

NO: **F037**

COUNCIL DATE: **November 28, 2012**

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## FINANCE COMMITTEE

TO: **Mayor & Council**

DATE: **November 8<sup>th</sup>, 2012**

FROM: **City Manager and  
General Manager, Finance & Technology**

FILE: **1705-05**

SUBJECT: **2013 Five-Year (2013-2017) Financial Plan – General Operating**

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### 1.0 RECOMMENDATION

It is recommended that the Finance Committee recommend that Council:

- a) Approve the recommendations outlined in Section 3.0 of this report; and
- b) Direct staff to prepare the 2013 Five-Year (2013 – 2017) Financial Plan incorporating these recommendations.

### 2.0 BACKGROUND

#### Five-Year (2012 – 2016) Financial Plan

Council has identified over the course of time, several key priority areas for the City, each of which has been addressed in the funding recommendations that form the basis of the proposed 2013 Five-Year (2013-2017) Financial Plan. More details are provided in the following sections of this report.

#### **2.1 “Build Surrey” Program**

At its Regular meeting on March 1, 2010 Council approved the Build Surrey Program that consists of a series of large-scale capital projects across the City to accommodate and support anticipated business and residential growth over the next 10 years. Allocations for the construction of each of these capital projects have been included in the Five Year (2013 – 2017) Financial Plan to be funded from internal sources or through the Municipal Finance Authority.

As each new facility is completed and opened, on-going funding will be required for the maintenance and operation of the facility as well as capital repayment.

To fund the Build Surrey Program several sustainable revenue sources have been identified. Funds generated through these revenue sources that are not immediately required for capital amortization and facility operations will be used to fund the capital requirements related to future elements of the Program.

**2.1.1 “Build Surrey” Program Revenues**

The “Build Surrey” Program is proposed to be funded from the sources and in the amounts identified in the following table:

	<b>2012 Adopted Budget</b>	<b>2013 Proposed Budget</b>	<b>2014 Proposed Plan</b>	<b>2015 Proposed Plan</b>	<b>2016 Proposed Plan</b>	<b>2017 Proposed Plan</b>
<b>REVENUE SUMMARY (\$ 000's)</b>						
Total Secondary Suite Fee	\$ 6,100	\$ 10,700	\$ 11,990	\$ 13,460	\$ 14,540	\$ 15,700
- Transfer to Roads and Traffic Utility	0	(3,567)	(3,997)	(4,487)	(4,847)	(5,233)
Available for Build Surrey Program	6,100	7,133	7,993	8,973	9,693	10,467
Contribution from SCDC	-	4,500	5,500	6,500	7,500	8,000
Gaming Revenue	-	1,500	1,800	3,000	3,750	4,000
Other Sources	975	260	750	1,700	1,700	1,700
Lease/Fee Revenues (City Hall, Library, Etc)	168	671	2,721	2,721	2,721	2,721
<b>TOTAL REVENUES</b>	<b>\$ 7,243</b>	<b>\$ 14,064</b>	<b>\$ 18,764</b>	<b>\$ 22,894</b>	<b>\$ 25,364</b>	<b>\$ 26,888</b>

**2.1.1.1 Secondary Suite Fee**

There are currently approximately 23,500 single family residences in Surrey that are paying the Secondary Suite fee. Staff is of the view that there still remain a significant number of unauthorized suites in the City that have not yet been added to the City’s records and that are not yet paying the Secondary Suite fee. Each year new homes are constructed in Surrey that contain a secondary suite. In 2011 more than 1000 new houses were constructed in Surrey. Many of these have been constructed with a secondary suite. The occupants of secondary suites create demand on the City’s capital infrastructure. The revenues generated by way of the Secondary Suite fee assist in funding the construction and operation of the City’s infrastructure. Staff is proposing that the Secondary Suite fee be increased from \$247 per year to \$395 per year in 2013. As noted in the Utilities component of the 2013 Five Year (2013-2017) Financial Plan, it is proposed that one third of the revenues from the Secondary Suite fee be transferred to the Roads and Traffic Utility to assist in offsetting the demands and related costs that the occupants of secondary suites place on the City’s transportation infrastructure.

**2.1.1.2 Contribution from Surrey City Development Corporation**

The operation of the Surrey City Development Corporation (SCDC) is generating revenue from the activities of the Corporation. The proposed Plan calls for the dividends to the City from the SCDC operations to be used to support the Build Surrey Program.

**2.1.1.3 Gaming Revenue**

The City currently receives approximately \$3 million per year in revenue-sharing funding from the Province related to gaming within the City of Surrey. It is proposed that any revenue received over and above the current level of \$3 million be used to assist in funding the Build Surrey Program.

**2.1.1.4 Lease and Fee Revenue**

Some of the projects included in the Build Surrey Program will generate lease and fee revenue either directly, such as the coffee shop and the leased space on the fourth floor of the City Centre Library, or indirectly such as the reuse of the current City Hall when it is leased in conjunction with the opening of the new City Hall in 2013. It is proposed that all of this new lease and fee revenue be used to support the Build Surrey Program.

**2.1.2 Build Surrey Program Operating Expenditures**

The Build Surrey Program also includes operating expenditures as documented in the following table:

<b>EXPENDITURE SUMMARY (\$ 000's)</b>	<b>2012 Adopted Budget</b>	<b>2013 Proposed Budget</b>	<b>2014 Proposed Plan</b>	<b>2015 Proposed Plan</b>	<b>2016 Proposed Plan</b>	<b>2017 Proposed Plan</b>
Amortization Payments	\$ 3,567	\$ 10,132	\$ 12,126	\$ 15,807	\$ 16,848	\$ 16,917
Operating Costs of Build Surrey Facilities	3,674	3,928	6,636	7,087	8,516	9,971
Transfer to Capital re: Build Surrey Program	2	4	3	1	1	
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,243</b>	<b>\$ 14,064</b>	<b>\$ 18,764</b>	<b>\$ 22,894</b>	<b>\$ 25,364</b>	<b>\$ 26,888</b>

**2.1.2.1 Amortization Payments**

The cost of the capital projects outlined in the Build Surrey Program will be amortized. The annual amortization payment is included as an expense in the Build Surrey component of the Operating budget.

**2.1.2.2 Transfer to Capital**

Any amounts of the above-identified revenues that are not immediately required to fund operating expenditures will be used to fund the Capital requirements of the Build Surrey Program.

**2.2 Public Safety/Crime Reduction**

Crime reduction and prevention continue to be priorities for the City. The following describes elements of the proposed 2013 Five Year (2013 – 2017) Financial Plan that address these key priority areas.

**2.2.1 Police Services**

The current authorized RCMP complement in the Surrey detachment is 661 members (including 10 Community Safety Officers and 8 crime analysts). The current Financial Plan (2012) allows for additional members in 2013 that will maintain the current ratio of citizens per officer. The Financial Plan proposes that 12 new RCMP member positions be added in 2013. This will increase the Surrey detachment complement to 673 members, which includes Surrey’s pro-rated share of members on the Integrated Service Teams. The additional positions are proposed to be funded beginning October 1, 2013.

Funding is also included in the Plan for new civilian support positions to maintain the ratio of members to civilian staff (2.75 to 1). This will increase the civilian complement to 243 in 2013.

The 2013 Five Year (2013 – 2017) Financial Plan also includes funding for the updating of the holding cells in the Main Detachment building. This work is expected to be completed in 2013.

**2.2.2 Fire Services**

To ensure the continued effective delivery of Fire Services in Surrey, 4 additional fire-fighters are being included in the 2013 budget.

### **2.2.3 By-Law Enforcement**

A new By-law Enforcement position has been included in the 2013 Plan that will be focussed on the management of the new animal care facility, which is expected to be ready for occupancy in early 2013.

### **2.3 Plan for Social Well Being of Surrey Residents**

The budget for programs introduced in previous years that support the recommendations in the Plan for the Social Well Being of Surrey Residents, totals \$1,735,600. The 2013 Plan allocates additional funding in this area as follows:

Health Promotion & Sports Development (PRC)	\$ 40,000
Seniors Forum & Outreach Program (PRC)	30,000
Virtual Services Coordinator (Lib) – half yr	27,000
Youth Services Librarian (Lib) – half yr	27,000
Volunteer Support for Special Events (PRC)	18,000
Outreach for New Canadians (PRC)	15,000
Children’s Festival ‘Make a Memory Prog.’ (PRC)	10,000
Art Volunteer for Citizen Engagement (PRC)	<u>9,000</u>
Total new initiatives	<u>\$176,000</u>

This will increase the total funding for initiatives related to the Social Well-being Plan to \$1,911,600 per year in 2013. A list of the programs funded by way of this allocation is contained in **Appendix A**.

### **2.4 Sustainability**

The City is required to set aside funds for carbon offsets in accordance with the “Climate Action Charter” agreement that was executed in 2009 by the City with the Province. It is estimated that these carbon offsets for 2013 will amount to approximately \$400,000 (the same amount as for 2012). This amount will be funded from the annual carbon tax rebates that the City receives from the Provincial Government. Staff is working with Provincial officials with a view to using the City’s carbon offset funding on projects within Surrey constructed by the City, that act to reduce green house gas emissions in Surrey.

### **2.5 Staffing Capacity**

In addition to other positions previously discussed in this Section, further staff adjustments may be made during the course of 2013 if service delivery demands increase. Typically, new demands for service generate unanticipated revenues that can then be used to offset the costs of the new positions brought on to address the additional unanticipated demand (i.e., development activity, recreation programs, etc.).

The retirement of the baby boomers is evident in the Surrey workforce. This trend will accelerate over the next several years. Surrey, like other organizations, is working to ensure that it has effective succession plans in place to allow for continued effective delivery of services. The Human Resources Department is working on several initiatives that will assist in identifying and training current employees to move into more senior positions to mitigate the loss of the experience as older workers retire.

### 3.0 DISCUSSION OF GENERAL OPERATING

The 2012 Five-Year (2012 – 2016) Financial Plan was adopted by Council in January 2012. Based on the recommendations in this report as well as Council direction received during last year’s financial planning process and during the course of 2012, staff has developed a proposed 2013 Five Year (2013 – 2017) Financial Plan. This includes extending the same assumptions that were used in developing the 2012 Five Year (2012-2016) Financial Plan through to 2017. The following is a summary of the new funding requirements and funding availability for the 2013 General Operating component of the proposed 2013 Five Year (2013-2017) Financial Plan.

#### 3.1 *New Funding Required in 2013*

##### PUBLIC SAFETY/CRIME REDUCTION (Section 2.2)

###### RCMP Police Services (Section 2.2.1)

• Annualization of 10 contract member positions added in Oct/12	\$1.125M
• Addition of 12 contract member positions effective Oct/13	0.450M
• Increase to RCMP salaries & other benefits	6.443M
• Addition of civilian staff	0.250M
• Labour (benefit and step including additional stat) increases – (civilian staff only)	0.138M
• Other inflation and 3 <sup>rd</sup> party contract increases	<u>0.196M</u>
	\$8.602M

The cost of Police Services in total will amount to \$118.685M, which represents 47.2% of the City’s property tax revenue of \$251.660M for 2013.

###### Fire Services (Section 2.2.2)

• 4 additional fire-fighters for 2013 effective July/13	0.170M
• 2013 benefit and step increases, including cost of additional stat.	0.875M
• Inflation and other 3 <sup>rd</sup> party contract increases	<u>0.173M</u>
	\$1.218M

The cost of Fire Services in total will amount to \$52.916M, which represents 21.0% of the City’s property tax revenue of \$251.660M for 2013.

###### By-Law Services (Section 2.2.3)

• Addition of 1 Animal Services Manager for 2013	0.116M
• Labour & other 3 <sup>rd</sup> party contract increases	<u>0.014M</u>
	\$0.130M

The cost of By-Law Services in total will amount to \$5.712M, which represents 2.3% of the City’s property tax revenue of \$251.660M for 2013.

Sub Total \$9.950M

##### **Total Cost of Protective Services:**

In 2013 the cost of providing Protective Services amounts to \$177.313M in total, which represents 70.5% of the City’s projected property tax revenues for 2013 of \$251.660M.

OTHER

• Salary and other increases, related to benefits and step increments	1.892M
• 3 <sup>rd</sup> Party and other inflationary increases	1.161M
• Increased operating contribution to Capital	1.000M
• Full year operation of Bridgeview Community Centre	0.378M
• Provision for inventory increases - Parks	0.350M
• Beautification and Town Centre Development	0.340M
• Social Well Being Plan (Section 2.3)	0.176M
• After school drop-in services for 6 – 10 yr olds	0.039M
• Operation & maintenance of new community rooms in Parks	0.030M
• Early morning opening of Newton Wave Pool	0.029M
• Surrey Civic Treasures Program	<u>0.004M</u>
Sub Total	<u>\$5.399M</u>

**Total Additional Funding Required** **\$15.349M**

**3.2 New Funding Available**

The following are projected revenue increases for 2013 in comparison to 2012, some of which were approved by Council as part of the 2012 Financial Plan:

• Estimated property tax revenue related to new growth	\$3.922M
• Property tax increase of 1.5% in addition to the rate of inflation (1.4%) (Equivalent to approx. \$40/yr for the average single-family dwelling and \$196/yr for a business with an assessed value of \$1.0 million, i.e., a building area of 8,000 sq. ft. on a 20,000 sq. ft. lot)	6.510M
• New Revenue for 2013:	
o Cell Tower and Antennae Licencing Fee	1.000M
o Additional Digital Sign Revenue	0.800M
o Street Light Antennae Licencing Fee	<u>0.200M</u>
	2.000M
• Other revenue (growth & fee increases)	<u>2.916M</u>

**Total Additional Funding Proposed** **\$15.348M**

**3.3 Summary of Proposed 2013 General Operating Financial Plan**

Total requirements over and above the Adopted 2012 Financial Plan:

• 2012 Budgeted Transfer from Surplus	\$ 3.998M
• Expenditure increases as outlined above	<u>15.349M</u>
	\$19.247M
<u>Less:</u>	
• Revenue increases as outlined above	<u>\$15.348M</u>

**Proposed 2013 Budgeted Transfer from Surplus** **\$ 3.999M**

The proposed 2013 General Operating budgeted expenditure increases are offset by revenue increases. This provides for a balanced budget for 2013 but relies on a budgeted transfer from surplus of \$3.999 million, which is similar to the approved budget in each of the last five years.

### 3.4 ***The Proposed 2013 Five Year (2013 – 2017) General Operating Financial Plan***

To complete the allocations for the remaining years of the 2013 – 2017 Five-Year General Operating Plan (i.e., 2014-2017), the following assumptions were used:

- A 2.9% property tax rate increase which will be used in majority, to offset the expected cost of inflation for each of the remaining years of the Plan;
- Across the board fee increases for each of the years of the Plan;
- RCMP contract officer positions added to maintain the current ratio of officers to citizens based on projected growth;
- Civilian staff added for the RCMP to maintain the current ratio of civilian staff to RCMP members;
- Operating costs for new facilities identified in the Capital Plan in the year in which, each such facility is projected to become operational; and
- Allowances for inventory increases and inflation.

The draft 2013 Five-Year (2013 – 2017) General Operating Financial Plan is attached as ***Appendix B***.

The draft Plan includes 'Other Revenue' for the years 2013 and onward. Although the source of this revenue has not yet been specifically identified, it is likely that this will be accomplished through the following means:

1. Continued acceleration of business development in the City that will increase property tax revenues related to new growth;
2. Revenue from the Surrey City Development Corporation (SCDC) that will be generated from an expansion of its activities; and/or
3. Other City initiatives that generate new revenues.

Surrey property owners continue to benefit from some of the lowest property taxes in the Lower Mainland. A chart that compares property taxes across Lower Mainland municipalities is attached as ***Appendix C***.

### 4.0 **SUMMARY**

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

- Approve the recommendations outlined in Section 3.0 of this report, and
- Direct staff to prepare the 2013 Five-Year (2013 – 2017) Financial Plan incorporating these recommendations.

Murray Dinwoodie,  
City Manager

Vivienne Wilke, CGA  
General Manager,  
Finance & Technology

Appendix "A": Social Well Being Program Funding Allocations

Appendix "B": Proposed Five Year Financial Plan – General Operating

Appendix "C": Comparative Property Tax Information for Lower Mainland Municipalities

**APPENDIX A**

**2013 SOCIAL WELL BEING**

<b>Program</b>	<b>Description</b>		<b>Dep't</b>	<b>Amount</b>
10205	<b>2013 Proposed Budget</b>			<u>Total</u>
7055	Library Sunday Opening	on-going	SPL	197,000
7059	Youth Librarian	on-going	SPL	90,000
7059	Literacy Programs	on-going	SPL	95,000
7059	Early Literary Coordinator	on-going	SPL	36,000
7056	Multilingual Library Collection	on-going	SPL	32,000
7056	Multilingual Service Librarian	on-going	SPL	18,000
7057	Security Services - Various Library Locations	on-going	SPL	31,000
7066	Community Outreach	on-going	PRC	7,300
7067	Community School Partnership Coordinator	on-going	PRC	99,200
7064	Youth Engagement Initiatives	on-going	PRC	92,200
7072	Community School Partnership	on-going	PRC	63,300
7061	Diversity Outreach Programs	on-going	PRC	82,800
7069	Newton Programming Increases/Diversity Outreach Programs	on-going	PRC	82,900
7068	Community Development/Outreach & Volunteer Programs	on-going	PRC	102,600
7054	Late Night Recreation Program for Youth	on-going	PRC	46,700
7060	After School Programming - Newton	on-going	PRC	34,200
7062	Everyone Gets to Play - Newton & Guildford CLS	on-going	PRC	34,000
7063	Multilingual Facility Attendant - Newton	on-going	PRC	23,900
7065	Recreation Assistant to Support Youth Week	on-going	PRC	11,400
7070	Youth Engagement / Outreach	on-going	PRC	80,700
7071	First Steps Program - Early Childhood Development	on-going	PRC	25,000
7058	Social Planner	on-going	Plan	113,100
7073	Newton Pre-School Program/Seniors	on-going	PRC	52,600
7074	Pre-school Diversity Programs (North & South)	on-going	PRC	25,900
7075	City Centre Library Fri eve & Sunday Opening (1st 1/2)	on-going	SPL	76,000
7045	Volunteer Resources	on-going	PRC	26,500
7046	Guildford Support Staff	on-going	PRC	13,300
7047	One to One Support for Summer Day Camps	on-going	PRC	42,000
	City Centre Library Fri eve & Sunday Opening (2nd 1/2)	on-going	SPL	76,000
	Middle Years Programming	on-going	SPL	25,000
<b>NEW</b>	<b>Youth Librarian, Middle Years Outreach</b>	<b>On-going</b>	<b>SPL</b>	<b>27,000</b>
<b>NEW</b>	<b>Librarian, Social Media &amp; Virtual Services</b>	<b>On-going</b>	<b>SPL</b>	<b>27,000</b>
<b>NEW</b>	<b>Health Promotion&amp; Support Development Coordinator</b>	<b>On-going</b>	<b>PRC</b>	<b>40,000</b>
<b>NEW</b>	<b>Volunteer Support Programmer for Special Events</b>	<b>On-going</b>	<b>PRC</b>	<b>18,000</b>
<b>NEW</b>	<b>Senior's Forum and Outreach Programmer</b>	<b>On-going</b>	<b>PRC</b>	<b>30,000</b>
<b>NEW</b>	<b>Surrey Children's Festival - Make a Memory Program</b>	<b>On-going</b>	<b>PRC</b>	<b>10,000</b>
<b>NEW</b>	<b>Arts Volunteer Support</b>	<b>On-going</b>	<b>PRC</b>	<b>9,000</b>
<b>NEW</b>	<b>Outreach to New Canadians</b>	<b>On-going</b>	<b>PRC</b>	<b>15,000</b>
<b>Recommended Allocations for 2013</b>				<u><b>1,911,600</b></u>



**2013 - 2017 FINANCIAL PLAN**  
**GENERAL OPERATING - FINANCIAL SUMMARY**  
*(in thousands)*

<b>REVENUE SUMMARY</b>	<b>2013 BUDGET</b>	<b>2014 PLAN</b>	<b>2015 PLAN</b>	<b>2016 PLAN</b>	<b>2017 PLAN</b>
Taxation	\$251,660	\$ 264,328	\$ 277,613	\$ 291,624	\$ 306,241
Departmental Revenues	65,609	67,444	69,338	71,288	73,301
Investment Income	13,586	12,418	12,714	12,906	13,358
Build Surrey Program	14,064	18,764	22,894	25,364	26,888
Provincial Revenue Sharing re: Gaming	3,000	3,000	3,000	3,000	3,000
Corporate Lease Revenue	3,221	3,311	3,403	3,496	3,592
Penalties & Interest	3,400	3,500	3,600	3,700	3,800
Other Revenue	5,400	6,400	6,824	7,249	7,674
	<b>\$359,940</b>	<b>\$379,165</b>	<b>\$399,386</b>	<b>\$418,627</b>	<b>\$437,854</b>
<b>EXPENDITURE SUMMARY</b>					
Departmental Expenditures	\$309,289	\$ 321,905	\$ 336,106	\$ 351,402	\$ 367,469
Build Surrey Program	14,064	18,764	22,894	25,364	26,888
Council Priorities	5,981	6,543	7,106	7,668	8,230
Fiscal Services	946	967	1,021	1,063	1,110
Contribution to Capital	12,400	13,400	14,400	15,100	15,900
Net Tsf.To/(From) Surplus & Other Funds	21,259	21,581	21,849	22,017	22,236
	<b>\$363,939</b>	<b>\$383,160</b>	<b>\$403,376</b>	<b>\$422,614</b>	<b>\$441,833</b>
Surplus/(Deficit)	\$ (3,999)	\$ (3,995)	\$ (3,990)	\$ (3,987)	\$ (3,979)
Transfers (To)/From Surplus	3,999	3,995	3,990	3,987	3,979
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

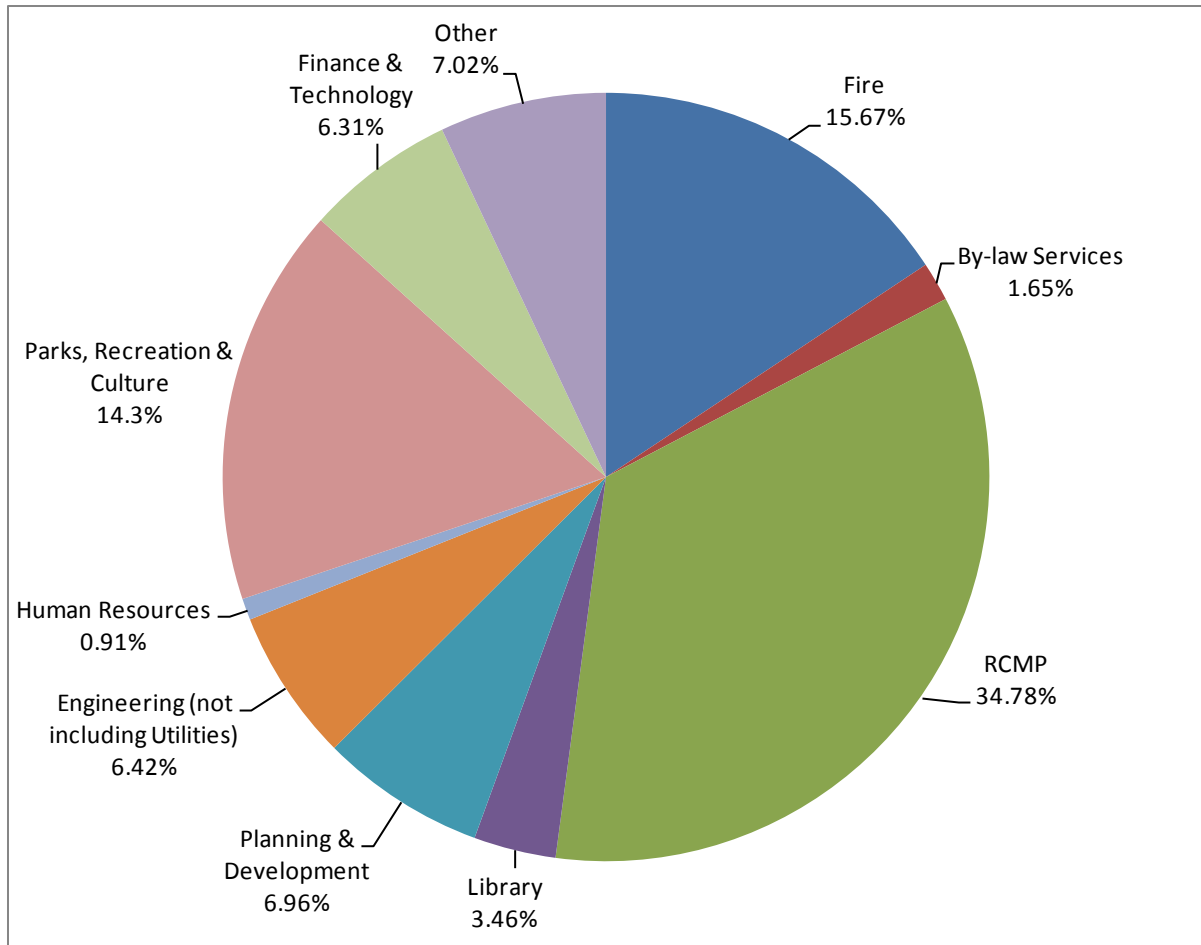
**2013 - 2017 FINANCIAL PLAN**  
**GENERAL OPERATING - REVENUE SUMMARY**  
*(in thousands)*

REVENUE SUMMARY	2013 BUDGET	2014 PLAN	2015 PLAN	2016 PLAN	2017 PLAN
<b>Taxation</b>					
Base Levy	\$225,318	\$ 237,215	\$ 249,066	\$ 261,407	\$ 274,448
Assessment Growth (City's Portion)	5,262	4,910	5,056	5,385	5,571
Property Tax Rate Increase	6,685	6,990	7,335	7,706	8,098
Provision for Adjustments	(50)	(50)	(50)	(50)	(50)
	<u>237,215</u>	<u>249,065</u>	<u>261,407</u>	<u>274,448</u>	<u>288,067</u>
Grants in Lieu	14,445	15,263	16,206	17,176	18,174
<b>Net Taxation</b>	<b>251,660</b>	<b>264,328</b>	<b>277,613</b>	<b>291,624</b>	<b>306,241</b>
<b>General Government</b>					
City Manager	7,721	7,952	8,190	8,435	8,688
Finance & Technology	1,449	1,487	1,526	1,566	1,608
Human Resources	11	11	11	11	11
	<u>9,181</u>	<u>9,450</u>	<u>9,727</u>	<u>10,012</u>	<u>10,307</u>
<b>Protection Services</b>					
Fire	1,519	1,564	1,610	1,657	1,705
RCMP	7,439	7,663	7,892	8,129	8,374
	<u>8,958</u>	<u>9,227</u>	<u>9,502</u>	<u>9,786</u>	<u>10,079</u>
<b>Other</b>					
Engineering Services	5,600	5,729	5,868	6,011	6,159
Parks, Recreation & Culture	21,985	22,606	23,245	23,903	24,581
Surrey Public Library	1,610	1,610	1,610	1,610	1,610
Planning & Development	18,275	18,822	19,386	19,966	20,565
	<u>47,470</u>	<u>48,767</u>	<u>50,109</u>	<u>51,490</u>	<u>52,915</u>
<b>Departmental Revenues</b>	<b>65,609</b>	<b>67,444</b>	<b>69,338</b>	<b>71,288</b>	<b>73,301</b>
<b>Investment Income</b>	<b>13,586</b>	<b>12,418</b>	<b>12,714</b>	<b>12,906</b>	<b>13,358</b>
<b>Build Surrey Program Revenue</b>					
Secondary Suite Infrastructure Fee	7,133	7,993	8,973	9,693	10,467
Contribution from SCDC	4,500	5,500	6,500	7,500	8,000
Gaming Revenue	1,500	1,800	3,000	3,750	4,000
Lease/Fee Revenue	671	2,721	2,721	2,721	2,721
Other Sources	260	750	1,700	1,700	1,700
	<u>14,064</u>	<u>18,764</u>	<u>22,894</u>	<u>25,364</u>	<u>26,888</u>
<b>Provincial Casino Revenue Sharing</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
Corporate Lease Revenue	3,221	3,311	3,403	3,496	3,592
Penalties & Interest	3,400	3,500	3,600	3,700	3,800
Carbon Tax Rebates	400	400	400	400	400
Cell Tower Licensing Fees	1,200	2,000	2,224	2,449	2,674
Digital Sign Revenue	1,800	2,000	2,200	2,400	2,600
Other	2,000	2,000	2,000	2,000	2,000
	<u>12,021</u>	<u>13,211</u>	<u>13,827</u>	<u>14,445</u>	<u>15,066</u>
	<u><b>\$359,940</b></u>	<u><b>\$379,165</b></u>	<u><b>\$399,386</b></u>	<u><b>\$418,627</b></u>	<u><b>\$437,854</b></u>

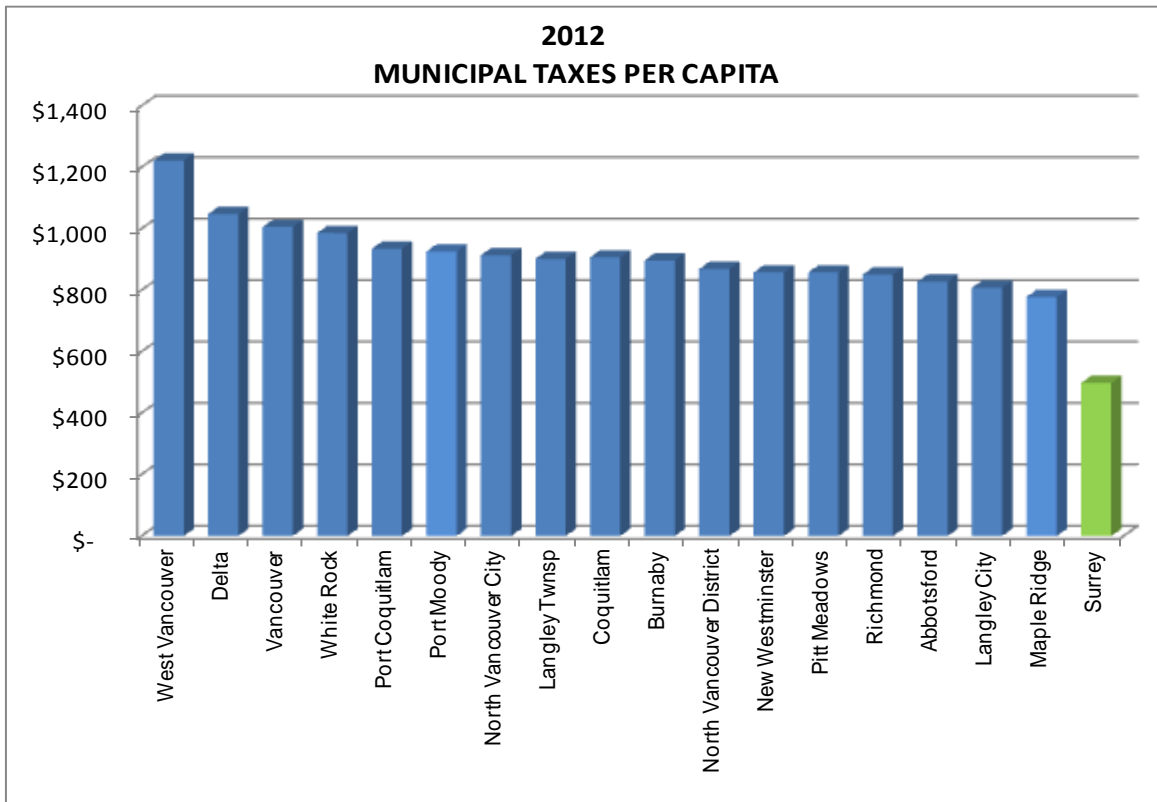
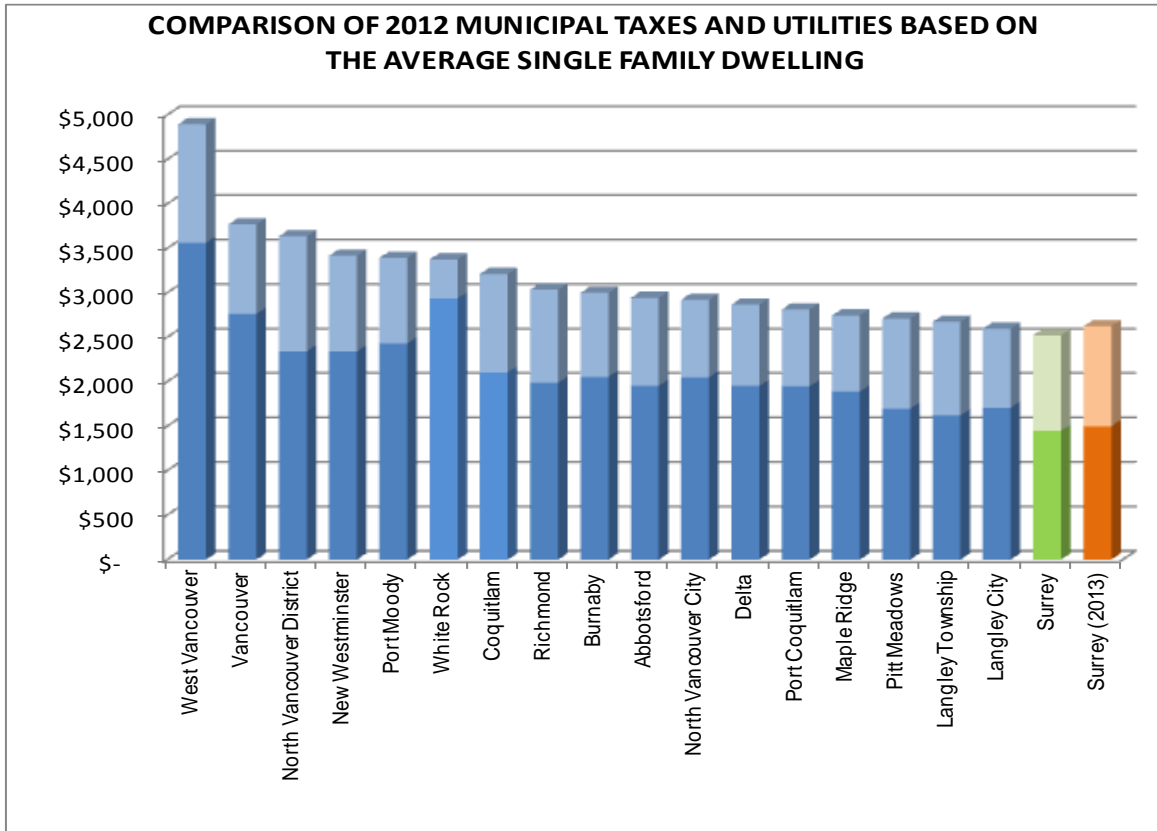
**2013 - 2017 FINANCIAL PLAN**  
**GENERAL OPERATING - EXPENDITURE SUMMARY**  
*(in thousands)*

EXPENDITURE SUMMARY	2013 BUDGET	2014 PLAN	2015 PLAN	2016 PLAN	2017 PLAN
<b>General Government</b>					
Mayor, Council & Grants	\$ 2,521	\$ 2,557	\$ 2,595	\$ 2,632	\$ 2,671
City Manager	11,875	13,045	12,920	13,439	14,603
Investment & Intergov. Relations	1,520	1,557	1,595	1,635	1,676
Finance & Technology	21,674	22,309	22,955	23,612	24,281
Human Resources	3,151	3,261	3,374	3,491	3,614
	<b>40,741</b>	<b>42,729</b>	<b>43,439</b>	<b>44,809</b>	<b>46,845</b>
<b>Protection Services</b>					
Fire	52,916	54,207	55,523	56,868	58,240
RCMP	118,685	125,067	134,394	144,068	151,655
	<b>171,601</b>	<b>179,274</b>	<b>189,917</b>	<b>200,936</b>	<b>209,895</b>
<b>Other</b>					
Engineering Services	5,244	5,714	5,942	6,179	8,534
Parks, Recreation & Culture	60,553	62,236	64,078	65,941	67,825
Surrey Public Library	11,993	12,419	12,858	13,309	13,771
Planning & Development	23,383	24,032	24,593	25,174	25,773
Utilities Administrative Recovery	(4,956)	(5,229)	(5,451)	(5,676)	(5,904)
Operating Contingency	730	730	730	730	730
	<b>96,947</b>	<b>99,902</b>	<b>102,750</b>	<b>105,657</b>	<b>110,729</b>
<b>Total Departmental Expenditures</b>	<b>309,289</b>	<b>321,905</b>	<b>336,106</b>	<b>351,402</b>	<b>367,469</b>
<b>Build Surrey</b>					
Annual Debt Repayment	10,136	12,128	15,807	16,848	16,917
Operating Costs for New Facilities	3,928	6,636	7,087	8,516	9,971
	<b>14,064</b>	<b>18,764</b>	<b>22,894</b>	<b>25,364</b>	<b>26,888</b>
<b>Council Priorities</b>					
Council Initiative Fund	250	250	250	250	250
Crime Reduction Strategy	300	300	300	300	300
City Beautification	3,084	3,486	3,889	4,291	4,693
Social Plan	1,912	2,062	2,212	2,362	2,512
Sustainability	250	260	270	280	290
Clean Energy Program	185	185	185	185	185
	<b>5,981</b>	<b>6,543</b>	<b>7,106</b>	<b>7,668</b>	<b>8,230</b>
<b>Fiscal Services</b>					
Fiscal Charges	407	434	474	502	534
Interest Paid on Prepaid Taxes	294	300	306	312	318
Internal Borrowing	245	233	241	249	258
	<b>946</b>	<b>967</b>	<b>1,021</b>	<b>1,063</b>	<b>1,110</b>
<b>Carbon Emission Offsets</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>
<b>Contributions to Capital</b>					
Contribution to Capital	9,400	10,400	11,400	12,100	12,900
Contribution Capital re: Gaming	3,000	3,000	3,000	3,000	3,000
	<b>12,400</b>	<b>13,400</b>	<b>14,400</b>	<b>15,100</b>	<b>15,900</b>
<b>Net Tsf. To/(From) Surplus &amp; Other</b>					
Roads & Transportation Fund	16,400	16,400	16,400	16,400	16,400
Solid Waste Fund	(1,000)	(900)	(800)	(700)	(600)
Transfers to Other Sources	5,459	5,681	5,849	5,917	6,036
	<b>20,859</b>	<b>21,181</b>	<b>21,449</b>	<b>21,617</b>	<b>21,836</b>
	<b>\$ 363,939</b>	<b>\$ 383,160</b>	<b>\$ 403,376</b>	<b>\$ 422,614</b>	<b>\$ 441,833</b>

### 2013 Budgeted General Operating Expenditures



APPENDIX C-1



APPENDIX C-2

