $30.3 million in a Capital Legacy Reserve Fund for internal borrowing.

The City's vision is to "Become a Vibrant International Green City". The key focuses to achieve this are diversity of learning opportunities, a safe active green city where families can live, work and play, and vibrant City and town centres. According to the Greater Vancouver Regional District (GVRD) statistics for the last ten years, Surrey is the fastest growing municipality in the GVRD. The challenge for the City is to continue to maintain taxes as among the lowest in the region while still providing quality services and the required infrastructure to meet the demands of a growing population. The City must continue to pursue new revenue sources and expand user fees as a means to more fully recover costs and reduce wasteful consumption. The innovative use of technology, cost sharing with other governments, and partnering with other service providers will continue to be essential for the provision of efficient services.

I again, encourage local governments and their representative organizations to pursue a more equitable distribution of Federal and Provincial tax revenues.

Finally, I acknowledge and thank City Council, the City Manager, all our front-line employees and the numerous individual volunteers and benefactor organizations for their contributions to this great City. I also salute the many 'behind the scenes' employees within my own and other Departments for their work, so critical to the smooth functioning of City services.

Respectfully submitted,

Vivienne Wilke, CGA
General Manager, Finance, Technology & HR

CITY OF SURREY

STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act.*

D.W. McCallum	Vivienne Wilke, CGA
Mayor, City of Surrey	General Manager, Finance, Technology & HR

June 21, 2004

Financial Information Regulation, Schedule 1

Checklist – Statement of Financial Information (SOFI)

For the Corporation:

Corporate Name:	City of Surrey	Contact Name:	Jackie Mays
Fiscal Year End:	December 31, 2003	Phone Number:	(604) 591-4497
Date Submitted:	Jun 23, 2004	E-mail:	jmays@city.surrey.bc.ca

For the Ministry:

Ministry Name:		Reviewer:				
Date Received:		Deficiencies:	Yes		No	
Date Reviewed:		Deficiencies Addressed:	Yes		No	
Approved (SFO):		Further Action Taken:				

Distribution: Legislative Library ☐ Ministry Retention ☐

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
General					
1 (1) (a)	Statement of assets and liabilities	X			
1 (1) (b)	Operational statement	X			
1 (1) (c)	Schedule of debts	X			
1 (1) (d)	Schedule of guarantee and indemnity agreements	X			
1 (1) (e)	Schedule of employee remuneration and expenses	X			
1 (1) (f)	Schedule of suppliers of goods and services	X			
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	X			Statements prepared on a Consolidated basis
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	X			

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FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
	Statement of Assets & Liabilities				
2	• A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and • Show changes in equity and surplus or deficit due to operations	X X			
	Operational Statement				
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: • a Statement of Income or Statement of Revenue and Expenditures, and • a Statement of Changes in Financial Position	X X			
3 (2) 3 (3)	• The Statement of Changes in Financial Position may be omitted if it provides no additional information • The omission must be explained in the notes	X		X	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	X			
	Schedule of Debts				
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date			X	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts			X	
4 (3) 4 (4)	• The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information • The omission must be explained			X	

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FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
	in a note to the schedule				
Schedule of Guarantee and Indemnity Agreements					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)			X	
5 (2)	State the entities involved, and the specific amount involved if known			X	No guarantees or indemnities
5 (3) 5 (4)	• The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information • The omission must be explained in a note to the schedule			X	
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	X			
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds $75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	X			
6 (2) (c)	Include a consolidated total for employees whose remuneration is $75,000 or less [excluding the persons listed under 6 (2) (a)]	X			
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	X			Financial statements prepared on a consolidated basis using the accrual method of accounting, whereas the remuneration schedule is prepared on a calendar basis. Library remuneration reported separately.
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	X			

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FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	X			
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: • the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and • the range of equivalent months' compensation for them (see Guidance Package for suggested format)	X			
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses			X	
Schedule of Suppliers of Goods or Services (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding $25,000	X			
7 (1) (b)	Include a consolidated total of all payments to suppliers who received $25,000 or less	X			
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	X			Financial Statements prepared on a consolidated basis using the accrual method of accounting, whereas the supplier payments schedule is prepared on a calendar basis. Supplier payment schedule includes expenditures for both Assets and Operations. Library payments reported separately.
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	X			

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FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Inactive Corporations					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI			X	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible			X	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)			X	
Approval of Financial Information					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)			X	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	X			SOFI report presented to Surrey City Council June 21, 2004.
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at http://www.gov.bc.ca/cas/popt/)	X			
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	X			
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the	X			

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FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
	financial statements				

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