

NO: F001

COUNCIL DATE: January 30, 2023

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**FINANCE COMMITTEE**

TO: **Mayor & Council** DATE: **January 16, 2023**

FROM: **City Manager and  
General Manager, Finance** FILE: **1705-05**

SUBJECT: **2023 Five-Year (2023-2027) Financial Plan – Utilities and Other Self-Funded  
Programs**

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**1.0 RECOMMENDATION**

It is recommended that the Finance Committee recommend Council:

1. Approve the rate adjustments outlined in Section 2.0 of this report; and
2. Direct staff to prepare the 2023 Five-Year (2023-2027) Financial Plan for each of the Water, Sewer, Drainage, Solid Waste, Parking, and District Energy self-funded programs respectively, incorporating the recommendations as contained in this report.

**2.0 DISCUSSION**

Self-funded programs, also known as utilities, follow the “user pay” approach that the City has applied consistently in the current and previous years’ budgets. Introducing the Financial Plan for these programs allows the City to propose the necessary rate adjustments for the 2023 budget year. The following sections of this report discuss each of the self-funded programs separately.

**2.1 2023 Water Utility Rates**

The City adopted the Residential Water Metering Program over 15 years ago and now provides service to more than 72,500 metered water utility accounts. In 2022, these metered accounts were charged \$1.1863 per cubic metre of water consumed. Due to increases in the Greater Vancouver Water District (“GVWD”) water rates and the Utility’s operating and capital cost demands, an increase in the water rates is necessary for 2023.

In 2023, the GVWD bulk water charges will increase by \$0.0236 per cubic metre. An increase of \$0.0140 per cubic metre is also required to support the Utility’s operating, maintenance costs and capital programs.

Based on these changes, it is recommended for 2023 that the water utility metered rate be increased from \$1.1863 per cubic metre to \$1.2239 per cubic metre, which represents a combined change in GVWD and the City’s portion of water charges of \$0.0376 per cubic metre (3.2% combined increase). This recommendation will equate to a total increase of \$13.54 per

year for the average metered single-family dwelling that consumes 360 cubic metres of water per year; and \$75.20 per year for an average business that consumes 2,000 cubic metres of water per year.

In addition to the metered rate, metered water accounts also pay a water meter base charge. The water meter base charge is required to support the cost of meter maintenance, meter reading, and future meter replacement. The water meter base charge is based on the diameter of the installed water meter and has remained unchanged since 2016. The Water Utility conducted a comprehensive review of water meter maintenance, reading, and replacement costs. Due to increased water metering program related costs, it is recommended for 2023 that a \$6 and \$12 increase to the water meter base charge for the average residential and commercial properties be applied.

The non-metered or flat-water rate (i.e. the rate charged to customers that do not have a water meter) will be increased based on the 'average' consumption of water by non-metered accounts and will reflect the proposed rate increase of \$0.0376 per cubic metre. The consumption by non-metered residential customers is estimated to be 800 cubic metres per year. A residential flat rate customer will see a \$30.08 per year increase.

The GVWD bulk water rates are projected to increase an average of 12.35% per year for each of the remaining four years of the Five-Year Plan. Proposed 2023 Water rate changes and their annual impact on average residential and commercial customers are summarized in Tables 1 and 2.

**Table 1 – Proposed Water Rate Changes**

	<b>GVWD Rate (per m<sup>3</sup>)</b>	<b>City of Surrey Rate (per m<sup>3</sup>)</b>	<b>Total Metered Rate (per m<sup>3</sup>)</b>
2022	\$0.8444	\$0.3419	\$1.1863
Increase per m <sup>3</sup> of water	\$0.0236	\$0.0140	\$0.0376
<b>2023 (proposed)</b>	<b>\$0.8680</b>	<b>\$0.3559</b>	<b>\$1.2239</b>
% of Total Rate	71%	29%	100%

**Table 2 - Annual Impact on Water Customers**

<b>Customer Type</b>	<b>Average Water Consumption (m<sup>3</sup>)</b>	<b>Annual Impact of GVWD Increase</b>	<b>Annual Impact of City Increase</b>	<b>Overall Annual Impact</b>
Metered Single Family	360	\$8.50	\$5.04	\$13.54
Metered Commercial	2,000	\$47.20	\$28.00	\$75.20
Non-metered Residential	800	\$18.88	\$11.20	\$30.08

## 2.2 2023 Sewer Utility Rates

The City provides service to more than 70,500 metered sewer utility accounts. In 2022, metered utility customers were charged \$1.4482 per cubic metre of sewer discharge. Due to increases in the Greater Vancouver Sewerage and Drainage District's ("GVS&DD") sewerage rates and the Utility's operating and capital cost demands, an increase in the sewer rates is necessary for 2023. Actual sewer usage is calculated as being 84% of the volume of water that is consumed by the metered water customers or estimated for the non-metered residential customers.

In 2023, the GVS&DD sewer charges will increase by \$0.0914 per cubic metre of discharge volume. An increase of \$0.0124 per cubic metre of discharge volume is also required to support the Utility's operating, maintenance costs and capital programs.

Based on these changes, it is recommended for 2023 that the sewer utility metered rate be increased from \$1.4482 to \$1.5520 per cubic metre of discharge volume, which represents a combined change in GVS&DD and the City's portion of sewer charges of \$0.1038 per cubic metre of discharge volume (7.2% combined increase). This recommendation will equate to a total increase of \$31.39 per year for the 'average metered single-family dwelling' that discharges 302.4 cubic metres (84% of 360 cubic metres of average water consumed) of sewage per year; and \$174.38 per year for a business that discharges 1,680 cubic metres (84% of 2,000 cubic metres of average water consumed) of sewage per year.

The sewer utility rate for non-metered customers will be increased based on the 'average' discharge of a non-metered customer of 672 cubic metres (84% of estimated 800 cubic metres of water consumed) and will reflect the proposed rate increase of \$0.1038 per cubic metre of discharge volume. A residential flat rate customer will see an increase of \$69.75 per year.

The GVS&DD sewer rates are projected to increase an average of 21.80% per year for each of the remaining four years of the Five-Year Plan. Proposed 2023 Sewer rate changes and their annual impact on average residential and commercial customers are summarized in Tables 3 and 4.

**Table 3 – Proposed Sewer Rate Changes**

	<b>GVS&amp;DD Rate (per m<sup>3</sup>)</b>	<b>City of Surrey Rate (per m<sup>3</sup>)</b>	<b>Total Metered Rate (per m<sup>3</sup>)</b>
2022	\$1.1447	\$0.3035	\$1.4482
Increase per m <sup>3</sup> of sewage	\$0.0914	\$0.0124	\$0.1038
<b>2023 (proposed)</b>	<b>\$1.2361</b>	<b>\$0.3159</b>	<b>\$1.5520</b>
% of Total Rate	80%	20%	100%



**Table 4 - Annual Impact on Sewer Customers**

Customer Type	Sewer Volume @ 84% of average water consumption (m <sup>3</sup> )	Annual Impact of GVS&DD Increase	Annual Impact of City Increase	Overall Annual Impact
Metered Single Family	302.4	\$27.64	\$3.75	\$31.39
Metered Commercial	1680	\$153.55	\$20.83	\$174.38
Non-metered Residential	672	\$61.42	\$8.33	\$69.75

### 2.3 2023 Drainage/Dyking/Flood Protection Utility Parcel Tax

The Drainage Parcel Tax is currently \$235.64 per lot for residential, recreation and agricultural properties and \$575.21 for commercial properties. An increase of \$6.83 per residential and agricultural property per year; and an increase of \$16.68 per commercial and industrial property per year, which represents a 2.9% increase respectively are proposed to support increased maintenance and capital costs in relation to the City's drainage infrastructure. With this proposed increase, the Drainage Parcel Tax for 2023 will be \$242.47 for residential and agricultural properties and \$591.89 for commercial and industrial properties. Proposed 2023 Drainage Parcel Tax changes are summarized in Table 5.

**Table 5 - Proposed Drainage Rate Changes**

	Residential and Agricultural	Commercial and Industrial
2022	\$235.64	\$575.21
Increase	\$6.83	\$16.68
<b>2023 (Proposed)</b>	<b>\$242.47</b>	<b>\$591.89</b>

### 2.4 2023 Solid Waste Utility Rates

The City provides weekly residential curbside organic waste collection with alternating bi-weekly garbage and recycling services to approximately 107,800 single-family households and 32,200 secondary suites. The City also provides services to 35,200 residences from apartment buildings with centralized recycling service, while approximately 50% of these households additionally receive weekly organic waste collection services. The City processes all the organic waste it collects at curbside into renewable natural gas at its biofuel facility.

The Solid Waste Utility also provides street sanitation services to ensure the cleanliness and beautification of the City. These services include illegal dumping collection, large item pickup program ("LIPU"), litter pickup services, streetscape litter bin collection, and the Love Where You Live campaign.

In 2022, garbage, recycling and organics collection service rates for single and multi-family customers were \$315.90 per year, while for secondary suite customers were \$157.44 per year. In 2023, Metro Vancouver tipping fee charges will increase by 5.0% (\$6 per tonne) resulting in a tipping fee of \$127 per tonne. Metro Vancouver is projecting that the Solid Waste Tipping fee will increase by \$7 per tonne annually from 2024-2026 and \$8 in 2027.

For 2023, a new waste collection contract will commence for a seven-year period. Due to the cost increases associated with the new waste collection contract, continuation of litter cleanup, street cleaning and beautification initiatives and an increase in the Metro Vancouver tipping fee charges, it is recommended for 2023 that a 5.6% increase be applied, resulting in an annual collection rate of \$333.59 for single family and multi-family customers and \$166.26 for secondary suite customers. Staff also recommends increasing the rates for Apartment/Townhouse recycling customers by \$1.84 to \$34.77 and for Apartment/Townhouse recycling and organic customers by \$2.42 to \$45.64 for increased collection service costs.

Proposed 2023 Solid Waste rate changes are summarized in Table 6.

**Table 6 - Proposed Solid Waste Rate Changes**

	<b>Single Family and Multi-family Garbage, Recycling, Organics</b>	<b>Secondary Suite Garbage, Recycling, Organics</b>	<b>Apartment/Townhouse Recycling/Organics</b>	<b>Apartment/Townhouse Recycling</b>
2022	\$315.90	\$157.44	\$43.22	\$32.93
Increase	\$17.69	\$8.82	\$2.42	\$1.84
<b>2023 (Proposed)</b>	<b>\$333.59</b>	<b>\$166.26</b>	<b>\$45.64</b>	<b>\$34.77</b>

## 2.5 2023 Parking

Revenue generated from parking rates covers the capital, on-going operating and maintenance costs of the Surrey Parking Authority. Parking Meter rates vary throughout the city and are set based on market demand and may vary by time of day. The City annually reviews parking fees throughout Surrey and adjusts rates to maintain fairness and consistency throughout the City. As a result of this year's review, parking fees are recommended to be adjusted at four of the City's parking sites in the City Centre area to provide better consistency with other nearby parking, as identified in *Schedule M of the Surrey Fee Setting Bylaw, 2021, No. 14577* ("Bylaw 14577"). These recommended rate changes in parking fees are in the range of \$0.25 to \$0.75 for hourly rates and \$1.00 to \$2.00 for daily rates.

In addition, *Schedule M of Bylaw 14577* includes electric vehicle ("EV") charging rates which are intended to recover operating costs and encourage EV turnover to increase utilization. The City has 55 Level 2 and three public EV charging ports at various City recreational and operational facilities across the City and 17 Level 2 ports for City fleet and 14 Level 2 ports for City staff vehicles. In 2022, the City implemented a tiered EV rate structure for Level 2 public chargers, set at \$2.00 for the first hour and \$5.00 for each subsequent hour. Upon review of the utilization of Level 2 chargers, staff recommend a revised rate structure for 2023 of \$1.00 per hour for Level 2 public chargers; and the first three hours free for Level 2 designated chargers for City staff vehicles.

## 2.6 2023 District Energy

District Energy, known as Surrey City Energy ("SCE"), is the City-owned district energy system that supplies residential, commercial, and institutional buildings in City Centre with heat and hot water.



In 2022, customers were charged a variable energy rate (“Charge”) of \$56.54 per megawatt-hour and a fixed capacity rate (“Levy”) of \$0.01914 per square meter of the building area per day for Class 1 customers, and a fixed capacity rate (“Levy”) of \$0.27422 per kilowatt of peak heat energy demand per day for Class 2 customers.

Class 1 customers are residential and mixed-use buildings where the non-residential portion of the building does not exceed 20% of the building area. Class 2 customers are any building where the non-residential portion of the building exceeds 20% of the building area.

Staff recommend a 1.43% increase, as supported by an independent External Rate Review Panel. This increase enables the Utility to recover its capital and operating costs, while providing stable and competitive energy rates for its customers. This rate increase would result in an annual cost increase of \$11.91 (Charge and Levy) for a 65m<sup>2</sup> (700 square foot) residential dwelling unit that consumes an average of 6.8 MWh/year of energy. Proposed 2023 SCE Charge and Levy changes have been summarized in Tables 7 and 8.

**Table 7 - Proposed SCE Rate Change (Charge)**

	<b>Class 1 &amp; Class 2</b>
	<b>(\$/MWh)</b>
2022	\$56.54
Increase	\$0.81
<b>2023 (proposed)</b>	<b>\$57.35</b>
Percent Increase	1.43%

**Table 8 - Proposed SCE Rate Change (Levy)**

	<b>Class 1 (\$/m<sup>2</sup>/day)</b>	<b>Class 2 (\$/kW/day)</b>
2022	\$0.01914	\$0.27422
Increase	\$0.00027	\$0.00393
<b>2023 (proposed)</b>	<b>\$0.01941</b>	<b>\$0.27815</b>
Percent Increase	1.43%	1.43%

## 2.7 Proposed 2023 Five-Year (2023–2027) Financial Plans

Based on the above discussed adjustments, a draft Five-Year Financial Plan for each of the Water Utility (see Appendix “I”), the Sewer Utility (see Appendix “II”), the Drainage Utility (see Appendix “III”), the Solid Waste Utility (see Appendix “IV”), the Parking Utility (see Appendix “V”) and the District Energy Utility (see Appendix “VI”) has been prepared.

### 3.0 CONCLUSION

Based on the above discussion, it is recommended that the Finance Committee recommend Council to:

1. Approve the rate adjustments outlined in Section 2.0 of this report; and
2. Direct staff to prepare the 2023 Five-Year (2023-2027) Financial Plan for each of the Water, Sewer, Drainage, Solid Waste, Parking, and District Energy self-funded programs, respectively, incorporating the recommendations as contained in this report.



Kam Grewal, CPA, CMA  
General Manager, Finance



Vincent Lalonde, ICD.D, P.Eng  
City Manager

#### Attachments:

Appendix "I"	2023 - 2027 Financial Plan - Water Utility
Appendix "II"	2023 - 2027 Financial Plan - Sewer Utility
Appendix "III"	2023 - 2027 Financial Plan - Drainage Utility
Appendix "IV"	2023 - 2027 Financial Plan - Solid Waste Utility
Appendix "V"	2023 - 2027 Financial Plan - Parking Utility
Appendix "VI"	2023 - 2027 Financial Plan - Surrey City Energy Utility

**2023 - 2027 FINANCIAL PLAN**  
**WATER - FINANCIAL SUMMARY**  
*(in thousands)*

<b>REVENUE SUMMARY</b>	<b>2023 BUDGET</b>	<b>2024 PLAN</b>	<b>2025 PLAN</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>
Special Assessment	\$ 104	\$ 110	\$ 104	\$ 109	\$ 115
Taxation	104	110	104	109	115
Sale of Goods and Services	91,409	97,941	108,410	119,256	132,327
Developer Contributions	-	-	-	-	-
Investment Income	143	973	792	731	767
Penalties and Interest	754	762	770	778	786
Grants, Donations and Other	525	530	535	540	545
Other Revenue	1,279	1,292	1,305	1,318	1,331
<b>TOTAL REVENUE</b>	<b>\$ 92,935</b>	<b>\$ 100,316</b>	<b>\$ 110,611</b>	<b>\$ 121,414</b>	<b>\$ 134,540</b>
<b>EXPENDITURE SUMMARY</b>					
Salaries and Benefits	1,790	1,839	1,876	1,914	1,953
Operating Costs	64,287	70,415	80,263	90,835	103,728
Internal Services Used	11,573	11,815	12,052	12,292	12,537
Internal Services Recovered	(1,228)	(1,256)	(1,282)	(1,308)	(1,334)
External Recoveries	(2,786)	(2,849)	(2,907)	(2,967)	(3,028)
<b>TOTAL EXPENDITURE</b>	<b>\$ 73,636</b>	<b>\$ 79,964</b>	<b>\$ 90,002</b>	<b>\$ 100,766</b>	<b>\$ 113,856</b>
<b>TRANSFERS SUMMARY</b>					
Transfers To/(From) Capital Sources	\$ 10,795	\$ 11,678	\$ 11,762	\$ 11,624	\$ 11,480
Transfers To/(From) Operating Sources	8,504	8,674	8,847	9,024	9,204
<b>TOTAL TRANSFERS</b>	<b>\$ 19,299</b>	<b>\$ 20,352</b>	<b>\$ 20,609</b>	<b>\$ 20,648</b>	<b>\$ 20,684</b>
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-
<b>NET WATER</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



## Appendix "II"

### 2023 - 2027 FINANCIAL PLAN SEWER - FINANCIAL SUMMARY *(in thousands)*

<b>REVENUE SUMMARY</b>	<b>2023 BUDGET</b>	<b>2024 PLAN</b>	<b>2025 PLAN</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>
Special Assessment	31	33	34	36	37
Taxation	31	33	34	36	37
Sale of Goods and Services	85,428	104,705	124,071	145,983	176,681
Developer Contributions	-	-	-	-	-
Investment Income	126	424	344	331	382
Transfers from Other Governments	-	-	-	-	-
Penalties and Interest	760	768	776	784	792
Grants, Donations and Other	-	-	-	-	-
Other Revenue	760	768	776	784	792
<b>TOTAL REVENUE</b>	<b>\$ 86,345</b>	<b>\$ 105,930</b>	<b>\$ 125,225</b>	<b>\$ 147,134</b>	<b>\$ 177,892</b>
<b>EXPENDITURE SUMMARY</b>					
Salaries and Benefits	917	943	961	980	999
Operating Costs	68,235	85,602	99,138	116,891	141,855
Internal Services Used	12,172	12,417	12,665	12,918	13,176
Internal Services Recovered	(6,887)	(6,590)	(6,722)	(6,856)	(6,994)
External Recoveries	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>\$ 74,437</b>	<b>\$ 92,372</b>	<b>\$ 106,042</b>	<b>\$ 123,933</b>	<b>\$ 149,036</b>
<b>TRANSFERS SUMMARY</b>					
Transfers To/(From) Capital Sources	\$ 8,897	\$ 9,478	\$ 10,669	\$ 14,517	\$ 19,998
Transfers To/(From) Operating Sources	3,011	4,080	8,514	8,684	8,858
<b>TOTAL TRANSFERS</b>	<b>\$ 11,908</b>	<b>\$ 13,558</b>	<b>\$ 19,183</b>	<b>\$ 23,201</b>	<b>\$ 28,856</b>
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>NET SEWER</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Appendix "III"

### 2023 - 2027 FINANCIAL PLAN DRAINAGE - FINANCIAL SUMMARY *(in thousands)*

REVENUE SUMMARY	2023 BUDGET	2024 PLAN	2025 PLAN	2026 PLAN	2027 PLAN
Drainage Parcel Tax	\$ 45,074	\$ 46,719	\$ 48,425	\$ 50,197	\$ 52,034
Special Assessment	27	27	27	27	27
Taxation	45,101	46,746	48,452	50,224	52,061
Sale of Goods and Services	20	20	20	20	20
Developer Contributions	182	182	182	182	182
Investment Income	99	437	299	436	407
Transfers from Other Governments	30	30	30	30	30
Penalties and Interest	-	-	-	-	-
Grants, Donations and Other	262	265	268	271	274
Other Revenue	262	265	268	271	274
<b>TOTAL REVENUE</b>	<b>\$ 45,694</b>	<b>\$ 47,680</b>	<b>\$ 49,251</b>	<b>\$ 51,163</b>	<b>\$ 52,974</b>
<b>EXPENDITURE SUMMARY</b>					
Salaries and Benefits	2,069	2,126	2,169	2,213	2,257
Operating Costs	8,142	8,302	8,468	8,638	8,811
Internal Services Used	6,069	6,194	6,317	6,443	6,571
Internal Services Recovered	(377)	(387)	(395)	(403)	(411)
External Recoveries	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>\$ 15,903</b>	<b>\$ 16,235</b>	<b>\$ 16,559</b>	<b>\$ 16,891</b>	<b>\$ 17,228</b>
<b>TRANSFERS SUMMARY</b>					
Transfers To/(From) Capital Sources	\$ 20,085	\$ 22,554	\$ 27,975	\$ 29,460	\$ 30,838
Transfers To/(From) Operating Sources	9,706	8,891	4,717	4,812	4,908
<b>TOTAL TRANSFERS</b>	<b>\$ 29,791</b>	<b>\$ 31,445</b>	<b>\$ 32,692</b>	<b>\$ 34,272</b>	<b>\$ 35,746</b>
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-
<b>NET DRAINAGE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Appendix “IV”

### 2023 - 2027 FINANCIAL PLAN SOLID WASTE - FINANCIAL SUMMARY *(in thousands)*

<b>REVENUE SUMMARY</b>	<b>2023 BUDGET</b>	<b>2024 PLAN</b>	<b>2025 PLAN</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>
Sale of Goods and Services	\$ 51,388	\$ 53,184	\$ 55,047	\$ 56,980	\$ 58,990
Investment Income	44	146	115	107	118
Penalties and Interest	165	167	169	171	173
Grants, Donations and Other	-	-	-	-	-
Other Revenue	165	167	169	171	173
<b>TOTAL REVENUE</b>	<b>\$ 51,597</b>	<b>\$ 53,497</b>	<b>\$ 55,331</b>	<b>\$ 57,258</b>	<b>\$ 59,281</b>
<b>EXPENDITURE SUMMARY</b>					
Operating Costs	36,139	37,817	39,204	40,049	41,029
Internal Services Used	4,977	5,242	5,427	5,550	5,699
Internal Services Recovered	(143)	(150)	(155)	(158)	(162)
External Recoveries	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Interest	1,675	1,623	1,569	1,513	1,453
Debt Principal	983	1,035	1,089	1,146	1,205
<b>TOTAL EXPENDITURE</b>	<b>\$ 43,631</b>	<b>\$ 45,567</b>	<b>\$ 47,134</b>	<b>\$ 48,100</b>	<b>\$ 49,224</b>
<b>TRANSFERS SUMMARY</b>					
Transfers To/(From) Capital Sources	\$ 200	\$ 69	\$ 239	\$ 1,101	\$ 1,899
Transfers To/(From) Operating Sources	7,766	7,861	7,958	8,057	8,158
<b>TOTAL TRANSFERS</b>	<b>\$ 7,966</b>	<b>\$ 7,930</b>	<b>\$ 8,197</b>	<b>\$ 9,158</b>	<b>\$ 10,057</b>
<b>NET SOLID WASTE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



## Appendix "V"

### 2023 - 2027 FINANCIAL PLAN PARKING AUTHORITY - FINANCIAL SUMMARY *(in thousands)*

<u>REVENUE SUMMARY</u>	2023 BUDGET	2024 PLAN	2025 PLAN	2026 PLAN	2027 PLAN
Sale of Goods and Services	\$ 2,692	\$ 2,738	\$ 2,786	\$ 2,835	\$ 2,885
Other Revenue	72	74	76	78	80
<b>TOTAL REVENUE</b>	<b>\$ 2,764</b>	<b>\$ 2,812</b>	<b>\$ 2,862</b>	<b>\$ 2,913</b>	<b>\$ 2,965</b>
<u>EXPENDITURE SUMMARY</u>					
Salaries and Benefits	809	825	842	859	876
Operating Costs	663	672	681	690	699
Internal Services Used	56	57	58	59	60
Internal Services Recovered	(84)	(86)	(88)	(90)	(92)
External Recoveries	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENDITURE</b>	<b>\$ 1,444</b>	<b>\$ 1,468</b>	<b>\$ 1,493</b>	<b>\$ 1,518</b>	<b>\$ 1,543</b>
<u>TRANSFERS SUMMARY</u>					
Transfers To/(From) Capital Sources	\$ 567	\$ 612	\$ 637	\$ 98	\$ (661)
Transfers To/(From) Operating Sources	753	732	732	1,297	2,083
<b>TOTAL TRANSFERS</b>	<b>\$ 1,320</b>	<b>\$ 1,344</b>	<b>\$ 1,369</b>	<b>\$ 1,395</b>	<b>\$ 1,422</b>
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>NET PARKING AUTHORITY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Appendix "VI"

### 2023 - 2027 FINANCIAL PLAN SURREY CITY ENERGY - FINANCIAL SUMMARY *(in thousands)*

<b>REVENUE SUMMARY</b>	<b>2023 BUDGET</b>	<b>2024 PLAN</b>	<b>2025 PLAN</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>
Sale of Goods and Services	\$ 6,738	\$ 8,259	\$ 10,952	\$ 13,395	\$ 15,308
Other Revenue	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>\$ 6,738</b>	<b>\$ 8,259</b>	<b>\$ 10,952</b>	<b>\$ 13,395</b>	<b>\$ 15,308</b>
<b>EXPENDITURE SUMMARY</b>					
Salaries and Benefits	755	770	785	800	816
Operating Costs	3,951	5,411	6,639	7,060	8,119
Internal Services Used	-	-	-	-	-
Internal Services Recovered	(100)	(102)	(104)	(106)	(108)
External Recoveries	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENDITURE</b>	<b>\$ 4,606</b>	<b>\$ 6,079</b>	<b>\$ 7,320</b>	<b>\$ 7,754</b>	<b>\$ 8,827</b>
<b>TRANSFERS SUMMARY</b>					
Transfers To/(From) Capital Sources	\$ 1,738	\$ 1,778	\$ 3,222	\$ 5,223	\$ 6,055
Transfers To/(From) Operating Sources	394	402	410	418	426
<b>TOTAL TRANSFERS</b>	<b>\$ 2,132</b>	<b>\$ 2,180</b>	<b>\$ 3,632</b>	<b>\$ 5,641</b>	<b>\$ 6,481</b>
<b>NET SURREY CITY ENERGY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>