



Corporate Report

NO: R076

COUNCIL DATE: May 12, 2008

REGULAR COUNCIL

TO: **Mayor and Council** DATE: **May 9, 2008**
FROM: **General Manager, Finance & Technology** FILE: **1880-20**
SUBJECT: **2007 Annual Financial Report**

RECOMMENDATION

The Finance & Technology Department recommends that Council receive this report as information.

INTENT

The purpose of this report is to provide Council with information about the City of Surrey 2007 Financial Statements.

BACKGROUND

At the April 28th meeting, the Audit Committee received this report as part of their review of the City of Surrey 2007 Financial Statements. At that meeting, the Committee resolved that staff be directed to forward this report to Council as information.

DISCUSSION

Sections 98 and 167 of the Community Charter require that the City produce annual audited financial statements. The annual financial statements and the auditor's report for the year ended December 31, 2007 for the City of Surrey are attached to this report as *Appendix A*. These will be included in the City's 2007 Annual Financial Report that will be published by June 23rd.

The statements that are included in *Appendix A* 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 the 2007 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, 2007 and the results of its operations for the year.

Explanation of Budget versus Actual Variances

The financial statements are presented in the format required by the CICA. The following *Consolidated Statement of Financial Activities* illustrates the City's financial activity for 2007:

NOTE	<i>for the year ended December 31, 2007</i> <i>(in thousands of dollars)</i>	<i>2007</i> <i>Budget</i>	2007 Actuals	2006 Actuals
REVENUES				
1	Taxation for City purposes	\$ 195,423	\$ 196,324	\$ 184,397
2	Sales of goods and services	107,472	119,801	107,219
3	Development cost charges	114,066	79,730	67,286
4	Developer contributions	21,540	31,102	29,304
5	Investment income	27,879	26,798	20,750
6	Transfers from other governments	9,535	12,714	11,190
7	Other	43,967	42,826	51,223
		<u>519,882</u>	<u>509,295</u>	<u>471,369</u>
EXPENDITURES				
8	Fire and police protection	121,061	118,958	110,234
9	Water, sewer and drainage	74,601	70,286	65,525
10	Parks, recreation and culture	38,032	39,330	36,097
11	General government	28,092	25,857	21,746
12	Public works	15,731	17,686	13,295
13	Environment and health	16,762	15,984	15,253
14	Planning and development	15,393	14,594	14,057
15	Surrey Public Library	11,764	11,888	11,271
16	Interest, fiscal services and other	883	1,283	1,081
17	Capital assets	229,432	149,029	138,748
18	Change in Agreements Payable (net)	-	-	8,366
19	Contribution to Financial Equity (net)	(31,869)	44,400	35,696
		<u>519,882</u>	<u>509,295</u>	<u>471,369</u>

The rows in the table have been referenced numerically in the far left hand column. An explanatory note on the variance in each row is provided on the following pages.

Revenue:

1. Taxation for City Purposes: The increase in taxation revenue (\$0.6 M) is related to higher growth than anticipated and additional grants-in-lieu of property taxes (\$0.3 M).
2. Sale of Goods & Services: The increase in sales revenue is related to higher growth and market activity than anticipated during the budget process. Specifically, the City experienced an increase in land development fees (\$4.6 M), utility revenues (\$2.7 M), recreation revenues (\$2.5 M), departmental inquiry and service fees (\$1.2 M) and fees related to the tree replacement bylaw (\$1.3 M).
3. Development Cost Charges: The 'Budget' figure includes the development cost charges that are available for the 2007 program (\$65.1 M) as well as the funding that was committed in prior years but not yet spent (\$49.0 M) for a total of \$114.1 million. The 'Actual' column includes only the revenue required to match the cost of the capital constructed (\$79.7 M) in 2007. The variance between actual and budget (\$34.3 M) is due to the timing of construction and will be used to complete projects that are currently in progress.
4. Developer Contributions: The detailed breakdown of this variance is as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
▪ GVTA Contribution	\$ 12.6 M	\$ 13.2 M	\$ 0.6 M
▪ NCP Contributions	\$ 2.9 M	\$ 1.4 M	\$ (1.5)M
▪ Cash-In-Lieu of Parkland	\$ 5.2 M	\$ 11.5 M	\$ 6.3 M
▪ Private Developer Contributions	\$ 0.8 M	\$ 5.0 M	\$ 4.2 M
<i>Total</i>	<u>\$ 21.5 M</u>	<u>\$ 31.1 M</u>	<u>\$ 9.6 M</u>

The 'Budget' figure for NCP Contributions is determined based on the actual contributions received in the previous year (2006). The 'Actual' column includes only the revenue required to match the cost of capital constructed in 2007 (\$1.4 M). The \$1.5 million variance is primarily due to the timing for the completion of Park Development projects that are funded from this source. Due to unanticipated development activity, the amounts collected for parkland acquisition exceeded budget expectations. The increase of \$4.2 million in funding from Private Developers is due to increases in local area service agreements (\$1.8 M), contributions to Traffic and Roads (\$1.0 M) and many miscellaneous contributions to facilities, park development, equipment and other projects (\$1.4 M).

5. Investment Income: The variance between the 'Budget' figure (\$27.9 M) and the 'Actual' figure (\$26.8 M) of \$1.1 million is due to the budget amount having included an estimate for anticipated interest earned on development cost charges (\$6.4 M), which is actually recorded as deferred revenue. Further refinements to the budget will be made in 2009 to eliminate this anomaly in future years. The General Fund earned \$2.6 million more in investment interest than was anticipated during the 2007 budget process. The remaining variance relates to other Funds that earn interest such as Reserves, and Utilities.

6. Transfers from Other Governments: The detailed breakdown of this variance is as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
▪ Traffic Fine Revenue Sharing	\$ 4.7 M	\$ 5.4 M	\$ 0.7 M
▪ Gaming Revenue Sharing	\$ 3.8 M	\$ 3.9 M	\$ 0.1 M
▪ Other Sundry e.g.: Keep of Prisoners, Summer Student Program, & Libr.	<u>\$ 1.0 M</u>	<u>\$ 1.6 M</u>	<u>\$ 0.6 M</u>
<i>Sub Total</i>	<i>\$ 9.5 M</i>	<i>\$ 10.9 M</i>	<i>\$ 1.4 M</i>
▪ Capital Infrastructure Grants	<u>\$ 0.0 M</u>	<u>\$ 1.8 M</u>	<u>\$ 1.8 M</u>
<i>Total</i>	<i><u>\$ 9.5 M</u></i>	<i><u>\$ 12.7 M</u></i>	<i><u>\$ 3.2 M</u></i>

The \$1.8 million variance in the Capital Infrastructure Grants is mainly due to Provincial cost sharing for the South Westminster dyking improvements (\$0.6 M) and the 156th Street Underpass (\$0.7 M). The City also received several other miscellaneous grants in 2007 that totalled \$0.5 million.

7. Other Revenue: This includes the following:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
▪ Permits, Licensing & Fines	\$17.0 M	\$22.3 M	\$ 5.3 M
▪ Leases & Rentals	\$ 4.3 M	\$ 5.2 M	\$ 0.9 M
▪ Other	<u>\$ 4.9 M</u>	<u>\$ 4.8 M</u>	<u>\$ (0.1)M</u>
<i>Sub Total</i>	<i><u>\$26.2 M</u></i>	<i><u>\$32.3 M</u></i>	<i><u>\$ 6.1 M</u></i>
▪ Land Sales	<u>\$17.8 M</u>	<u>\$10.5 M</u>	<u>\$ (7.3)M</u>
<i>Total</i>	<i><u>\$44.0 M</u></i>	<i><u>\$42.8 M</u></i>	<i><u>\$ (1.2)M</u></i>

The variances in Permits, Licensing and Fine revenues are primarily due to unanticipated development activity. The variance in 'Lease & Rentals' is mainly due to increased revenue received from the lease agreement with Orangeville Raceway (\$0.6 M) and an increase in rental income.

The 2007 budget for land sale proceeds was based on the 2006 activity as well as proceeds from previous years that had not yet been allocated. In 2007, the City received proceeds from the sale of the following lands:

▪ GVTA (South Fraser Perimeter Road)	\$ 0.6 M
▪ Ministry of Transport (Hwy 1 Interchange)	\$ 0.5 M
▪ Bridgeview Lands	\$ 1.6 M
▪ Road Exchanges	\$ 3.5 M
▪ Other sundry sales	<u>\$ 4.3 M</u>
<i>Total</i>	<i><u>\$10.5 M</u></i>

All of the proceeds from the above land sales have been included in the 2008 Five Year Financial Plan adopted by Council in January 2008.

Expenditures:

8. Fire and Police Protection: These under expenditures (\$2.1 M) are as a result of one-time salary savings in both the Police and Fire Departments as well as operational efficiencies in Fire Services. This funding has been set aside for capital needs outlined in the 2008 Capital Program as adopted by Council in January, 2008.
9. Water, Sewer & Drainage: Under expenditures in this area are as a result of lower than anticipated GVRD water costs (\$1.9 M), GVS&DD sewer charges (\$0.4 M), and operating and maintenance efficiencies (\$2.0 M).
10. Parks, Recreation & Culture: The increase in expenditures (\$1.3 M) is due to the addition of the Surrey Sport & Leisure Centre and increased activities in community recreation centres. These increases have been offset by increases in revenues at the associated community centres.

11. General Government: This includes the following:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
▪ Mayor, Council, Grants & Initiatives	\$ 3.8 M	\$ 3.2 M	\$ 0.6 M
▪ City Manager (Leg Serv., Legal, Bylaws, Econ Dev)	\$10.2 M	\$ 8.9 M	\$ 1.3 M
▪ Finance & Technology	\$14.8 M	\$14.3 M	\$ 0.5 M
▪ Human Resources	\$ 2.2 M	\$ 2.3 M	\$ (0.1)M
▪ Other (Charge to Utilities & Conting.)	<u>\$ (2.9)M</u>	<u>\$ (2.8)M</u>	<u>\$ (0.1)M</u>
Total	<u>\$28.1 M</u>	<u>\$25.9 M</u>	<u>\$ 2.2 M</u>

The above variances are mainly attributable to one-time savings due to temporary vacancies, which are now being filled.

12. Public Works: These increases are associated with higher workload demands (\$1.0 M) and increased costs due to wire thefts (\$1.0 M net of insurance recoveries). Increases in departmental revenues have helped to offset these unanticipated expenditures, resulting in a net departmental surplus for 2007.
13. Environment and Health: Savings (\$0.8 M) are as a result of an increase in commodity revenue from recycling.
14. Planning and Development: These under expenditures (\$0.8 M) are as a result of position vacancies for which recruitment took longer than expected.
15. Surrey Public Library: Expenditures exceeded budget (\$0.1 M) in this area due to an increase in salaries; however, these were offset by unanticipated funding through provincial grants.
16. Interest, Bank Charges, Fiscal Services and other: This includes the interest that the City pays to property owners who prepay their property taxes. It also includes service charges and overdraft interest that is charged on the City's bank accounts. The variance between the 'Budget' (\$0.9 M) and the 'Actual' (\$1.3 M) of \$0.4 million is a result of an increase in on-line bank transactions and the number of customers who prepay their property taxes through the pre-authorized monthly payment plan.

17. Capital Assets: The 'Budget' figure includes the capital funds that are available for the 2007 program (\$176.5 M) as well as the funding that was committed in prior years but not yet spent (\$52.9 M) for a total of \$229.4 million. The 'Actual' column includes only that amount spent in 2007 (\$149.0 M) thus leaving \$80.4 million to be carried forward to 2008 for those projects still to be completed.
18. Changes in Agreements Payable (Net): The expenses shown in 2006, represent the final payment (liability) that was due to the Campbell Heights Development Group. The developer was fully repaid in 2006 for this project.
19. Contribution from Equity: The 'Budget' figure includes transfers from other Funds as well as the funding that was committed in prior years but not yet spent. The 'Actual' column (as shown at the bottom of the expenditure section) is the difference between the revenues that were collected in 2007 and transferred to other funds for allocation in future years and the transfers from other funds required to support the 2007 capital expenditures.

The total capital program for 2007 was budgeted at \$229.4 million. As stated earlier approximately 25% of this consists of projects that were authorized in prior years' and are in the process of being completed. The funding for most of these projects requires a transfer from one-time sources such as those indicated below:

▪ Transfers from Statutory Reserve Funds, eg: City Land, Local Imprv't Vehicle & Equip Replac't, Cash-in Lieu of Pkld, NCP's	(\$24.6 M)
▪ Work in Progress	(\$ 5.8 M)
▪ Prior Years' Savings to Capital (General & Utilities)	(\$24.4 M)
▪ Unspecified Capital (for budget authority only)	(\$20.0 M)
<i>Sub Total</i>	<i>(\$74.8 M)</i>

The following transfers were also required as part of the General Operating Budget:

▪ Transfer from Unappropriated Surplus	(\$ 3.0 M)
▪ Contributions to Reserves, eg. Interest & Asset Disposal	\$30.3 M
▪ Operating Contributions to Reserves, eg: deprec'n re: vehicles & equip't	\$12.1 M
▪ Operating Contributions to Appropriated Surplus, eg: Self insurance & election costs	<u>\$ 3.5 M</u>
<i>Total</i>	<u>(\$31.9 M)</u>

Although the budget called for a net contribution from Financial Equity of \$31.9 Million for 2007, the actual activity of the City resulted in an increase of \$44.4 Million in equity. This increase is a result of funds that are committed to capital projects that are not yet completed, increased contributions to replacement reserves, reserve fund repayments such as the Accelerated Roads Program, and the transfer of land sale revenues to the Municipal Land Reserve (\$8.3 M) and the Parkland Acquisition Fund (\$2.2 M).

Follow Up on Prior Year's New Requirements

On January 1st, 2004 the City adopted the recommendations of Section PS 3255 of the CICA Public Sector Accounting Handbook. The policy requires the City to accrue and disclose obligations, using actuarial cost methodologies, for certain post-employment benefits, compensated balances and termination benefits. This includes, as a significant component of the total liability, an estimate of the liability to which the City is exposed related to the employees accrued sick leave benefits.

At the end of 2004 there was an unfunded liability of \$7.0 Million. This recorded liability is an accounting estimate only and includes a combination of financial and non-financial impacts. For instance, there is not necessarily a financial impact to the City for sick occurrences. Unless there is an immediate adverse effect on customer service, an employee who is absent due to sickness is not necessarily replaced. It is therefore, highly unlikely that the City would ever realize this liability to the extent that it is currently recorded. The staff has reviewed the feasibility of allocating additional funding to this liability that would reduce or eliminate the unfunded portion. It has been concluded that the current funded portion of the liability is more than adequate to protect the City against unexpected expenditures in this area. The unfunded portion of this liability therefore remains at \$7.0 Million for 2007. This will continue to be reviewed on an annual basis.

New Reporting Requirements

In order for the City to prepare financial statements in accordance with Generally Accepted Accounting Principles, the City must adopt all new standards as defined within the Public Sector Accounting Handbook. New standards that were introduced in 2007 include Segment Disclosure and the transitional provision for Tangible Capital Assets.

Segment Disclosure

Section PS 2700 of the Public Sector Accounting Handbook requires the City to segment financial information in a manner that reflects the existing accountability framework. This standard applies to fiscal years beginning on or after April 1, 2007. The City currently includes expenditure information by functional segments (i.e. by departments) in its Annual Financial Report; and tracks all financial activity by these segments. Fully segmented financial information; along with the appropriate disclosure notes have been included in the 2007 Financial Statements.

Tangible Capital Assets

Section PS 3150 of the Public Sector Accounting Handbook requires the City to record Tangible Capital Assets at cost less the depreciated value of their useful life. This standard must be fully adopted by January 1, 2009; however the transitional provisions require that the City's progress on implementing this policy be recorded in the 2007 Financial Statements.

During 2006, the City began to identify the various capital assets that it holds, their original acquisition cost and their depreciated value. This has been a significant undertaking, given the volume and nature of the City's assets. The valuation of equipment, buildings and land to December 31, 2007 has now been completed and the valuation of engineering infrastructure will be completed by the end of 2008.

In 2007, a third party review was conducted on the adequacy of the City's Vehicle and Equipment asset categories in relation to the City's Reserve Funds for those categories. Corporate Report F017, containing the results of that third party review, was presented to Finance Committee in September 2007. Now that the valuation of the City's Buildings has been completed, a similar third party review will be conducted and the results will be presented to Finance Committee in the near future.

It is important to note that the City continues to maintain a strong financial position. The City has no debt. All of the above variances have been incorporated in the 2008 Five Year Financial Plan, as adopted by Council January 2008. The City's current reserve balances and commitments have been summarized in **Appendix B** to provide further clarification on the City's financial position. Staff will provide Council with financial information on a quarterly basis during 2008 as part of the Quarterly Financial Reporting process.

Auditors Comments

On the whole, KPMG is satisfied that the City's financial statements have been fairly stated in all material respects. The audit includes examining, on a test basis, that the controls that the City has put in place are followed and that these controls were functioning as intended. KPMG has identified a few minor issues that warrant the attention of management. Staff will address these matters over the course of 2008. Staff will also continue to monitor the City's financial controls as to their effectiveness in protecting the City's assets and will make adjustments as necessary.

CONCLUSION

The statements that are included in **Appendix A** have been prepared in accordance with Generally Accepted Accounting Principles as prescribed by 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. These statements will be included in the published version of the 2007 Annual Financial Report that will be distributed to Council by June 23rd, 2008.

All of the variances outlined in this report are consistent with the information used in the 2008 Five Year Financial Plan, as adopted by Council in January 2008. The City's current reserve balances and commitments have been summarized in **Appendix B**, to provide further clarification on the City's financial position.

Vivienne Wilke, CGA
General Manager,
Finance & Technology

Consolidated Statement of Financial Position

as at December 31, 2007

(in thousands of dollars)

	2007	2006
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 12,297	\$ 38,804
Investments (note 2)	726,086	606,015
Accounts receivable (note 3)	125,099	91,944
	<u>863,482</u>	<u>736,763</u>
LIABILITIES		
Accounts payable and accrued liabilities (note 4)	102,709	83,224
Deposits and prepayments	121,827	87,572
Deferred revenue (note 5)	39,529	30,991
Deferred development cost charges (note 6)	208,000	187,959
	<u>472,065</u>	<u>389,746</u>
Net Financial Assets	391,417	347,017
CAPITAL ASSETS (note 7)	<u>2,193,847</u>	<u>2,044,818</u>
	<u>\$ 2,585,264</u>	<u>\$ 2,391,835</u>
FINANCIAL EQUITY		
Committed funds (note 8)	\$ 129,506	\$ 120,518
Unappropriated surplus (note 9)	9,165	9,138
Appropriated surplus (note 10)	85,440	77,566
Reserve funds	167,306	139,795
	<u>391,417</u>	<u>347,017</u>
CAPITAL EQUITY (note 11)	<u>2,193,847</u>	<u>2,044,818</u>
	<u>\$ 2,585,264</u>	<u>\$ 2,391,835</u>

Commitments and Contingencies (note 12)

Vivienne Wilke, CGA
General Manager,
Finance & Technology Department

Dianne L. Watts
Mayor, City of Surrey

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

Consolidated Statement of Financial Activities

<i>for the year ended December 31, 2007</i> <i>(in thousands of dollars)</i>	<i>2007</i> <i>Budget</i> <i>unaudited</i> <i>(note 1(d))</i>	<i>2007</i> <i>Actuals</i>	<i>2006</i> <i>Actuals</i>
REVENUES			
Taxation for City purposes	\$ 195,423	\$ 196,324	\$ 184,397
Sales of goods and services	107,472	119,801	107,219
Development cost charges (note 6)	114,066	79,730	67,286
Developer contributions	21,540	31,102	29,304
Investment income	27,879	26,798	20,750
Transfers from other governments	9,535	12,714	11,190
Other	43,967	42,826	51,223
	<u>519,882</u>	<u>509,295</u>	<u>471,369</u>
EXPENDITURES			
Fire and police protection	121,061	118,958	110,234
Water, sewer and drainage	74,601	70,286	65,525
Parks, recreation and culture	38,032	39,330	36,097
General government	28,092	25,857	21,746
Public works	15,731	17,686	13,295
Environment and health	16,762	15,984	15,253
Planning and development	15,393	14,594	14,057
Surrey Public Library	11,764	11,888	11,271
Interest, fiscal services and other	883	1,283	1,081
Capital assets	229,432	149,029	138,749
	<u>551,751</u>	<u>464,895</u>	<u>427,308</u>
Excess (deficiency) of revenues over expenditures	<i>(31,869)</i>	44,400	44,061
Change in Agreements Payable (net)	-	-	(8,365)
Increase (decrease) in financial equity	<u>\$ (31,869)</u>	44,400	35,696
Financial equity, beginning of year		<u>347,017</u>	311,321
Financial equity, end of year		<u>\$ 391,417</u>	<u>347,017</u>

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

Consolidated Statement of Changes in Financial Position

for the year ended December 31, 2007
(in thousands of dollars)

	2007	2006
OPERATING TRANSACTIONS		
Excess of revenues over expenditures	\$ 44,400	\$ 44,061
Cash generated from (required for):		
Accounts receivable	(33,155)	4,629
Accounts payable and accrued liabilities	19,485	2,817
Agreements payable	-	(8,365)
Deposits and prepayments	34,255	9,246
Deferred revenue	8,538	2,935
Deferred development cost charges	20,041	8,140
	93,564	63,463
INVESTING TRANSACTIONS		
Increase in investments	(120,071)	(34,722)
Increase (decrease) in cash and cash equivalents	(26,507)	28,741
Cash and cash equivalents, beginning of year	38,804	10,063
Cash and cash equivalents, end of year	\$ 12,297	\$ 38,804

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

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

General

The Notes to the Consolidated Financial Statements are an integral part of the financial 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, Surrey City Development Corporation and Surrey Homelessness & Housing Society. 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 and Other Entities

These funds include Reserve Funds as well as the Surrey City Development Corporation and Surrey Homelessness & Housing Society.

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

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

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 14.

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) Revenue

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

d) Budget Information

Unaudited budget information, presented on a basis consistent with that used for actual results, was included in the City of Surrey 2007 – 2011 Consolidated Financial Plan and was adopted through By-law #16275 on March 12, 2007. It has since been amended and adopted through By-law #16501 on January 14, 2008.

e) Deferred Revenue

The City defers the portion of the revenue collected from permits, licenses and other fees relating to services not yet rendered and recognizes this revenue in the year in which related inspections are performed or other related services are provided.

f) Expenditures

Expenditures are recorded using the accrual basis of accounting. Expenditures are generally recognized as they are incurred as a result of the receipt of goods and services or the incurrence of a liability.

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. Computer system replacements are funded through an annual transfer from each department to the Equipment and Building Replacement Reserve. 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. Should the City incur debt related to capital, a provision for debt repayment will also be included. The City has appropriated a portion of operating surpluses for the replacement of capital assets.

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

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.

i) Capital Inventory

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

j) Employee Future Benefits

The City and its employees make contributions to the Municipal Pension Plan. The City's contributions are expensed as paid.

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

k) Financial Equity, Committed Funds

These balances represent amounts set aside from operations for specific operating and capital projects previously approved by Council (note 8).

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 9). 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 10).

n) Capital Assets and Capital Equity

Capital assets consist of capital expenditures recorded at cost (note 7). Depreciation is not recorded on capital assets. Cost of capital asset dispositions are not removed from the balance of capital assets. Capital equity reflects the accumulated historical cost of assets acquired, constructed or developed by the City less total outstanding debt. 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.

o) Segment Disclosure

A new requirement for Municipal Governments, PSAB 2700 on Segment Disclosures, is effective for fiscal years beginning on or after April 1, 2007. A segment is defined as a distinguishable

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City of Surrey has adopted this PSAB section early for the fiscal year ending December 31, 2007 and has provided definitions of segments used by the City in note 16. The City has also presented financial information in segment format in exhibit 1 to the financial statements.

p) Future Accounting Changes

The City is in the process of accumulating information and developing its accounting policies related to its tangible capital assets in order to comply with the new Public Sector Accounting Board Standard 3150. This new standard will be applicable to the City's 2009 annual financial statements. As at December 31, 2007, the cost and accumulated depreciation have not yet been finalized for the individual classes of tangible capital assets and hence details concerning the major categories of tangible capital assets have not been provided.

2. Investments

	<u>2007</u>	<u>2006</u>
Investments maturing within one year	\$ 291,031	\$ 142,205
Investments maturing within two years	122,153	103,767
Investments maturing from three to seven years	312,902	360,043
	<u>\$ 726,086</u>	<u>\$ 606,015</u>

Average portfolio yield 4.36% (2006 – 4.29%). All investments can be liquidated on demand.

3. Accounts Receivable, net of allowances

	<u>2007</u>	<u>2006</u>
Property taxes	\$ 10,972	\$ 10,172
Utility rates	2,830	2,604
Accounts receivable	34,999	26,572
Due from other authorities	2,477	2,453
Development cost charges	73,446	49,922
Property acquired for taxes	375	221
	<u>\$ 125,099</u>	<u>\$ 91,944</u>

4. Accounts Payable and Accrued Liabilities

	<u>2007</u>	<u>2006</u>
Trade accounts payable	\$ 39,085	\$ 44,892
Post employment benefits (note 15)	15,388	14,422
Contractors' holdbacks	5,709	7,629
Due to Federal Government	18,283	430
Due to Province of British Columbia	1,124	2,000
Due to Regional Districts	16,366	12,369
Due to other authorities	6,754	1,482
	<u>\$ 102,709</u>	<u>\$ 83,224</u>

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

5. Deferred Revenue

	<u>2007</u>	<u>2006</u>
Neighbourhood Concept Plans	\$ 22,099	\$ 14,002
Development/Building Permits	15,526	15,082
Other	1,904	1,907
	<u>\$ 39,529</u>	<u>\$ 30,991</u>

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, these funds must be deposited into a separate reserve fund. DCC's are deferred and recognized as revenue when the related costs are incurred.

	<u>2007</u>	<u>2006</u>
Deferred DCC's:		
Drainage/storm water detention	\$ 27,413	\$ 22,861
Arterial roads	53,538	39,394
Collector roads	13,862	10,833
Parkland	86,187	89,207
Water	10,736	11,321
Sanitary sewer	16,264	14,343
	<u>\$ 208,000</u>	<u>\$ 187,959</u>
Deferred DCC's, beginning of year	\$ 187,959	\$ 179,819
Revenue Recognized for Campbell Heights	-	(11,442)
Revenue Recognized for General Capital	(63,118)	(40,019)
Revenue Recognized for Water Capital	(6,551)	(4,850)
Revenue Recognized for Sewer & Drainage Capital	(10,061)	(10,975)
Total DCC's recognized as revenue	<u>(79,730)</u>	<u>(67,286)</u>
DCC's levied for the year	93,963	70,070
Investment income	5,808	5,356
Net increase for the year	<u>20,041</u>	<u>8,140</u>
Deferred DCC's, end of year	<u>\$ 208,000</u>	<u>\$ 187,959</u>

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

7. Capital Assets

	<u>2007</u>	<u>2006</u>
General Capital Fund		
Land	\$ 384,311	\$ 339,133
Buildings	268,981	258,965
Infrastructure	869,656	819,973
Machinery and equipment	133,131	125,198
	<u>1,656,079</u>	<u>1,543,269</u>
Water Capital Fund		
Infrastructure	<u>206,924</u>	<u>192,026</u>
Sewer & Drainage Capital Fund		
Infrastructure	<u>314,966</u>	<u>294,019</u>
Surrey City Development Fund		
Infrastructure	<u>374</u>	<u>-</u>
Shared Water Facilities		
Whalley-Clayton Facility	2,524	2,524
Surrey-Langley Facility	12,793	12,793
Other	187	187
	<u>15,504</u>	<u>15,504</u>
	<u>\$ 2,193,847</u>	<u>\$ 2,044,818</u>

8. Committed Funds

	<u>2007</u>	<u>2006</u>
General		
Operating	\$ 17,238	\$ 15,935
Capital	61,070	55,277
	<u>78,308</u>	<u>71,212</u>
Water		
Operating	162	162
Capital	25,444	25,092
	<u>25,606</u>	<u>25,254</u>
Sewer & Drainage		
Operating	1,234	1,184
Capital	23,957	22,403
	<u>25,191</u>	<u>23,587</u>
Surrey Public Library		
Operating	401	465
	<u>\$ 129,506</u>	<u>\$ 120,518</u>

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

9. Unappropriated Surplus

	<u>2007</u>	<u>2006</u>
General Operating Fund	\$ 10,599	\$ 10,599
Post Employment Benefits	(6,998)	(6,998)
Water Operating Fund	3,000	3,000
Sewer and Drainage Operating Fund	3,000	3,000
Surrey Public Library	(436)	(463)
	<u>\$ 9,165</u>	<u>\$ 9,138</u>

10. Appropriated Surplus

	<u>2007</u>	<u>2006</u>
General Operating Fund		
Operating contingency and emergencies	\$ 3,535	\$ 3,500
Environmental emergencies	3,076	3,083
Revenue stabilization	5,650	5,650
Self insurance	15,484	16,166
	<u>27,745</u>	<u>28,399</u>
Water Operating Fund		
Operating contingency and emergencies	1,500	1,500
Environmental emergencies	710	-
Revenue stabilization	6,316	6,386
Infrastructure replacement	10,020	8,591
Capital legacy	15,310	12,236
Self insurance	4,212	4,046
	<u>38,068</u>	<u>32,759</u>
Sewer & Drainage Operating Fund		
Operating contingency and emergencies	1,500	1,500
Environmental emergencies	391	-
Revenue stabilization	1,418	-
Infrastructure replacement	2,659	1,787
Self insurance	5,275	5,067
Long term improvements	8,384	8,054
	<u>19,627</u>	<u>16,408</u>
	<u>\$ 85,440</u>	<u>\$ 77,566</u>

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

11. Capital Equity

	<u>2007</u>	<u>2006</u>
General Capital Fund, beginning of year	\$ 1,543,269	\$ 1,434,394
Development cost charges	6,683	29,246
Reserve funds	70,964	37,653
Operating funds	13,521	14,683
Government transfers	7,248	700
Other	14,394	26,593
General Capital Fund, end of year	<u>1,656,079</u>	<u>1,543,269</u>
Water Capital Fund, beginning of year	207,530	194,431
Development cost charges	6,551	4,850
Restricted capital reserves	248	1,715
Operating funds	5,960	4,467
Government transfers	386	1,099
Other	1,753	968
Water Capital Fund, end of year	<u>222,428</u>	<u>207,530</u>
Sewer & Drainage Capital Fund, beginning of year	294,019	268,879
Development cost charges	10,098	11,707
Reserve funds	322	249
Restricted capital reserves	-	84
Operating funds	9,341	9,572
Government transfers	648	-
Other	538	3,528
Sewer and Drainage Capital Fund, end of year	<u>314,966</u>	<u>294,019</u>
Reserve Funds and Other Entities, beginning of year	-	-
Operating funds	374	-
Reserve Funds and Other Entities, end of year	<u>374</u>	<u>-</u>
	<u>\$ 2,193,847</u>	<u>\$ 2,044,818</u>

12. 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 expenditures. In order to provide for the completion of the projects, unexpended budget money for incomplete projects is appropriated as Committed Funds. 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 & Drainage District, and the Greater Vancouver Regional District, is jointly and severally liable for the net capital liabilities of these Districts.
- c) The City is a shareholder of the Emergency Communications for Southwest British Columbia Incorporated (E-Comm) whose services provided include: regional 9-1-1 call centre for the Greater Vancouver Regional District; Wide Area Radio network; dispatch operations; and

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

records management. The City holds 2 Class “A” shares and 1 Class “B” share (of a total of 24 Class “A” and 24 Class “B” shares issued and outstanding as at December 31, 2007). As a Class “A” shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder’s withdrawal date. As a Class “B” shareholder, the City is only obligated to share in funding of the ongoing operating costs.

- d) The City entered into an agreement with YMCA of Greater Vancouver in regard to the joint development of land and facility in Surrey. The City contributed \$5.5 million 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 for 10 years from the substantial date of completion of the project, September 3, 2002, in favour of the Royal Bank of Canada registered against the land and facility. After 10 years, the mortgage may be increased to 50% of FMV of the facility for the purpose of renovating/expanding, subject to approval of City.
- e) The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 144,000 active members and approximately 51,000 retired members. Active members include approximately 35,000 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, 2006 indicated a surplus of \$438.0 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the surplus to individual employers. The City paid \$8.8 million for employer’s contributions to the Plan in fiscal 2007 (2006 - \$8.3 million).

- f) The City insures itself through a combination of insurance policies and self-insurance. The City has a funded self-insurance appropriation (note 10). Based on estimates, this appropriation reasonably provides for all outstanding claims.

There are several lawsuits pending in which the City is involved. The outcome and amounts that may be payable, if any, under some of these claims, cannot be determined and accordingly only those claims in which likelihood of payment is determined to be moderate to high or high have been recorded.

13. 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.

14. 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

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

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:

			<u>2007</u>	<u>2006</u>
Assets				
Cash and short term investments			<u>\$ 2,161</u>	<u>\$ 2,052</u>
Equity				
	Employee Benefits Fund	Cemetery Perpetual Care Fund	<u>2007</u>	<u>2006</u>
Balance, beginning of year	\$ 571	\$ 1,482	\$ 2,053	\$ 1,964
Contributions	-	41	41	29
Interest revenue	23	61	84	82
Employment insurance rebate	69	-	69	61
Benefits purchased	(28)	-	(28)	(26)
Refunded to employees	(8)	-	(8)	(8)
Maintenance Services	-	(50)	(50)	(50)
Balance, end of year	<u>\$ 627</u>	<u>\$ 1,534</u>	<u>\$ 2,161</u>	<u>\$ 2,052</u>

15. Employee Future Benefits

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

	<u>2007</u>	<u>2006</u>
Accrued benefit liability:		
Balance, beginning of year	\$ 14,422	\$ 13,579
Current service cost	982	970
Interest cost	695	633
Amortization of actuarial loss	231	70
Past Service Cost	(183)	88
Benefits paid	(759)	(918)
Balance, end of year	<u>\$ 15,388</u>	<u>\$ 14,422</u>

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2007. The difference between the actuarially determined accrued benefit obligation of \$16.8 million and the accrued benefit liability of \$15.4 million as at December 31, 2007 is an unamortized actuarial loss of \$1.4 million. The actuarial loss is amortized over a period equal to the employees' average remaining service lifetime of 11 years.

	<u>2007</u>	<u>2006</u>
Actuarial benefit obligation:		
Liability, end of year	\$ 15,388	\$ 14,422
Unamortized actuarial loss	1,414	454
Balance, end of year	<u>\$ 16,802</u>	<u>\$ 14,876</u>

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

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

	<u>2007</u>	<u>2006</u>
Discount rate	4.75%	4.50%
Expected future inflation rate	2.00%	2.00%
Expected wage and salary inflation	3.00%	3.00%
Expected wage and salary range increases	1.00%	1.00%

16. Surrey City Development Corporation

On April 24th, 2007 the City of Surrey incorporated a Development Corporation with broad powers to advance the commercial, industrial institutional and residential development of the City. The City is the sole shareholder of the Development Corporations. As at December 31, 2007, the City advanced \$300,000 as an interest-bearing loan to the Corporation. In accordance with PS 1300, the Corporation has been deemed to be part of the City's Government Reporting Entity and as a result is fully consolidated, as its sole source of revenue comes from the City through the interest-bearing loan.

17. Surrey Homelessness and Housing Society

On June 22nd, 2007, the City of Surrey incorporated a Surrey Homelessness and Housing Society. The purposes of the Society are to raise funds for financing programs and projects that address homelessness in Surrey; conduct and provide financial assistance to homelessness housing initiatives; and manage the disbursements of grants for projects and programs that address homelessness in Surrey. As the majority of members in the Society consist of City officials, the City is considered to have control over the Society's functions and the Society's financial information is fully consolidated with the City.

18. Segmented Information

The City of Surrey is a diversified municipal government institution that provides a wide range of services to its citizens, including Protection Services; Parks, Recreation and Culture Services; General Government Services; Public Works Services; Solid Waste Management Services; Planning and Development Services; Water, Sewer and Drainage Services; and Surrey Public Library Services. For management reporting purposes the Government's operations and activities are organized and reported by Service Areas. Service Areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations.

City Services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the Segmented Information, along with the services they provide, are as follows:

Protection Services – Police Department and Fire Department

The mandates of the Police and Fire Departments are to enforce laws, prevent crime, and maintain peace, order, and security by protecting life, property and the environment through the provision of emergency response, thus ensuring "Safe Homes and Safe Communities.

Notes to the Consolidated Financial Statements

For the year ended, December 31, 2007 (tabular amounts in thousands of dollars)

Parks, Recreation and Cultural Services - Parks, Recreation and Culture Department

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

General Government Services – Mayor & Councillor’s Department, City Manager’s Department, Finance & Technology Department, and Human Resources Department

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying taxes; acquiring, disposing and managing City assets, ensuring effective financial management, monitoring performance and ensuring that high quality City service standards are met.

Public Works Services and Solid Waste Management Services – Engineering Department

The Engineering Department is responsible delivery of municipal services (garbage collection, recycling, and transportation systems).

Planning and Development Services – Planning and Development Department

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

Water, Sewer and Drainage Services – Water Department and Sewer & Drainage Department

The Water, Sewer and Drainage Utilities operate and distribute water, network sewer mains, storm sewers and pump stations.

Surrey Public Library Services

The Surrey Public Library provides access to local and global information through its 9 Library branches located throughout the City.

Reserves, Contingencies and Surplus Including DCC's

as at December 31, 2007

\$ 000's

	2007 Balance	Water, Sewer & Drainage Funds	Committed to 2008 & Prior Years	Balance Available for Future Years
Statutory Reserve Funds				
Equipment and Building Replacement	38,432		9,019	29,413
Municipal Land	43,835		37,982	5,853
Park Land Acquisition C/L	17,241		17,063	178
Capital Legacy	32,199		3,571	28,628
Environmental Stewardship	6,257		355	5,902
Local Improvement Financing	11,597		2,848	8,749
Water Claims	1,098	1,098		0
Affordable Housing	9,373		9,326	47
Parking Space	1,053			1,053
Surrey City Development Corporation	-644			-644
	160,441	1,098	80,164	79,823
Restricted Capital Reserves	6,865	6,865		0
	<u>\$ 167,306</u>	<u>\$ 7,963</u>	<u>\$ 80,164</u>	<u>\$ 79,823</u>
Unappropriated Surplus				
General Operating Fund	10,599		3,985	6,614
Employee Future Benefits	-6,998			-6,998
Water Operating Fund	3,000	3,000		0
Sewer and Drainage Operating Fund	3,000	3,000		0
Surrey Public Library	-436			-436
	<u>\$ 9,165</u>	<u>\$ 6,000</u>	<u>\$ 3,985</u>	<u>\$ (820)</u>
Appropriated Surplus (as per Council Adopted Reserve & Surplus Policy)				
Operating Contingency and Emergencies	6,535	3,000		3,535
Environmental Emergencies	4,177	1,100		3,077
Revenue Stabilization	13,384	7,733		5,651
Self Insurance	24,971	9,486	2,035	13,450
Infrastructure Replacement	27,989	27,989		0
Long Term Improvements	8,384	8,384		0
	<u>\$ 85,440</u>	<u>\$ 57,692</u>	<u>\$ 2,035</u>	<u>\$ 25,713</u>
Committed Funds				
General Operating and Capital	78,308		78,308	0
Water Operating and Capital	25,606	25,606		0
Sewer and Drainage Operating and Capital	25,191	25,191		0
Surrey Public Library	401		401	0
	<u>\$ 129,506</u>	<u>\$ 50,797</u>	<u>\$ 78,709</u>	<u>\$ -</u>
TOTAL RESERVES, CONTINGENCY & SURPLUS	<u>\$ 391,417</u>	<u>\$ 122,452</u>	<u>\$ 164,893</u>	<u>\$ 104,716</u>
Deferred Developer Contributions (Gross)				
Drainage/Storm Water Detention	22,861	22,726		135
Arterial Roads	39,394		39,394	0
Collector Roads	10,833		10,833	0
Parkland	89,135		60,562	28,573
Water	11,322	9,011		2,311
Sanitary Sewer	14,343	14,343		0
Campbell Heights	71		71	0
Neighborhood Concept Plans	14,002		14,002	0
	<u>\$ 201,961</u>	<u>\$ 46,080</u>	<u>\$ 110,789</u>	<u>\$ 31,019</u>
GRAND TOTAL	<u>\$ 593,378</u>	<u>\$ 168,532</u>	<u>\$ 275,682</u>	<u>\$ 135,735</u>